

REGIONAL DISTRICT OF NANAIMO

**REGULAR BOARD MEETING
TUESDAY, AUGUST 23, 2016
7:00 PM**

*(RDN Board Chambers)
RDN meetings may be recorded*

A G E N D A

1. CALL TO ORDER

2. DELEGATIONS

- 3 **Line Robert, Island Coastal Economic Trust**, re Status Report and Outline of Funds Available.
- 4-12 **Roy Alexander, San Pariel Owners and Residents Association**, re Support for Developing a San Pariel Community Neighborhood Plan.

3. BOARD MINUTES

- 13-24 Minutes of the Regular Board meeting held Tuesday, July 26, 2016 (All Directors – One Vote).

That the minutes of the Regular Board meeting held Tuesday, July 26, 2016 be adopted.

4. BUSINESS ARISING FROM THE MINUTES

5. COMMUNICATIONS/CORRESPONDENCE

(All Directors – One Vote)

- 25-26 **Doug Anastos, Telus**, re Request from the Regional District of Nanaimo to Commence a Dispute Resolution Process for a Telecommunications Tower.
- 27 **Leonard F. Bradley**, re Commendation to staff of the Recreation and Parks Office.
- 28-29 **John Adams, Cook Roberts LLP**, re 2954 Canyon Road, Electoral Area 'A'.
- 30-56 **Colin Stewart and Kathryn Stuart, Stewart McDannold Stuart**, July - August 2016 Correspondence re 2954 Canyon Road, Electoral Area 'A'.

6. UNFINISHED BUSINESS

7.5 SCHEDULED STANDING, ADVISORY, AND SELECT COMMITTEES

57-58 **Emergency Management Select Committee** (All Directors – One Vote).

That the minutes of the Emergency Management Select Committee meeting held Monday, July 25, 2016 be received for information.

8. ADMINISTRATOR'S REPORTS

59-68 **2954 Canyon Road, Electoral Area 'A' - Hazardous and Dilapidated Property** (All Directors – One Vote).

Property Owner wishing to speak to 2954 Canyon Road, Electoral Area 'A' - Hazardous and Dilapidated Property.

69-70 **Qualicum First Nation Cooperation Protocol Working Group** (All Directors – One Vote).

71-73 **Release of Funds from the Gabriola Island Recreation Service Reserve Fund to Gabriola Recreation Society** (All Directors – One Vote).

74-76 **Green's Landing Wharf Reserve Fund Establishment Bylaw No. 1748** (All Directors – One Vote).

77-89 **To Introduce Community Sewer Amendment Bylaws Nos. 888.07 and 889.72** (All Directors – One Vote).

90-92 **Westerne Heights Water Service Area - Transfer of Ownership to the RDN** (All Directors – Weighted Vote).

93-98 **Nanoose Bylaw Peninsula Water Service Area Capital Improvements - Security Issuing Bylaw No. 1750** (Recommendation 1: All Directors – Weighted Vote; Recommendation 2: All Directors – 2/3 Weighted Vote).

9. ADDENDUM

10. BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

11. NEW BUSINESS

12. IN CAMERA

That pursuant to sections 90 (1) (a), (c), (e) and (i) of the Community Charter the Board proceed to an In Camera Meeting for discussions related to Board appointments, labour relations, land acquisition and solicitor-client privilege.

13. ADJOURNMENT

Delegation: Line Robert, Island Coastal Economic Trust, re Status Report and Outline of Funding Programs Available.

Summary: ICET was created by the Government of BC in 2006, with a \$50 million allocation to help diversity the economies of central and northern Vancouver Island and the Sunshine Coast. The Trust uses its funds to leverage partnerships, investments and opportunities for the region and makes strategic investments in targeted sectors to spark new and sustainable regional economic growth. Line Robert, CEO will give a status report on the work of ICET in the Nanaimo Regional District region and outline the ICET funding programs that are available.

Delegation: Roy Alexander, San Paniel Owners and Residents Association, re Support for Developing a San Paniel Community Neighborhood Plan.

Summary: Presentation to cover concerns raised by residents attending at our July 18th, 2016 annual meeting and subsequent announcements made public via the press impacting our Rural Residential area of San Paniel. Including:

- Continuing (since 2011) press releases and promotions by City of Parksville suggesting a bridge landing in Area G with minimal information and lack of inclusion of those affected.
- Concerns that the integrity and the spirit of the Growth Containment Boundaries ratified by all jurisdictions are weakened by ignoring key principles and the wishes of rural residential areas to not be impacted by urban sprawl.
- Concerns that the RDN Consultation guidelines and Regional Trail development are followed by all signators in both principle and practice.
- Concerns that Provincial funds may be sought for projects in Area G - San Paniel that are unrequested locally and divert from needed highway safety improvements that would benefit citizens of all adjacent communities at risk, as well as the many visitors that travel through the region.

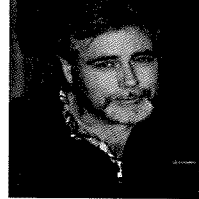
In summary, the delegation does not seek the board to tackle or comment on these specific issues or debate the merits of one jurisdiction’s position on their internal planning. We feel the productive way to deal with these issues is for the RDN to participate with SPORA in developing a modest and inclusive long term San Paniel Community Neighborhood Plan that adheres to the over-arching principles developed by the RDN that have been developed over the last two decades. Such a plan would anticipate outside growth and urban pressures and allow residents to consider methods to mitigate these impacts.

Accordingly we specifically request:

Request that the Board ask RDN staff to assist our Board in conjunction with our Area G representative, Joe Stanhope, by preparing a preliminary outline of procedures, estimate of staff time required, and typical timeline for such a plan to be implemented.

Roy Alexander

PRESENTER TO RDN BOARD August 23rd,2016
Shorewood-SanPariel Owners and Residents Association



Roy Alexander has been a resident of San Pariel in Area G of the RDN since 1984 and serves on the Board of the San Pariel –Shorewood Owners and Residents Association.(SPORA). Roy has a career spanning four decades in BC's Coastal Fishing Industry and years of experience negotiating community planning and economic development initiatives using inclusive consensus based processes. Beginning as a troll fisherman on the West Coast of Vancouver Island, Roy has owned several large, off-shore vessels and designed, built and operated a number of successful seafood plants on Vancouver Island while serving as the President of the Vancouver Island Seafood Buyers Association for over a decade.

In the 1970s he served on the Ucluelet Harbor Advisory Planning Commission and co-authored a report with ex-MP John Duncan that successfully brought about extensive harbor improvements in the inner boat basin to Vancouver Island's second largest landing port .The improvements greatly benefited tourism, recreational users and commercial fishermen alike while ensuring public access was protected for future generations. Roy has continued to serve currently on the Harbor Advisory board to the Village of Ucluelet.

Roy's designs of marine wharves and ice plants have been implemented in communities across Vancouver Island in Ucluelet, Tofino, Zeballos, Beaver Cove, and Port Hardy as well as the in the U.S.. His innovative safety designs were recognized by a special award presented from the Workers Compensation Board of BC for improving safety of ice plant workers.

In recent years Roy and his wife, Karen have negotiated agreements and business planning initiatives bringing in substantial funding to coastal communities, as well as organizing marine training for hundreds of fishermen under federal funding programs. Roy also has been working with community advocates on Tsunami and disaster individual preparedness suited to small coastal communities as an unpaid volunteer.

As well as participating on many other advisory organizations and forums, he also served for fifteen years on the Southern Panel of the Pacific Salmon Commission. He was then asked to serve as a representative to the "National Round Table on the Environment and the Economy", advising the Prime Minister on consensus building processes in communities across Canada. The guidelines and principles developed from these collaborative deliberations (*Building Consensus for a Sustainable Future-Guiding Principles August , 1993*) are referenced by many communities and regional and federal consultative processes to this day.

Roy resides on Sabine Road in San Pariel with his wife Karen and has three children; Michael, Leanne, and Jody as well as a granddaughter, Mikinna and new grandson Xavier.

Appendix A
Rathfriland Greenway
Rathfriland Park to Neribus Lane





LEGEND

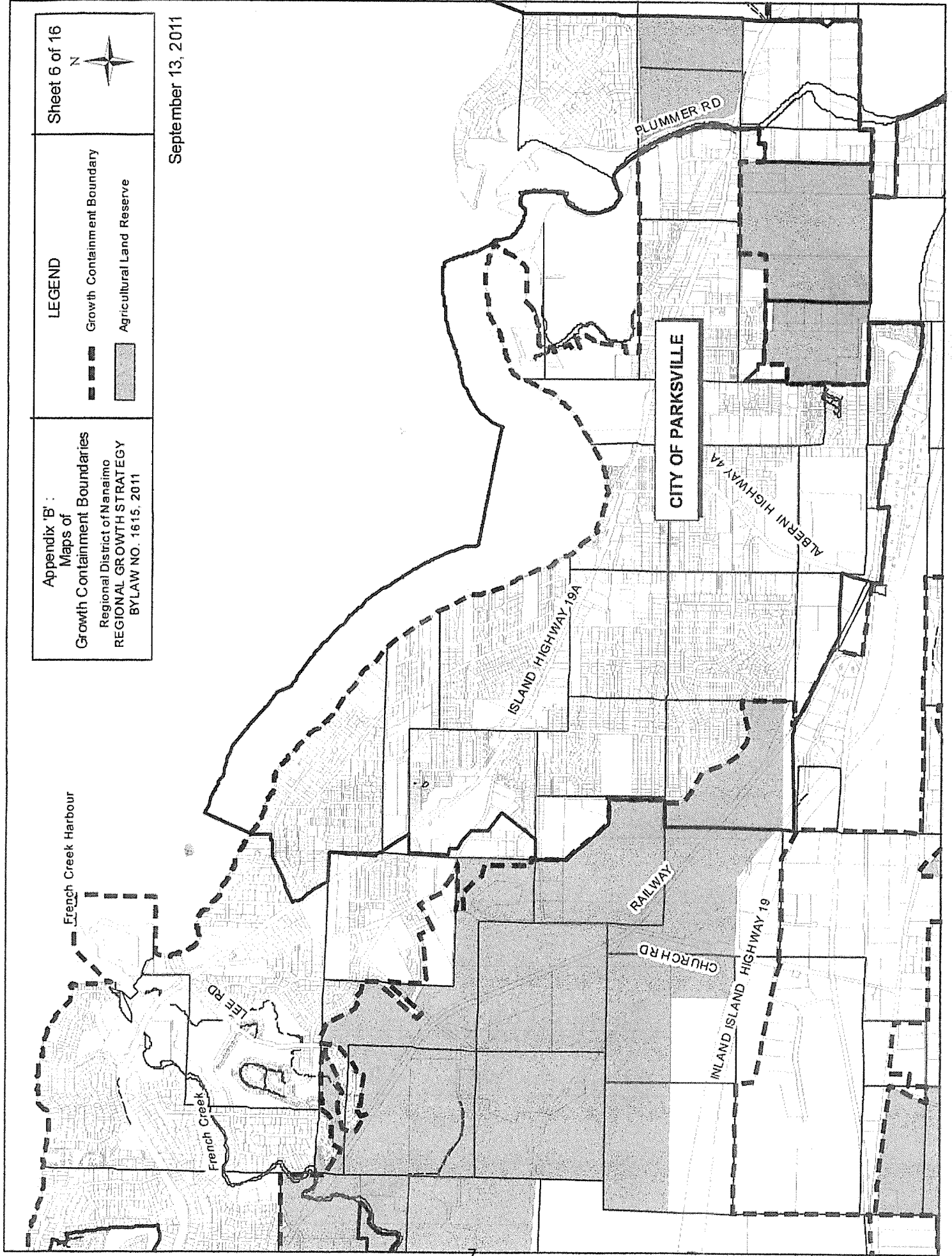
Growth Containment Boundary

Agricultural Land Reserve



Appendix 'B':
Maps of
Growth Containment Boundaries
Regional District of Nanaimo
REGIONAL GROWTH STRATEGY
BYLAW NO. 1615, 2011

September 13, 2011



3.0 - Containing Urban Sprawl

The policies of this section work towards Goal 1 of the Regional Growth Strategy by defining the community's intentions and priorities with respect to urban containment through the confirmation of a well-defined urban containment boundary.

3.1 *Urban Containment Boundary*

In recognition of the community's value of managing growth and change in land use and activity or development in Electoral Area 'G', and the region's goal of containing urban sprawl, the Electoral Area 'G' OCP contains an Urban Containment Boundary in French Creek which distinguishes the predominant rural land base of Electoral Area 'G' from the urban areas within French Creek. The majority of new residential, commercial, tourist-related, and public uses will be accommodated within the urban areas.

The Urban Containment Boundary (UCB) and associated policies in this Plan will be used to identify those areas within the community where the majority of new growth is expected, and where additional growth will not be provided for. With the exception of the proposed expansion to the Wembley Neighbourhood Centre, the policies in this Plan are consistent with the Urban Containment Boundary in the Regional Growth Strategy. A framework is established for protecting the integrity of rural areas and existing neighbourhoods, and for 'nodal' development to guide the form and character of future growth in urban areas within Electoral Area 'G'. The boundary is used to identify the limits of urban-type services, which will have an affect on the character of growth, by establishing definitive borders between the urban and the more predominant rural land base in Electoral Area 'G'.

The UCB is a key element within the Plan which advances the Plan's goals of protecting the rural character of the Plan Area, protecting the natural environment, and managing growth and change in land use in Electoral Area 'G'.

Objectives:

1. Provide clear separation between rural and urban lands.
2. Restrict future growth outside of the Urban Containment Boundary.
3. Protect and enhance rural and neighbourhood residential lifestyles.
4. Provide appropriate transition and clear separation between rural and urban lands.
5. Ensure that future growth does not result in urban sprawl.

Policies:

1. The Urban Containment Boundary is identified on Map No. 3 (Land Use Designations) of this Plan and is consistent with the Urban Containment Boundary in the Regional Growth strategy, as adopted by the Regional Board.
2. Notwithstanding Policy No. 1 above, this Plan proposes to expand the Wembley Neighbourhood Centre in accordance with Section 4.1 of this Plan. The proposed expansion is not consistent with the current Urban Containment Boundary and will therefore require an amendment to the Urban Containment Boundary.

Bridging the gaps

Provincial government doesn't like the city's plan

JOHN HARDING
editor@pqbnews.com

If there is going to be a trail linking two popular Parksville parks, it seems the governments involved have a lot of hurdles to overcome.

A story on the front page of *The NEWS* Thursday reviving a plan to link Parksville Community Park with Rathrevor Provincial Park has at least one San Parel resident upset. He pointed *The NEWS* to a provincial government official, who said this week the province made it "absolutely clear" in 2012 the city's preferred route for a walking/cycling bridge over the Englishman River was a non-starter.

The plan, still in its infancy, calls for a bridge over the Englishman from city-owned land near the end of Shelly Street to Plummer Road, which is in San Parel, a neighbourhood that's part of the Regional District of Nanaimo (RDN), but wedged between portions of city land.

"I'm not sure anyone is going to authorize a bridge down there," said Ron Diederichs, a department section head with the provincial Ministry of Forests, Lands and Natural Resources. "They (the city) have no place to land the bridge on the other side."

Landing area is private

CONTINUED FROM PAGE A1

Diederichs said the ministry made a suggestion to the city to use the existing roadways, the Orange Bridge and Pioneer Avenue to link the parks.

"That's what has been suggested to them," he said.

Much of the land near the Englishman River estuary — the major natural divider between the parks — is owned by the Nature Trust of B.C. but leased to the Ministry of Forests, which has staff and legislation at its command if there are concerns about illegal dumping, camping, etc.

The area where the city wants to cross the Englishman is upstream of the estuary and would not land on Nature's Trust property, said former Parksville mayor Chris Burger, long an advocate of linking the parks.

The area of Plummer Road where the bridge

would land is private property under the jurisdiction of the RDN, not the Nature's Trust or the ministry, said Burger. It's possible a deal could be worked out with private land owners on Plummer to go through their land right to the park, he said.

What are they afraid of, people walking on a public road?
CHRIS BURGER

If no direct route is worked out, pedestrians and cyclists would cross the river from Parksville and then walk/cycle the public roadways of San Parel to that neighbourhood's entrance of Rathrevor.

Burger said he would prefer to see more of a "green" route, but the roadways option through San Parel remains in play. He also expressed little sympathy for San Parel residents who might be opposed to the increase of cyclists and pedestrians on their roads.

"What are they afraid of, people walking on a public road?" said Burger.

PBQ News Headline August 4th/2016

Appendix "D"

LETTERS

QUOTABLE:

"What are they afraid of, people walking on a public road?"

CHRIS BURGER, see story page A1

WATERFRONT TRAILS NEED MORE PUBLIC CONSULTATION

ment. It would be a real bonus if it included a cycling as well as a walking trail.

The RDN's decision is irresponsible — and may just be illegal.

SUSAN BLACKLIN

NICOLE BABTON

PROPOSAL IN EARLY STAGES

Trail will link popular parks

Public input likely sought this fall with work possibly starting in 2017

JOHN HARDING
editor@pqnews.com

The public may soon get a look at a plan to link Rathrevor Provincial Park to Parksville Community Park with a biking and walking trail. A city official said this week, if all goes well, preliminary design plans for the long-discussed project could be ready for public input in the fall and construction could start in 2017. That would mean open houses for residents of both the city and the Regional District of Nanaimo's San Paniel neighbourhood before the winter, said Parksville's director of engineering Vaughn Figueira.

It would be fantastic to bike or walk right along the Nature's Trust property, over the (Englishman) river and right to the park.

VAUGHN FIGUEIRA

plan yet, said Figueira.

"We want to get a preliminary design first," he said.

The project will have to get input, and approval, from governments at the municipal (Parksville and the RDN), provincial (Ministry of Highways) and federal (Department of Fisheries and Oceans) levels.

The City of Parksville has been talking about this project for many years. In fact, it has been doing more than talking. The city bought land near the end of Shelly Road on the shores of the river in anticipation of that area being the location of a river crossing for the trail. Former Mayor Chris Burger took *The NEWS* on a tour of that land and discussed the plans in 2013.

The city has also been looking past Community Park with an eye to eventually developing a trail along the waterfront that would stretch the length of the city's marine boundary, roughly from the Englishman River to French Creek.

Whenever there is development on land close to the ocean, the city has been taking a portion — developers must designate a part of the project as park — in strips of land closest to the high-tide mark.

Appendix "E" SPORA Delegation

PBQ News Headline

July 28/ 2016

Public to be engaged soon

CONTINUED FROM PAGE A1

While there are many jurisdictional, financial and engineering challenges ahead for the Rathrevor-to-Community Park plan, the biggest hurdle may be crossing the Englishman River.

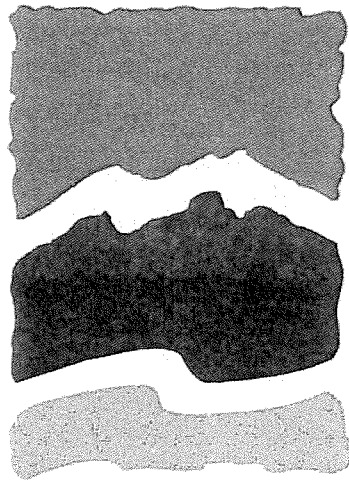
"The estuary is too (sensitive environmentally) to even think about crossing there," so any bridge would have to go over the river upstream and likely connect to Plummer Road in San Paniel, a roadway under the responsibility of the

provincial government's Ministry of Highways, said Figueira.

"But before we can even think about all that we have to meet with Parksville residents and San Paniel residents," he said.

Another potential challenge will be the routing between the river and Community Park where there is privately-owned land, said Figueira.

Appendix : " F" SPORA



REGIONAL
DISTRICT
OF NANAIMO

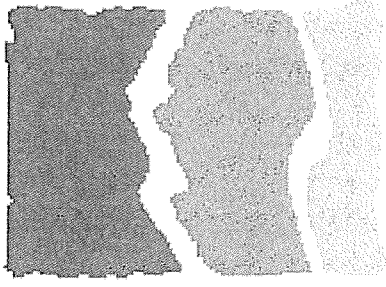
A COORDINATED
PUBLIC
CONSULTATION/COMMUNICATION
FRAMEWORK

2008

*EFFECTIVE
DATE OCT 10/2000*

REVISED JUNE 2/2008

Appendix "G" SPORA presentation



Regional District of Nanaimo

REGIONAL PARKS & TRAILS PLAN 2005 - 2015

REGIONAL DISTRICT OF NANAIMO
MINUTES OF THE REGULAR BOARD MEETING
OF THE REGIONAL DISTRICT OF NANAIMO HELD ON
TUESDAY, JULY 26, 2016 AT 7:00 PM IN THE
RDN BOARD CHAMBERS

In Attendance:

Director W. Veenhof	Chairperson
Director C. Haime	Deputy Chairperson
Director A. McPherson	Electoral Area A
Director H. Houle	Electoral Area B
Director M. Young	Electoral Area C
Director B. Rogers	Electoral Area E
Director J. Fell	Electoral Area F
Director J. Stanhope	Electoral Area G
Director B. McKay	City of Nanaimo
Director B. Bestwick	City of Nanaimo
Director J. Kipp	City of Nanaimo
Alternate	
Director D. Brennan	City of Nanaimo
Director I. Thorpe	City of Nanaimo
Director B. Yoachim	City of Nanaimo
Director M. Lefebvre	City of Parksville
Director T. Westbroek	Town of Qualicum Beach

Regrets:

Director J. Hong	City of Nanaimo
Director W. Pratt	City of Nanaimo

Also in Attendance:

D. Trudeau	Interim Chief Administrative Officer
R. Alexander	Gen. Mgr. Regional & Community Utilities & Solid Waste
G. Garbutt	Gen. Mgr. Strategic & Community Development
T. Osborne	Gen. Mgr. Recreation & Parks
J. Harrison	Director of Corporate Services
W. Idema	Director of Finance
M. O'Halloran	A/Mgr. Administrative Services
C. Golding	Recording Secretary
B. Ritter	Recording Secretary

CALL TO ORDER

The Chairperson called the meeting to order and respectfully acknowledged the Coast Salish Nations on whose traditional territory the meeting took place.

The Chairperson welcomed Alternate Director Brennan to the meeting.

DELEGATIONS

Phil Dyke, Lighthouse Country Marine Rescue Society, re Report on Activities and Use of Funds.

Phil Dyke provided a history of the society and an overview of the services the Lighthouse Country Marine Rescue Society has provided to the community over the past year and thanked the Board for their continuing annual support.

John Kimantas, BC Marine Trails Network Association, re Proposed Salish Sea Marine Trail Blueway.

John Kimantas advised the Board of a proposal for the creation of the Salish Sea Marine Trail blueway, a 275 km addition to the Trans Canada Trail through the region which will link Vancouver Island to the Mainland and asked for a letter of recommendation from the Board supporting the project.

BOARD MINUTES

Minutes of the Regular Board meeting held Tuesday, June 28, 2016.

- 16-499 MOVED Director Lefebvre, SECONDED Director Stanhope, that the minutes of the Regular Board meeting held Tuesday, June 28, 2016 be adopted.

CARRIED

BUSINESS ARISING FROM THE MINUTES

Arrowsmith Search and Rescue – Request to Build an Addition to existing SAR Hall.

- 16-500 MOVED Director Fell, SECONDED Director Young, that staff be directed to review options and implications for the fire department regarding the request from Arrowsmith Search and Rescue to construct an addition to their portion of the building on the parcel shared with the Coombs-Hilliers Volunteer Fire Department.

CARRIED

COMMUNICATION/CORRESPONDENCE

Selina Robinson, MLA, Coquitlam-Maillardville, re UBCM Convention September 26-30.

- 16-501 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from Selina Robinson, MLA, Coquitlam-Maillardville, regarding the Union of BC Municipalities Convention September 26-30 be received.

CARRIED

Sheila Gurrie, City of Nanaimo, re E&N Trail – Downtown South Alignment Study.

- 16-502 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from Sheila Gurrie, City of Nanaimo, regarding the E&N Trail – Downtown South Alignment Study be received.

CARRIED

Peter Fassbender, Minister of Community, Sport and Cultural Development, re Unconditional Grant Funding Letter – June 2016 Payment.

- 16-503 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from Peter Fassbender, Minister of Community, Sport and Cultural Development, regarding Unconditional Grant Funding Letter – June 2016 Payment be received.

CARRIED

Canadian Wildlife Service re Critical Habitat for Two Endangered Bat Species.

- 16-504 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from the Canadian Wildlife Service regarding critical habitat for two endangered bat species be received.

CARRIED

Garry Hein, Cranberry Fire Protection Improvement District, re Application for \$145,987 from Community Works Funding.

- 16-505 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from Garry Hein, Cranberry Fire Protection Improvement District, regarding application for \$145,987 from Community Works Funding be received.

CARRIED

Joelle Green, re Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road – Electoral Area 'A'.

- 16-506 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from Joelle Green regarding Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road, Electoral Area 'A', be received.

CARRIED

James and Kim Bennett, re Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road – Electoral Area 'A'.

- 16-507 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from James and Kim Bennett regarding Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road, Electoral Area 'A', be received.

CARRIED

Dick Higgins, re Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road – Electoral Area 'A'.

- 16-508 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from Dick Higgins regarding Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road, Electoral Area 'A', be received.

CARRIED

David and Rita Mellard, re Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road – Electoral Area 'A'.

- 16-509 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from David and Rita Mellard regarding Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road, Electoral Area 'A', be received.

CARRIED

Deborah Blum, re Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road – Electoral Area 'A'.

- 16-510 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from Deborah Blum regarding Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road, Electoral Area 'A', be received.

CARRIED

Ben Hyman, re Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road – Electoral Area 'A'.

- 16-511 MOVED Director Stanhope, SECONDED Director Lefebvre, that the correspondence from Ben Hyman regarding Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road, Electoral Area 'A', be received.

CARRIED

UNFINISHED BUSINESS

A Bylaw to Amend the Requisition Limit for the Southern Community Search and Rescue Contribution Service – Bylaw No. 1552.02.

- 16-512 MOVED Director Lefebvre, SECONDED Director McPherson, that “Southern Community Search and Rescue Contribution Service Amendment Bylaw No. 1552.02, 2016” 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, July 12, 2016.

- 16-513 MOVED Director Stanhope, SECONDED Director Lefebvre, that the minutes of the Electoral Area Planning Committee meeting held Tuesday, July 12, 2016 be received for information.

CARRIED

DEVELOPMENT PERMIT

Development Permit Application No. PL2016-052 – 1675 Timberjack Place – Electoral Area 'E'.

- 16-514 MOVED Director Rogers, SECONDED Director Young, that the Board approve Development Permit No. PL2016-052 to amend Development Permit with Variance No. 60804 to allow the release of a Section 219 covenant and the removal of a previously defined buildable site area on the subject property, subject to the conditions outlined in Attachments 2 to 3 and subject to clarification from the proponent regarding the information provided by the previous delegation.

CARRIED

Development Permit Application No. PL2016-092 – 796 Mariner Way – Electoral Area 'G'.

- 16-515 MOVED Director Stanhope, SECONDED Director Fell, that the Board approve Development Permit No. PL2016-092 to permit a proposed addition to an existing dwelling within the Hazard Lands Development Permit Area subject to the conditions outlined in Attachments 2 to 4.

CARRIED

DEVELOPMENT VARIANCE PERMIT

Development Variance Permit Application No. PL2016-098 – Electoral Area ‘A’.

- 16-516 MOVED Director McPherson, SECONDED Director Young, that the Board approve Development Variance Permit No. PL2016-098 to reduce the minimum required front and other lot line setback requirements to permit the construction of two community kiosk structures, subject to the conditions outlined in Attachments 2 to 4.

CARRIED

Development Variance Permit Application No. PL2016-099 – 3189 Northwest Bay Road – Electoral Area 'E'.

- 16-517 MOVED Director Rogers, SECONDED Director Stanhope, that the Board approve Development Variance Permit No. PL2016-099 to increase the accessory building height to permit two accessory buildings subject to the terms and conditions outlined in Attachments 2 and 3 as amended to replace references to “showroom” with “home office” and to include the following additional conditions of approval:

5. Home based business uses shall be conducted in compliance with the applicable Home Based Business regulations.
6. The property owner is to obtain a valid access permit from the Ministry of Transportation and Infrastructure as necessary prior to the issuance of the permit.

CARRIED

DEVELOPMENT PERMIT WITH VARIANCE

Development Permit with Variance Application No. PL2016-089 – 1954 Shasta Road – Electoral Area 'A'.

Deborah Blum emphasized her views, as stated in her correspondence, for continued access at high tide along the beach.

Chris Zamora, Aquaparian Environmental Consulting Ltd., spoke in favor of the application.

David Wallace, J.E. Anderson & Associates, spoke in favor of the application.

- 16-518 MOVED Director McPherson, SECONDED Director Rogers, that the Board approve Development Permit with Variance No. PL2016-089 to permit a shoreline revetment subject to the conditions outlined in Attachments 2 to 3 with condition of approval No. 7 amended as follows: The applicant will construct a safe and appropriate public beach access along the portion of the revetment in the unconstructed road right-of-way, consistent with the recommendations in the Shoreline Erosion Protection Assessment prepared by Simpson Geotechnical Ltd., dated April 12, 2016, revised June 22, 2016 and to the satisfaction of Regional District of Nanaimo, Manager of Parks Services.

CARRIED

Development Permit with Variance Application No. PL2015-149 – 6383 Island Highway West – Electoral Area ‘H’.

- 16-519 MOVED Director Stanhope, SECONDED Director Rogers, that the Board approve Development Permit with Variance No. PL2015-149 to permit the development of four camping spaces subject to the conditions outlined in Attachment 2.

CARRIED

OTHER

Development Permit Application No. PL2016-102 and Request for Relaxation of the Minimum 10% Perimeter Frontage Requirement in Relation to Subdivision Application No. PL2016-050, Electoral Area 'F'.

- 16-520 MOVED Director Fell, SECONDED Director Young, that the Board approve Development Permit No. PL2016-102 to permit the creation of a seven lot subdivision including the request to relax the minimum 10% perimeter frontage requirements for proposed Lots 2, 3, 4, and 5 in relation to Subdivision Application No. PL2016-050.

CARRIED

COMMITTEE OF THE WHOLE STANDING COMMITTEE

Minutes of the Committee of the Whole meeting held Tuesday, July 12, 2016.

- 16-521 MOVED Director Houle, SECONDED Director Stanhope, that the minutes of the Committee of the Whole meeting held Tuesday, July 12, 2016 be received for information

CARRIED

COMMUNICATION/CORRESPONDENCE

Joe Murphy, Island Health, re Regional District of Nanaimo's endorsement of social procurement and request regarding local food procurement.

- 16-522 MOVED Director Lefebvre, SECONDED Director Thorpe, that the correspondence from Joe Murphy, Island Health, regarding the Regional District of Nanaimo's endorsement of social procurement and request regarding local food procurement be received.

CARRIED

Chair Al Richmond, President, UBCM, re Provincial Response to 2015 Resolution – Land Title Fees.

- 16-523 MOVED Director Lefebvre, SECONDED Director Thorpe, that the correspondence from Chair Al Richmond, President, Union of BC Municipalities, regarding Provincial response to 2015 resolution – Land Title Fees be received.

CARRIED

Chair Al Richmond, President, UBCM, re Provincial Response to 2015 Resolution – Regional District Charter.

- 16-524 MOVED Director Lefebvre, SECONDED Director Thorpe, that the correspondence from Chair Al Richmond, President, Union of BC Municipalities, regarding Provincial response to 2015 resolution – Regional District Charter be received.

CARRIED

Eve Flynn, Board Chair, Board of Education, School District No. 69 (Qualicum), re Application for Community Works Funds.

- 16-525 MOVED Director Lefebvre, SECONDED Director Thorpe, that the correspondence from Eve Flynn, Board Chair, Board of Education, School District No. 69 (Qualicum), regarding application for Community Works Funds be received.

CARRIED

CORPORATE SERVICES

Electoral Area Caucus.

- 16-526 MOVED Director McPherson, SECONDED Director Fell, that Electoral Area Directors meet for an informal supper with the Chief Administrative Officer on a monthly basis or as determined by the Chair.
CARRIED
- 16-527 MOVED Director McPherson, SECONDED Director Fell, that an Electoral Area Services Committee be established as a Standing Committee of the Board.
CARRIED
- 16-528 MOVED Director McPherson, SECONDED Director Fell, that the topics of discussion at the "Electoral Area Services Committee" include:
- Current Planning Approvals and Long Range Planning
 - Community Parks
 - Emergency Preparedness
 - Fire Protection
 - Bylaw Enforcement
 - Building Inspection
 - Other matters relating to Electoral Areas only
- CARRIED
- 16-529 MOVED Director McPherson, SECONDED Director Fell, that staff be directed to prepare a report on the options for delegation of authority to the Electoral Area Services Committee.
CARRIED

UNFINISHED BUSINESS

Annual Special Electoral Area Planning Committee and Town Hall Meetings in Electoral Areas.

- 16-530 MOVED Director Houle, SECONDED Director Young, that a joint Special Electoral Area Services Committee and Town Hall meeting be held periodically in each Electoral Area that participates in the Community Planning Function (all Electoral Areas except for 'B') and that a Town Hall meeting be held periodically in Electoral Area 'B'.
CARRIED
- 16-531 MOVED Director Houle, SECONDED Director Young, that any future Town Hall meetings be scheduled through a Board motion.
CARRIED

ADMINISTRATIVE SERVICES

A Bylaw to Secure Long Term Debt for the City of Parksville Water Intake and Treatment Plant Construction Project.

- 16-532 MOVED Director Lefebvre, SECONDED Director Westbroek, that the Board consent to the borrowing of \$5,600,000 from the Municipal Finance Authority of British Columbia over a 25-year term for the purpose of funding construction of the City of Parksville's water intake and treatment plant, related equipment and ancillary services.
CARRIED

16-533 MOVED Director Lefebvre, SECONDED Director Westbroek, that "Regional District of Nanaimo Security Issuing (City of Parksville) Bylaw No. 1745, 2016" be introduced and read three times.

CARRIED

16-534 MOVED Director Lefebvre, SECONDED Director Westbroek, that "Regional District of Nanaimo Security Issuing (City of Parksville) Bylaw No. 1745, 2016" be adopted.

CARRIED

FINANCE

Southern Community Wastewater Marine Outfall Replacement – Security Issuing Bylaw No. 1742.

16-535 MOVED Director Yoachim, SECONDED Director Brennan, that Regional District of Nanaimo "Southern Community Sewer Local Service Capital Improvements Security Issuing Bylaw No. 1742, 2016", be introduced and read three times.

CARRIED

16-536 MOVED Director Yoachim, SECONDED Director Brennan, that Regional District of Nanaimo "Southern Community Sewer Local Service Capital Improvements Security Issuing Bylaw No. 1742, 2016", be adopted.

CARRIED

Coombs-Hilliars Fire Services Operational Bylaw No. 1744.

16-537 MOVED Director Fell, SECONDED Director Lefebvre, that "Coombs-Hilliars Fire Protection Service Operations Bylaw No. 1744, 2016" be introduced and read three times.

CARRIED

16-538 MOVED Director Fell, SECONDED Director Kipp, that "Coombs-Hilliars Fire Protection Service Operations Bylaw No. 1744, 2016" be adopted.

CARRIED

Report on use of Development Cost Charges in 2015 and to Authorize Expenditure of Development Cost Charge Funds in 2016.

16-539 MOVED Director Lefebvre, SECONDED Director Westbroek, that the report on Development Cost Charges used in 2015 provided under Section 569 of the *Local Government Act* be received for information.

CARRIED

16-540 MOVED Director Lefebvre, SECONDED Director Westbroek, that "Northern Community Sewer Service Area Development Cost Charge Reserve Fund Expenditure Bylaw No. 1746, 2016" be introduced and read three times.

CARRIED

16-541 MOVED Director Lefebvre, SECONDED Director Westbroek, that "Northern Community Sewer Service Area Development Cost Charge Reserve Fund Expenditure Bylaw No. 1746, 2016" be adopted.

CARRIED

16-542 MOVED Director Houle, SECONDED Director Thorpe, that "Nanoose Bay Bulk Water Service Area Development Cost Charge Reserve Fund Expenditure Bylaw No. 1747, 2016" be introduced and read three times.

CARRIED

- 16-543 MOVED Director Rogers, SECONDED Director Houle, that "Nanoose Bay Bulk Water Service Area Development Cost Charge Reserve Fund Expenditure Bylaw No. 1747, 2016" be adopted.

CARRIED

STRATEGIC AND COMMUNITY DEVELOPMENT

LONG RANGE PLANNING

Regional Growth Strategy Bylaw 1615.01, 2016 – Minor Amendment Criteria.

- 16-544 MOVED Director Lefebvre, SECONDED Director Westbroek, that the Board receive the responses from affected local governments regarding "Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1615.01, 2016" as set out in Attachment 2 of this report.

CARRIED

- 16-545 MOVED Director Westbroek, SECONDED Director Lefebvre, that the Board notify the Minister of Community Sport and Cultural Development that the Town of Qualicum Beach has not accepted "Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1615.01, 2016".

CARRIED

- 16-546 MOVED Director Westbroek, SECONDED Director Stanhope, that the Board direct the Regional District of Nanaimo to enter into a dispute resolution process with the Town of Qualicum Beach and other interested member municipalities regarding "Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1615.01, 2016".

CARRIED

REGIONAL AND COMMUNITY UTILITIES AND SOLID WASTE

WATER SERVICES AND ASSET MANAGEMENT

Schirra-McDivitt Watermain Replacement – Construction Tender Award.

- 16-547 MOVED Director Rogers, SECONDED Director McPherson, that the construction of the Schirra-McDivitt Watermain Replacement project be awarded to Robie's Contracting Ltd. for the tender price of \$185,674.50 (excluding GST).

CARRIED

Asset Management Quarterly Update: Q2 2016.

- 16-548 MOVED Director Thorpe, SECONDED Director Lefebvre, that the Asset Management Quarterly Update be received for information.

CARRIED

ADVISORY, SELECT COMMITTEE AND COMMISSION

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

Minutes of the Electoral Area 'A' Parks, Recreation and Culture Commission meeting held Wednesday, June 15, 2016.

- 16-549 MOVED Director McPherson, SECONDED Director Young, that the minutes of the Electoral Area 'A' Parks, Recreation and Culture Commission meeting held Wednesday, June 15, 2016 be received for information.

CARRIED

Cedar Plaza.

- 16-550 MOVED Director McPherson, SECONDED Director Young, that the Board direct staff to provide the North Cedar Improvement District with a history of the Cedar Plaza project and the Improvement District be requested to reconsider providing a water connection to the Cedar Plaza so that irrigation can be provided to the newly planted vegetation.

CARRIED

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

Minutes of the Electoral Area 'E' Parks and Open Space Advisory Committee meeting held Wednesday, May 11, 2016.

- 16-551 MOVED Director Rogers, SECONDED Director Young, that the minutes of the Electoral Area 'E' Parks and Open Space Advisory Committee meeting held Wednesday, May 11, 2016 be received for information.

CARRIED

Illegal Tree Cutting in the Fairwinds Community.

- 16-552 MOVED Director Rogers, SECONDED Director Young, that the Board direct staff to send a letter to Fairwinds Community Association, to request they inform their membership of this recent Bylaw investigation and action regarding illegal tree cutting at Carmichael Road Community Park.

CARRIED

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

Minutes of the Electoral Area 'F' Parks and Open Space Advisory Committee meeting held Wednesday, June 8, 2016.

- 16-553 MOVED Director Fell, SECONDED Director Brennan, that the minutes of the Electoral Area 'F' Parks and Open Space Advisory Committee meeting held Wednesday, June 8, 2016 be received for information.

CARRIED

Liquid Waste Management Plan Monitoring Committee.

Minutes of the Liquid Waste Management Plan Monitoring Committee meeting held Tuesday, June 21, 2016.

- 16-554 MOVED Director Thorpe, SECONDED Director Rogers, that the minutes of the Liquid Waste Management Plan Monitoring Committee meeting held Tuesday, June 21, 2016 be received for information.

CARRIED

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

School District No. 69 - Application for Community Works Funds.

- 16-555 MOVED Director Houle, SECONDED Director Lefebvre, that staff be directed to enter into an agreement with the Bowser Parent Advisory Committee to contribute \$30,000 of Electoral Area 'H' Community Works Funds for the expansion of the Bowser Cultural Learning Space.

CARRIED

NEW BUSINESS

Regional District of Nanaimo and Vancouver Island University Memorandum of Understanding - Canada Learning Bond Program.

- 16-556 MOVED Director Westbroek, SECONDED Director Yoachim, that staff work with the Vancouver Island University on a Memorandum of Understanding that would outline a partnership to address child poverty in the Region for consideration at the September Committee of the Whole meeting.
- CARRIED

SCHEDULED STANDING, ADVISORY, AND SELECT COMMITTEES

Transit Select Committee.

Minutes of the Transit Select Committee meeting held Thursday, June 23, 2016.

Director McKay noted that he and Director Hong were opposed to the outcome of both Route 7-Cinnabar/Cedar Analysis motions.

- 16-557 MOVED Director Westbroek, SECONDED Director Brennan, that the minutes of the Transit Select Committee meeting held Thursday, June 23, 2016 be received for information, as amended to note that Directors Hong and McKay were opposed to the outcome of both Route 7- Cinnabar/Cedar Analysis motions.
- CARRIED

ADMINISTRATOR'S REPORTS

Approval of Reserve Funds for RDN Green Building Incentive Program.

- 16-558 MOVED Director Kipp, SECONDED Director Stanhope, that the Board approve the release of \$15,000 from the Carbon Neutral Initiatives Reserve Fund to support the Regional District of Nanaimo (RDN) Green Building Incentive Program in 2016.
- CARRIED

Regional District of Nanaimo Officers Appointment and Delegation Amendment Bylaw No. 1661.02, 2016.

- 16-559 MOVED Director McPherson, SECONDED Director Rogers, that the Board introduce and give three readings to "Regional District of Nanaimo Officers Appointment and Delegation Amendment Bylaw No. 1661.02, 2016".
- CARRIED
- 16-560 MOVED Director McPherson, SECONDED Director Rogers, that the Board adopt "Regional District of Nanaimo Officers Appointment and Delegation Amendment Bylaw No. 1661.02, 2016".
- CARRIED

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

Canadian Wildlife Service re Critical Habitat for Two Endangered Bat Species.

- 16-561 MOVED Director Houle, SECONDED Director Kipp, that the Board direct Parks staff to review the information provided by the Canadian Wildlife Service regarding critical habitat for two endangered bat species and provide feedback to their Species at Risk Recovery Team, copied to the Regional Parks and Trails Select Committee.
- CARRIED

Garry Hein, Cranberry Fire Protection Improvement District, re Application for \$145,987 from Community Works Funding.

- 16-562 MOVED Director McPherson, SECONDED Director Young, that staff be directed to prepare an agreement with the Cranberry Fire Protection Improvement District to provide up to \$146,000 of Community Works Funds allocated to Electoral Area 'A' towards the cost of the Cranberry Community Hall Capital Improvements.

CARRIED

BC Marine Trail Network Association.

- 16-563 MOVED Director Kipp, SECONDED Director McKay, that staff be directed to further review the information provided by the delegation and bring back a report on the proposed Salish Sea Marine Trail blueway, and which organizations are involved.

CARRIED

NEW BUSINESS

Electoral Area 'E' Community Works Fund Allocation.

- 16-564 MOVED Director Rogers, SECONDED Director Young, that \$30,000 be designated from the Electoral Area 'E' Community Works Fund allocation for the Oakleaf Community Park development.

CARRIED

IN CAMERA

- 16-565 MOVED Director Rogers, SECONDED Director Lefebvre, that pursuant to Sections 90 (1) (c), (e) and (j) of the *Community Charter* the Board proceed to an In Camera Meeting, for discussions related to labour relations, land acquisition and solicitor-client privilege.

CARRIED

TIME: 8:02 PM

ADJOURNMENT

MOVED Director Stanhope, SECONDED Director Young, that this meeting be adjourned.

CARRIED

TIME: 8:55 PM

CHAIRPERSON

CORPORATE OFFICER



TELUS
 3-4535 Canada Way,
 Burnaby, BC V5G 1J9
 Office: 604-453-2694
 Doug.Anastos@telus.com

27 July 2016

Mr. Michael Krenz
 District Director, Coastal BC District
 Innovation, Science & Economic Development Canada
 Lower Mainland District Office
 Surrey, BC V3T 5V6
 Phone: (604) 586-2521

RDN CAO'S OFFICE		
CAO	GM	GM RP
GM SCD		GM TSW
GM RCU		DF
DCS		CPC AGENDA
JUL 27 2016		
BOARD / COW AGENDA		
BOARD CORRESPONDENCE		
CHAIR		

Dear Mr. Krenz:

RE: Request from Regional District of Nanaimo to Commence a Dispute Resolution Process for a Telecommunications Tower

I am writing to respond to your letter dated July 12, 2016 in which you asked whether TELUS feels that we have reached an impasse with the Regional District of Nanaimo (RDN) regarding a telecommunications site planned for 1421 Sunrise Drive. TELUS does not believe that we are at an impasse with RDN as we have completed all of our land use authority consultation requirements and responded to all reasonable and relevant concerns of the public and RDN as outlined in Innovation, Science and Economic Development's (ISED) Client Procedures Circular 2-0-03 (CPC).

Through a letter of land use concurrence dated March 31, 2015, the Regional District confirmed satisfactory completion of TELUS' public consultation process and consultation with the Regional District. ISED further confirmed that TELUS was in full compliance with our spectrum license condition regarding land use authority consultation in letter dated August 20, 2015 addressed to the Regional District Chair of the Board, Mr. Stanhope. Based on the letter of concurrence and ISED's confirmation of our compliance with land use consultation requirements, TELUS proceeded with our plans to meet the continued demands of residents for reliable cell service in the French Creek area. In this effort, TELUS has incurred significant costs to date in a range of activities including full site design and tower fabrication.

Before proposing a new tower structure, TELUS completes a rigorous review of existing infrastructure to determine whether co-location opportunities exist that will meet our coverage objectives. TELUS has met and corresponded with both ISED and the RDN in an attempt to understand and help address all reasonable and relevant concerns including those related to co-location. During these discussions, TELUS has confirmed with RDN on several occasions that the use of existing infrastructure is not an option. More specifically, TELUS has explained to RDN why the Qualicum Beach water tower is not a viable alternative to the site that we have been proceeding with. A site at the water tower location would not provide reliable wireless service to the French Creek area. As a result, we disqualified the water tower before we proposed the site at 1421 Sunrise Drive. Additionally, TELUS has confirmed that the proposed site located at 1421 Sunrise Drive is not designed as single-provider free-standing telecommunication antenna system and that we would welcome any requests for co-locations on this site.

Most recently, on May 25, 2016, RDN informed TELUS of a Board resolution whereby the Regional District rescinded concurrence until such time that TELUS consider co-location on sites currently located within the Town of Qualicum Beach. TELUS further outlined the process and provided an excerpt of our analysis of the existing infrastructure within the Town of Qualicum Beach explaining why it was not appropriate for our service needs. This formal response was provided to the RDN in the letter dated June 14, 2016.

TELUS is aware of the proposed Rogers tower located at 891 Drew Road and that Rogers has appeared before the Board of RDN on five separate occasions to request Regional District support for this site. This tower is not existing infrastructure, nor has RDN supported it to date.

In summary, TELUS believes that commencing a dispute resolution process is not appropriate in this situation. TELUS completed all consultation requirements and responded to all reasonable and relevant concerns outlined in the CPC, including use of existing infrastructure. The Regional District of Nanaimo has not established that any reasonable or relevant concerns remain at this time. As a result, TELUS is formally asking ISED to provide final confirmation that a dispute resolution process between TELUS and RDN related to reasonable and relevant concerns is not required and uphold its previous decision that TELUS has fulfilled its responsibilities to consult with the local authority and the public under ISED's CPC-2-0-03. Once we obtain that confirmation, we plan to proceed with construction of this site in the near future.

Sincerely,



Doug Anastos, Senior Real Estate and Government Affairs Manager

cc: Dennis Trudeau, Interim Chief Administrative Officer, Regional District of Nanaimo
6300 Hammond Bay Road, Nanaimo, BC V9T 6N2
Phone: 250-390-4111

Eric Edora, Director of Regulatory Affairs, TELUS

July 28, 2016

Mr Bill Veenhof, Chairman
Regional District of Nanaimo

Dear Mr. Veenhof:

I feel moved to write a brief note to commend the staff of your Recreation and Parks Office for the excellent service they provide, and, for their initiatives in developing and protecting natural areas and the trails that run through them.

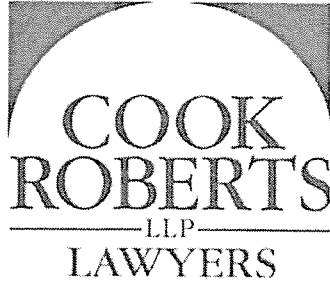
All of us are more aware that an increasing amount of medical research is demonstrating the important benefits walking in natural areas imparts to people in all age groups. Also, more and more tourists are seeking out areas of natural beauty and access, particularly hiking access, to them. So I would like to commend the R&P Office for the maps and other information it provides to residents and tourists alike to help us see parts of our beautiful Island we could never see from a car.

Regarding the R&P Office's service, I should like to mention in particular Ms Joan Michel who has provided much beneficial information to recreational groups regarding contacts of various interest groups, the development of new initiatives, and the avenues that are available for public input in the planning process. Frankly, it would be difficult to overstate Ms. Michel's dedication and resourcefulness as well as her absolute willingness to be of assistance.

I am pleased to offer these comments from a considered life's experience of over forty years of working in both government and industry in BC and throughout Canada. Currently, I lead a senior's hiking group who, twice every week, thoroughly enjoy themselves treading the trails developed through the initiative of the Recreation and Parks Office.

Sincerely yours,

Leonard F. Bradley
Parksville



Seventh Floor
1175 Douglas Street
Victoria, British Columbia
CANADA V8W 2E1

Phone: 250-385-1411
Fax: 250-413-3300

RALSTON S. ALEXANDER, QC *
MICHAEL S. GREENE *
KATHRYN A. BERGE, QC *
JOHN C. ADAMS *
JOHN VAN CUYLENBORG *
J. ANDRE RACHERT *
KERRY L. SIMMONS, QC
BEATRICE C. McCUTCHEON

LAYLEE ROHANI *
CRAIG D. YOUNG
SHELLEY J. SPRING
RYAN D.C. GREEN
SAMANTHA J. DE WIT
J. ALEXANDER DUTTON
KYLE HAMILTON
JENNIFER CAMERON

* denotes Personal Law Corporation

Reply Attention John Adams
Our File 107222

Email: jadams@cookroberts.bc.ca
Direct Line: 250-413-3308
Assistant Direct Line: 250-413-3326

August 12, 2016

EMAIL

Stewart McDannold Stuart
2nd Floor, 837 Burdett Avenue
Victoria, BC V8W 1B3

Attention: Kathryn Stuart

Dear Madam:

RE: 2954 Canyon Road, Nanaimo , BC ("Cassidy Inn")

We are writing in response to your recent letters concerning the above property, and our client's activities with respect to the preservation of the property since the unfortunate fire of July 4, 2016.

We apologize for the delay in the response to your recent letters. Alex Dutton of our office had been having the majority of our office's communications with our client. She went on holidays last Friday. It turned out that the email address the writer was trying to use to communicate with our client in Ms. Dutton's absence was incorrect. That situation has now been rectified.

Our client informs us that it has completed the following steps with respect to addressing the immediate safety-related issues concerning the property:

1. On or around July 15, 2016, C-Best Environment Ltd., a hazardous material company, attended the site and took samples of material in order to review the concerns raised by Worksafe BC after the fire.

Our client anticipates that C-Best Environment Ltd. will provide him with a report in the near future. As required by WorkSafe BC, the further clean-up of the site will then be conducted in accordance with the findings in that report.

C-Best's representative, Nick Dhaliwal, apparently spoke to Brian Barack, an RDN By-Law Enforcement Officer, on or about July 15 about the fact that Mr. Dhaliwal was

taking such samples. Mr. Dhaliwal confirmed to Mr. Barack in an August 3 email that C-Best was working on the report.

2. On July 15, 2016, a representative from Super Save Fence Rentals was on site putting locks onto the existing fences. This representative apparently also spoke to Mr. Barack during his attendance at the site.

In addition, "Terran" (250-812-3088) from Super Save Fence Rentals attends at the site daily to check on the interim fence.

3. We understand from our client that Steelguard Fence Ltd. has completed the installation of fence posts for the planned chain-link fencing. The chain-link fencing, barbed-wire around the top and gate will be installed shortly, and that work will be completed by August 20, 2016. "Ken" (604-525-2673) is the contact for Steelguard Fence.

Your most recent letter included the demand that our client make a submission for a demolition permit in the immediate future. Our client considers that this would be a premature step. Our client will have to first review with the assistance of its structural engineer whether the existing structure can be re-built.

With respect to the filling of the "holes", could you please identify exactly which holes the Regional District is concerned about. Our client is concerned that any work required to deal with any holes on site has to first wait for the results of the C-Best testing. Manno Powar informs us that the Regional District's Jeff Garbet confirmed Mr. Powar's view that such work should wait for the results of the testing in a telephone discussion between them on August 11th. In addition, the installation of the fencing by Steelguard Fence may adequately alleviate any of the Regional District's concerns about the holes.

Yours truly,

COOK ROBERTS LLP

Per: 
John Adams
JCA/jmk
cc. client



Email Transmission

July 6, 2016

File No.: 195 744

Email: jadams@cookroberts.bc.ca and adutton@cookroberts.bc.ca

Mr. John Adams and
Ms. J. Alexander Dutton
Cook Roberts LLP
Barristers & Solicitors
7th Floor, 1175 Douglas Street
Victoria, BC V8W 2E1

Dear Mr. Adams:

RE: 2954 Canyon Road – Cassidy Inn
Your File No.: 107222

Further to the above, you will no doubt be aware from media report, if not from your client, of the fire which occurred at 2954 Canyon Road the evening of Monday, July 4, 2016, which completely destroyed the building that was the subject of the remedial action order of the Board of the Regional District of Nanaimo, reconsidered and amended at the Board Meeting of June 28, 2016.

The Regional District of Nanaimo has been contacted by the RCMP which is in the process of concluding its investigation into the fire. The RCMP is very concerned that the site is now in a seriously hazardous condition, as even the minimal fencing that had been erected by your client is no longer in place.

Obviously, the concerns of the Regional District and of the local fire authorities were not unjustified. Despite these serious concerns being drawn to your client's attention, your client failed to adequately secure the site against ill-intentioned intruders. By fortuitous coincidence your client had made a request to Davey Tree Service to have the trees surrounding the Cassidy Inn trimmed and limbed on the very day of the fire.

We are advised that both the RCMP and the RDN have tried to contact your client directly to advise your client of action that needs to be taken **immediately** to secure the property against further intrusion and risk, but that your client has inexplicably failed to respond to the efforts of local authorities.

As property owner, your client is responsible for the condition of their property. It is astounding that your client put so much effort into causing a reconsideration of the original Board motion intended to address the serious hazards of the property, instead of taking the steps necessary to make the property against the hazards of intrusion and fire.

Mr. John Adams and
Ms. J. Alexander Dutton
July 6, 2016
Page 2

On behalf of our client, we hereby insist that your client take immediate steps to secure the property in cooperation with the local RCMP to prevent unauthorized access and risk of harm to third parties, or risk of further fire.

Be advised that if your client fails to do this, necessary work may be carried out by the Regional District at your client's cost and the cost of the work will be added to your client's taxes if not paid.

Yours truly,

STEWART McDANNOLD STUART

Per: 
FOR Colin Stewart*

CS/slw
cc: client (via email)
Cook Roberts LLP
Attn: Ms. Jessica Kool (via email)

*Law Corporation



Email Transmission

July 13, 2016

File No.: 195 744

Email: jadams@cookroberts.bc.ca

Mr. John Adams
Cook Roberts LLP
7th Floor, 1175 Douglas Street
Victoria, BC
V8W 2E1

Dear Mr. Adams:

RE: 2954 Canyon Road
Your File No.: 107222

Further to your email to Colin Stewart of our firm dated July 6, 2016, I provide the following. Our client advises that Mr. Powar, your client, advised it that he would be arranging fencing to adequately secure the burned out remnants of the Cassidy Inn located at your client's property at 2954 Canyon Road, Nanaimo. As of today, our client advises that no secured fencing has been erected and that the openings in the fencing observed on July 8, 2016 continue to be present along with new openings observed on July 12, 2016. The fencing, as you are aware, may be easily opened by simply lifting out a pin on one side of each of the panels of the fence.

We are advised by our client that these additional openings in the fence observed as of July 12, 2016 indicate that members of the public have been entering the site. We assume that if your client or its contractors had been entering the site they would have resecured the site following their entry.

Our client advises that WorkSafeBC has indicated that the building likely contained asbestos and is as a result most likely contaminated. We are advised that the asbestos, when dry, can become a particulate in the air and is very hazardous. In these circumstances, we would imagine that your client would want to take steps to deal with the likely presence of the asbestos immediately, especially in light of evidence that suggests members of the public have been entering the property through the gaps in the fence.

We are also advised that the remaining structure on the property is very dangerous from a structural perspective as the burned remaining structure could fall on a person or a person could fall through the burned flooring that continues to be present on the site. Given the hazardous conditions created by the fire, we assume that your client will take immediate steps to demolish the building and remove any asbestos present on the site. We also assume your

Mr. John Adams
July 13, 2016
Page 2

client will immediately and properly secure the burnt out building from public access and urge your client to deal with the presence of asbestos immediately and before it becomes airborne if it has not already.

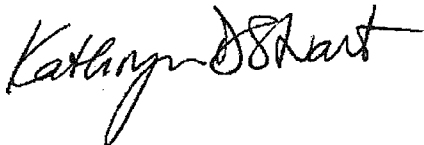
In the meantime, our client will be posting signs at your client's property warning people to keep out due to the dangers located on the property including the possible presence of asbestos and the dangers caused by the structural condition of the burnt out building.

Further, this serves as a reminder that although the fire at your client's property has resulted in burning down the exterior stairs that your client was requested to remove and removing the need for a fire monitoring system since the building has already burned, the resolution made by the Regional District of Nanaimo on June 28, 2016 in relation to 2954 Canyon Road still requires your client to install a security monitoring system, permanent security fencing and to permanently close the ground openings by July 28, 2016, failing which the Regional District will carry out the work and charge the costs to your client which, if unpaid by December 31, 2016, will be added to as property taxes.

You have misunderstood the reference in our July 6th letter to the tree trimming being a "fortuitous coincidence". As was stated during the hearing on June 28, 2016 before the Regional District Board, the overhanging branches of the trees in question were significant to the fire safety risk as they would most likely have caused any fire located at the building to spread to neighbouring properties. What was fortuitous and coincidental was the removal of those branches on the day of the fire, thereby reducing the significant risk of the fire spreading to the neighbouring properties.

Yours truly,

STEWART McDANNOLD STUART



Per:

Kathryn Stuart*

KS/kt

cc: client
Cook Roberts LLP
Ms. J. Alexander Dutton (via email)

*Law Corporation

Kathryn Stuart

Subject: 2954 Canyon Road
Date: Wednesday, July 27, 2016 6:21:34 PM PT
From: Kathryn Stuart
To: jadams@cookroberts.bc.ca
BCC: Garbutt, Geoff, Armet, Tom

Dear Mr. Adams:

RE: 2954 Canyon Road
Your File No.: 107222

Further to our letter dated July 13, 2016, I provide the following. The deadline for your client to carry out the remedial actions of the June 28, 2016 Board order is tomorrow. Our client advises that as of today, Mr. Powar, your client, has not carried out the required work. Your client has not applied for a demolition permit; has not permanently filled in the openings in the ground or installed permanent security fencing. This serves as a further notice that the Regional District may carry out this work in the face of your client's default and at his cost.

Your client advised it that he would be arranging fencing to adequately secure the burned out remnants of the Cassidy Inn located at your client's property at 2954 Canyon Road, Nanaimo. As of today, our client advises that no secured fencing has been erected and that openings in the fencing continue to be present. Although our client has observed that your client has installed some clamps at some points along the existing fencing, these may be easily removed by hand without the need of any tools. Given the continuation of the openings in the fence and the ease with which it can be opened, the public continues to have access to the unsafe openings in the ground, the possible presence of asbestos and the burned out building.

We are advised by our client that your client's contractors were observed taking samples of the debris left after the fire presumably to test for the presence of asbestos. Please advise as to the results of these tests.

Following the fire, many of the unsafe conditions that were created at your client's property have ceased as a result of the destruction of much of the building. One would imagine that the cost of building a permanent security fence is greater than removing the debris and filling in the openings in the ground. Your client should consider carrying out this work immediately before the Regional District exercises its authority to build the fence at your client's expense.

Regards, Kathryn Stuart *



STEWART McDANNOLD STUART

Barristers & Solicitors

* Kathryn Stuart Law Corporation
2nd Floor 837 Burdett Avenue | Victoria, BC V8W 1B3
Phone 250 380 7744 | Fax 250 380 3008
Email kstuart@sms.bc.ca | Website www.sms.bc.ca

The contents of this electronic mail transmission are PRIVILEGED and CONFIDENTIAL and for the sole use of the designated recipient. If this message has been misdirected please delete it and advise our office.

Kathryn Stuart

Subject: 2954 Canyon Road

Date: Wednesday, August 3, 2016 5:00:35 PM PT

From: Kathryn Stuart

To: jadams@cookroberts.bc.ca

BCC: Garbutt, Geoff, Armet, Tom

Dear Mr. Adams:

**RE: 2954 Canyon Road
Your File No.: 107222**

Further to our letter dated July 27, 2016, and our telephone conversation yesterday, I enquire as to whether you have contacted your client. The deadline for your client to carry out the remedial actions of the June 28, 2016 Board order has expired. Our client advises that as of today, Mr. Powar, your client, has not carried out the required work. Your client has not applied for a demolition permit; has not permanently filled in the openings in the ground or installed permanent security fencing. Our client has observed at the property the beginning of some fencing posts being installed but no actual fencing. This serves as a further notice that the Regional District may carry out the remedial work in the face of your client's default and at his cost.

We are advised by our client that your client's contractors have sampled and tested material from the burned out building presumably to test for the presence of asbestos. Please advise as to the results of these tests.

Following the fire, many of the unsafe conditions that were created at your client's property have ceased as a result of the destruction of much of the building. One would imagine that the cost of building a permanent security fence is greater than removing the debris and filling in the openings in the ground. Your client should consider carrying out this work immediately before the Regional District exercises its authority to carry out the remedial work at your client's expense.

Further please be advised that the Regional District Board will be considering new remedial orders under sections 73 and 74 of the Community Charter at its August 23 Board Meeting. In particular you should be aware that that the Board has the authority to declare the burned out remnants of the Cassidy Inn a nuisance under section 74(2); it is important for your client to be aware that the installation of a chain link fence will not remediate such a nuisance. Such a nuisance could be dealt with by removing the burned building remnants.

I would appreciate an immediate response to this.

Regards, Kathryn Stuart *

 **STEWART McDANNOLD STUART**
Barristers & Solicitors

* Kathryn Stuart Law Corporation
2nd Floor 837 Burdett Avenue | Victoria, BC V8W 1B3
Phone 250 380 7744 | Fax 250 380 3008
Email kstuart@sms.bc.ca | Website www.sms.bc.ca

The contents of this electronic mail transmission are PRIVILEGED and CONFIDENTIAL and for the sole use of the designated



August 5, 2016

File No.: 195 744

Via Email: jadams@cookroberts.bc.ca

Via Registered Mail

Mr. John Adams
Cook Roberts LLP
7th Floor, 1175 Douglas Street
Victoria, BC V8W 2E1

0904255 B.C. Ltd.
9141 Holmes Street
Burnaby, BC
V3N 4C1

Dear Sirs/Mesdames:

Re: **0904255 B.C. Ltd. (the "Property Owner")**
Lot 1, Section 3, Range 8, Cranberry District, Plan 15453 (the "Property")
2954 Canyon Road, Nanaimo, BC

As a result of the fire occurring on the Property, Regional District of Nanaimo Bylaw Enforcement Officers, RCMP, and the Fire Department inspected the Property Owner's property legally described above and located at 2954 Canyon Road, Nanaimo, BC, and observed:

- (a) the burned out remnants of the building;
- (b) openings in the ground not securely covered;
- (c) possible presence of asbestos.

Under Division 12 of Part 3, sections 73 and 74 of the *Community Charter* and the Regional District of Nanaimo Regulation B.C. Reg. 194/91, the Board has the authority to declare such situations a nuisance including that the burned building is so dilapidated and unclean as to be offensive to the community and that the matters on the property are in or create an unsafe condition, and to direct that they be remedied. A copy of Division 12, of Part 3, of the *Community Charter* is enclosed.

We serve this notice and request that the Property Owner:

- (a) obtain a demolition permit;
- (b) demolish and remove the burned out building;
- (c) remove any asbestos and dispose of it in accordance with the applicable laws; and
- (d) permanently fill in the openings in the ground or cover them securely including the basement of the burned out building;

all by 5pm on August 12, 2016.

Mr. John Adams and
0904255 B.C. Ltd.
August 5, 2016
Page 2

In the event that the Property Owner fails to comply with this notice by 5pm on August 12, 2016, we will forthwith file a report with the Regional District Board for their attention and further action and the matter will be set down for the Regional District Board's consideration at its next meeting on August 23, 2016.

We trust that you will cooperate with the Regional District in this regard and see that this matter is resolved to the satisfaction of all concerned.

Yours truly,

STEWART McDANNOLD STUART

Per:


Kathryn Stuart*

KS/kt

Enclosure

*Law Corporation

cc: Registered Mortgagee:
Canadian Western Trust Company
Suite 600, 750 Cambie Street
Vancouver, BC V6B 0A2
In Trust for Atesh Prasad, Account #410-1201

COMMUNITY CHARTER
CHAPTER 26 [SBC 2003]

[Includes 2016 Bill 18, c. 5 amendments (effective March 10, 2016)]

Part 3: Division 12 Remedial Action Requirements

Council may impose remedial action requirements

72. (1) A council may impose remedial action requirements in relation to
- (a) matters or things referred to in section 73 [*hazardous conditions*],
 - (b) matters or things referred to in section 74 [*declared nuisances*], or
 - (c) circumstances referred to in section 75 [*harm to drainage or dike*].
- (2) In the case of matters or things referred to in section 73 or 74, a remedial action requirement
- (a) may be imposed on one or more of
 - (i) the owner or lessee of the matter or thing, and
 - (ii) the owner or occupier of the land on which it is located, and
 - (b) may require the person to
 - (i) remove or demolish the matter or thing,
 - (ii) fill it in, cover it over or alter it,
 - (iii) bring it up to a standard specified by bylaw, or
 - (iv) otherwise deal with it in accordance with the directions of council or a person authorized by council.
- (3) In the case of circumstances referred to in section 75, a remedial action requirement
- (a) may be imposed on the person referred to in that section, and
 - (b) may require the person to undertake restoration work in accordance with the directions of council or a person authorized by council.
- 2003-28-72.

Hazardous conditions

73. (1) Subject to subsection (2), a council may impose a remedial action requirement in relation to any of the following:
- (a) a building or other structure, an erection of any kind, or a similar matter or thing;
 - (b) a natural or artificial opening in the ground, or a similar matter or thing;
 - (c) a tree;
 - (d) wires, cables, or similar matters or things, that are on, in, over, under or along a highway;
 - (e)

COMMUNITY CHARTER

matters or things that are attached to a structure, erection or other matter or thing referred to in paragraph (a) that is on, in, over, under or along a highway.

- (2) A council may only impose the remedial action requirement if
- (a) the council considers that the matter or thing is in or creates an unsafe condition, or
 - (b) the matter or thing contravenes the Provincial building regulations or a bylaw under section 8 (3) (1) [*spheres of authority – buildings and other structures*] or Division 8 [*Building Regulation*] of this Part.
- 2003-26-73.

Declared nuisances

74. (1) A council may declare that any of the following is a nuisance and may impose a remedial action requirement in relation to the declared nuisance:
- (a) a building or other structure, an erection of any kind, or a similar matter or thing;
 - (b) a natural or artificial opening in the ground, or a similar matter or thing;
 - (c) a drain, ditch, watercourse, pond, surface water, or a similar matter or thing;
 - (d) a matter or thing that is in or about any matter or thing referred to in paragraphs (a) to (c).
- (2) Subsection (1) also applies in relation to a thing that council considers is so dilapidated or unclean as to be offensive to the community.
- 2003-26-74.

Harm to drainage or dike

75. (1) A council may impose a remedial action requirement if a person has
- (a) obstructed, filled up or damaged a ditch, drain, creek or watercourse that was constructed or improved under this Act or the *Local Government Act*, or
 - (b) damaged or destroyed a dike or other drainage or reclamation work connected with it.
- 2003-26-75.

Time limit for compliance

76. (1) The resolution imposing a remedial action requirement must specify the time by which the required action must be completed.
- (2) Subject to section 79 [*shorter time limits in urgent circumstances*], the time specified under subsection (1) must not be earlier than 30 days after notice under section 77 (1) [*notice to affected persons*] is sent to the person subject to the remedial action requirement.
- (3) The council may extend the time for completing the required action even though the time limit previously established has expired.
- 2003-26-76.

Notice to affected persons

77. (1) Notice of a remedial action requirement must be given by personal service or by registered mail to
- (a) the person subject to the requirement, and
 - (b) the owner of the land where the required action is to be carried out.

COMMUNITY CHARTER

- (2) In addition, notice of the remedial action requirement must be mailed to
 - (a) each holder of a registered charge in relation to the property whose name is included on the assessment roll, at the address set out in that assessment roll and to any later address known to the corporate officer, and
 - (b) any other person who is an occupier of that land.
- (3) A notice under this section must advise
 - (a) that the person subject to the requirement, or the owner of the land where the required action is to be carried out, may request a reconsideration by council in accordance with section 78 [*person affected may request reconsideration*], and
 - (b) that, if the action required by the remedial action requirement is not completed by the date specified for compliance, the municipality may take action in accordance with section 17 [*municipal action at defaulter's expense*] at the expense of the person subject to the requirement.

2003-26-77.

Person affected may request reconsideration by council

78. (1) A person who is required to be given notice under section 77 (1) [*notice to affected persons*] may request that the council reconsider the remedial action requirement.
- (2) Subject to section 79 [*shorter time limits in urgent circumstances*], a request under subsection (1) must be made by written notice provided within 14 days of the date on which the notice under section 77 (1) was sent or a longer period permitted by council.
 - (3) If the council receives a notice that complies with subsection (2), it must provide the person with an opportunity to make representations to the council.
 - (4) After providing the opportunity referred to in subsection (3), the council may confirm, amend or cancel the remedial action requirement.
 - (5) Notice of a decision under subsection (4) must be provided in accordance with section 77 (1) and (2) [*notice to affected persons*].

2003-26-78.

Shorter time limits in urgent circumstances

79. If the council considers that there is a significant risk to health or safety if action is not taken earlier, the resolution imposing the remedial action requirement may
- (a) set a time limit under section 76 [*time limit for compliance*] that is shorter than the minimum otherwise applicable under subsection (2) of that section, and
 - (b) set a time limit for giving notice under section 78 [*persons affected may request reconsideration*] that is shorter than the limit otherwise applicable under subsection (2) of that section.

2003-26-79.

Recovery of municipal costs through sale of property

80. (1) This section applies to remedial action requirements in relation to the following:
- (a) matters or things referred to in section 73 (1) (a) [*unsafe and non-complying structures*];
 - (b) matters or things referred to in section 74 (1) (a) [*nuisances in relation to structures*];
 - (c) matters or things referred to in section 74 (1) (d) [*nuisances in relation to things in or near structures*] that are in or about a matter or thing referred to in section 74 (1)

COMMUNITY CHARTER

- (a).
- (2) Subject to this section, if a remedial action requirement has not been satisfied by the date specified for compliance, the municipality may sell the matter or thing in relation to which the requirement was imposed or any part or material of it.
- (3) The earliest date on which the municipality may sell property referred to in subsection (2) is the later of
- (a) the date specified for compliance, and
- (b) 60 days after the notice under section 77 (1) [*notice to affected persons*] is given.
- (4) If a municipality sells property under this section, it
- (a) may retain from the proceeds
- (i) the costs incurred by the municipality in carrying out the sale, and
- (ii) if applicable, the costs incurred by the municipality in exercising its power under section 17 [*municipal actions at defaulter's expense*] that have not yet been paid by the person subject to the requirement, and
- (b) must pay the remainder of the proceeds to the owner or other person lawfully entitled.
- (5) For certainty, the authority under this section is in addition to that provided by section 17 [*municipal action at defaulter's expense*].

2003-26-80.



STEWART McDANNOLD STUART
Barristers & Solicitors

PH: 250.380.7744 | 2nd Floor, 837 Burdett Ave.
FX: 250.380.3008 | Victoria, BC V8W 1B3
logolaw@sms.bc.ca | www.sms.bc.ca

Email Transmission

August 12, 2016

File No.: 195 744

Email: jadams@cookroberts.bc.ca

Mr. John Adams
Cook Roberts LLP
Barristers & Solicitors
7th Floor, 1175 Douglas Street
Victoria, BC V8W 2E1

Dear Mr. Adams:

RE: 2954 Canyon Road – Cassidy Inn
Your File No.: 107222

Enclosed please find a Notice in relation to your client's property as noted above. On August 23, 2016, the Board of the Regional District of Nanaimo will consider making remedial action orders in relation to your client's property as noted above and as set out in the attached Notice.

Also enclosed is a copy of the staff report which will be provided to the Board on August 23, 2016, for its consideration.

Yours truly,

STEWART McDANNOLD STUART

Per:

Kathryn Stuart*

KS/kaw
Encl.

*Law Corporation

EMAILED
To: From: J. Adams
Date: Aug 12 '16
Time: 4:31pm

**IN THE MATTER OF SECTIONS 73 AND 74 OF
THE COMMUNITY CHARTER, S.B.C. 2003,
CHAPTER 26 AND AMENDMENTS**

AND

**IN THE MATTER OF Lot 1, Section 3, Range 8, Cranberry District, Plan 15453,
2954 Canyon Road, Nanaimo, BC (the "Property")**

TO: Mr. John Adams
Cook Roberts LLP
7th Floor, 1175 Douglas Street
Victoria, BC V8W 2E1

0904255 B.C. Ltd. (the "Owner")
9141 Holmes Street
Burnaby, BC
V3N 4C1

NOTICE

TAKE NOTICE that the Board of the Regional District of Nanaimo (the "Board") pursuant to Division 12 of Part 3 of the *Community Charter* will at the hour of 7pm on the 23rd day of August, 2016, in the Board Chambers at the Regional District Offices located at 6300 Hammond Bay Road, Nanaimo, BC, hear representations by the General Manager of Strategic and Community Development and Manager of Building and Bylaw Services to determine whether the burned out buildings and artificial openings in the ground on the Property more particularly described above, are in or create an unsafe condition and/or are so dilapidated or unclean as to be offensive to the community and require the Owner to:

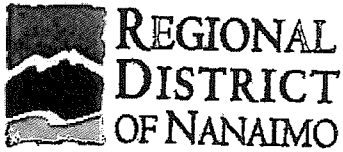
1. Lawfully remove and lawfully dispose of any asbestos present at the Property;
2. Demolish and remove from the Property the burned building;
3. Cover securely the well and wellhead to prevent access and groundwater contamination;
4. Permanently fill in all artificial openings in the ground located at the Property including two underground tanks and the open foundation and basement of the burned out building that remains as an artificial opening in the ground once the burned out building is demolished and removed; and
5. Contract with a specialist in hazardous materials to conduct tests for asbestos on the burned out buildings remnants and provide the results to the Regional District.

AND FURTHER TAKE NOTICE that should the Board require the Owner to take these remedial actions, and the owner defaults, the Board may direct its employees and others to enter and take the remedial actions at the expense of the person defaulting. The charges for doing so, if unpaid on December 31st shall form part of the taxes payable in respect of the real property in question, as taxes in arrears, or be collected as a debt.

AND FURTHER TAKE NOTICE that the Board will consider reducing the time periods allowed under sections 76 and 78 of the *Community Charter*, in accordance with section 79 of the *Community Charter*.

AND FURTHER TAKE NOTICE that should the Owner wish to make representations to the Board regarding these matters, the Owner should appear at the time, date and place set out above to make a presentation to the Board.

AND FURTHER TAKE NOTICE that the Board will consider repealing the Order it made June 28, 2016 in relation to the Property as a consequence of the change in circumstances due to the fire that burned the building located on this Property after the June 28, 2016 Order was made.



RDN REPORT	
CAC APPROVAL <i>1/14</i>	
EAP	
OCW	
AUG 12 2016	
RHD	
BOARD	<input checked="" type="checkbox"/>

EMAILED	
From:	<i>J. Adams</i>
Date:	<i>Aug 12 '16</i>
Time:	<i>4:31 pm</i>

STAFF REPORT

TO: Dennis Trudeau
Interim Chief Administrative Officer

DATE: August 12, 2016

FROM: Geoff Garbutt, General Manager
Strategic and Community Development

MEETING: Board – August 23, 2016

FILE: CE20160000130

SUBJECT: 2954 Canyon Road, Electoral Area 'A' – Hazardous and Dilapidated Property

RECOMMENDATION

1. That the Board declare that the remaining burned out structure and burned/charred building materials, open foundation, metal stair and landing assembly, open well/wellhead and ground openings on the property legally described as Lot 1, Section 3, Range 8, Cranberry District, Plan 15453 (2954 Canyon Road) create an unsafe condition and are so dilapidated and unclean as to be offensive to the community pursuant to Sections 73(1) and 74(1) of the *Community Charter*.
2. That the owner of the property, 0904255 B.C. Ltd. (the Owner) be ordered to take the following remedial actions within fifteen (15) days of the receipt of notice of this Order:
 - Lawfully remove and lawfully dispose of any asbestos or other hazardous materials present at the property;
 - Demolish and remove from the property the burned building;
 - Cover securely the well and protect the wellhead to prevent access and groundwater contamination;
 - Permanently fill in all artificial openings in the ground located at the property including two underground storage tanks and the open foundation and basement of the burned out building that remains as an artificial opening in the ground once the burned out building is demolished and removed; and
 - Contract with a specialist in hazardous materials to conduct tests for asbestos on the burned out building remnants and provide the results to the Regional District of Nanaimo.

And further a declaration that, the time period for carrying out this work be shorter than the default time period of thirty (30) days in section 76 of the *Community Charter*, under section 79 of the *Community Charter* because the conditions at the property pose a significant risk to the health and safety of the community.

3. That the Regional District of Nanaimo (RDN) or its contractors be authorized, in default of such remedial measures being undertaken by the Owner, to carry out or have such work carried out and the expense charged to the Owner. If unpaid on December 31st in the year in which the work is done, the expense shall be added to and form part of the taxes to be paid on the real property as taxes in arrears or be collected as a debt.
4. That the time period of fourteen (14) days to seek reconsideration of this Order as set out in section 78 of the *Community Charter* be shortened to seven (7) days under section 79 of the *Community Charter* because there is a significant risk to the health and safety of the public due to the unsafe conditions at the property.

5. That resolutions 16-414, 16-415 and 16-416 of the Board made June 28, 2016 regarding this property be repealed because of the change in circumstances caused by the fire at the property after the June 28, 2016 resolution were made.

PURPOSE

To have the Board consider the remedies in Section 72(2)(b) of the *Community Charter* regarding the hazardous and dilapidated conditions on the subject property.

BACKGROUND

Property: 2954 Canyon Road, Electoral Area 'A'
Legal: Lot 1, Section 3, Range 8, Cranberry District, Plan 15453
Owner: 0904255 BC Ltd, 1460 61st Ave E, Vancouver BC V9P 2J4
Zoning: Commercial 5 (CM5)

The subject property is located adjacent to the Trans-Canada Highway near the public rest area at the Nanaimo River, adjacent to a new restaurant and a rural residential neighbourhood (Attachment No.1 – Subject Map). The property is the former Cassidy Inn which was closed several years ago. The property is currently owned as an investment property by a numbered British Columbia company in the Vancouver area. Ownership of the property has changed several times over the past few years.

The property has been the subject of several investigations by RDN staff, fire department and the RCMP since July of 2010 intermittently and the subject of much activity by staff and complaints from the public, RCMP and Cranberry Fire Department over the last 18 months. As the Board is aware, beginning in April of 2016, staff have attempted to work with the property owner through contact and correspondence to address public safety issues related to the condition of the property and the abandoned building. Given the lack of any progress to address the unsafe conditions through voluntary compliance, the unsafe condition of this property and abandoned building was brought before the Board on May 24, 2016. At this meeting, after consideration of the property and building condition and information provided by the RCMP and Cranberry Fire Department, RDN Building and Bylaw staff and input from the property owners representative, the Board determined the property and abandoned building was in and created an unsafe condition and issued an order to undertake remedial actions pursuant to Section 73(1) of the *Community Charter*.

In accordance with Section 78 of the *Community Charter* a hearing to reconsider the order and remedial actions, was held June 28, 2016. During this hearing, the property owner commented that works to secure the property were underway and would be completed shortly. At this hearing, after consideration of the property and building condition and information provided by the RCMP and Cranberry Fire Department, RDN Building and Bylaw staff and input from the property owners representative the Board decided that the condition of the abandoned building and property was in and created an unsafe condition pursuant to Section 73(1) of the *Community Charter*, directed the owner to undertake specific works to address the unsafe condition within thirty (30) days and suspended the order issued on May 24, 2016. At the hearing, when questioned by Directors, the property owner's representative indicated that all the required works would be completed in the timeframe indicated by the Board and no further action by the RDN would be required.

In accordance with the Board motions, correspondence was sent on July 4, 2016 to the solicitor for the property owner and the property owner outlining the direction of the Board and indicating that building permits to undertake the remedial works on the subject property would be required.

In the intervening time, on July 5, 2016, there was a catastrophic fire on the subject property which destroyed the abandoned building and has left the burned out remains of the former Cassidy Inn which includes a significant amount of burned/charred building materials, charred structural building supports, metal roofing, masonry rubble, and open foundation. Staff can advise that the thirty (30) day period for action expired on July 28, 2016 and as of the date of this staff report, the property owner has not contacted the RDN to make application for the required building demolition permit to remove the building remnants and has not taken steps to address the Board motion of June 28, 2016, including the installation of permanent security fencing, security monitoring systems, removal of exterior stairs or the permanent closure of ground opening.

Staff can advise that they witnessed hazardous material sampling being undertaken which is required to support a building demolition permit application and that a series of metal fencing posts have been installed around a portion of the subject property but no further works to install the remainder fencing has been undertaken as of the date of this staff report. Staff had contacted the Owner to discuss the lack of action on the property and to remind him of the Board motions. The Owner indicated that works would be undertaken shortly but made no commitment on the timeframe.

Due to the lack of response by the property owner to the Board's direction, starting on July 13, 2016 the RDN solicitor sent three separate pieces of correspondence to the legal representative of the property owner outlining the need for action. RDN staff have not received a reply to this correspondence as of the date of this staff report.

Unsafe and Dilapidated Conditions of Property

Notwithstanding this fire, the existing direction from the Board remains in place regarding works to secure the property, however, because the circumstances on the subject property have changed due to the loss of the abandoned building it is important for the Board to examine and consider the current conditions that make the property and former building site unsafe pursuant to Section 73(1) of the *Community Charter* and in addition, the state of the property and former building site is so dilapidated and unclean as to be offensive to the community pursuant to Sections 74(1) of the *Community Charter*.

Attachments 2 and 3 of this report include photographs of the unsafe, hazardous and dilapidated conditions of the property and former building site. The specific items/conditions that exist on the property and make the property and former building site unsafe and so dilapidated and unclean as to be offensive to the community include:

- Unsecured access to the property from the public by ineffective and deficient construction fencing (gaps in fencing and un-attached fencing panels);
- Significant amounts of charred/burned building materials;
- Presence of charred structural building supports that remain in place in the foundation and basement structure;
- Presence and or potential presence of asbestos within charred/burned building materials, flooring, pipe insulation, ceiling/floor tiles typical of a building of this age;
- Significant amounts of sharp and melted/charred metal including roofing cover and other metal building components;

- Unsupported, freestanding two storey metal stair and landing structure;
- Masonry rubble;
- Open foundation/basement structure;
- Unprotected well and wellhead which presents a risk to groundwater contamination due to access to the aquifer; and
- Unsecured access points to artificial openings in the ground including septic tanks and underground storage tanks.

Accordingly, staff is recommending that the Board direct the owner of property to demolish and remove the hazardous building materials, metal, masonry, dispose of any asbestos contamination, securely close and protect the well and wellhead from potential groundwater contamination and permanently close the artificial ground openings in the interest of public safety (see Attachment No. 4 - Order).

ALTERNATIVES

1. That the Board declare the property and building site to be unsafe and so dilapidated and unclean as to be offensive to the community and impose remedial action requirements on the owner of the subject property by ordering the removal of materials and works on the subject property.
2. Provide alternate direction to staff consistent with the remedial action options in Section 72(2)(b) of the *Community Charter* as follows: (i) remove or demolish the matter or thing; (ii) fill it in, cover it over or alter it; (iii) bring it up to a standard specified by bylaw; or (iv) otherwise deal with it in accordance with the directions of the Board or a person authorized by the Board.
3. Take no further action on this matter.

FINANCIAL IMPLICATIONS

If the Board directs that remedial action be taken, any costs incurred by the Regional District of Nanaimo or its agents with respect to the removal or remediation of the building may be recovered from the property owner, if unpaid on December 31st in the year in which the work is done, the expense may be added to taxes in arrears or be collected as a debt. If the taxes and debts remain unpaid, the Province could undertake a forfeiture process after a period of time, in which case, it may become necessary for the RDN to recover the remediation costs through adjustments to the Hazardous Properties Service tax requisition.

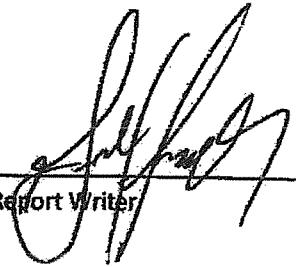
SUMMARY/CONCLUSIONS

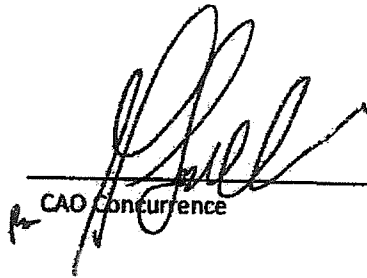
The subject property has been abandoned for several years. Area residents, RCMP and fire officials had expressed concerns that the previous condition of the property and building poses a significant risk of damage to adjacent properties and potential for injury to individuals accessing the building. The Board issued orders declaring the property to be unsafe and directed the property owner to address the unsafe building and property conditions. Following the catastrophic fire that destroyed the abandoned building the unsafe and dilapidated condition of the subject property has been intensified.

The property owner has not secured the property from public access due to insufficient fencing which has large gaps. The existing well and other artificial ground openings (septic tank and other underground storage tanks) remain open to access. The fire has resulted in significant amounts of burned building debris, charred/burned structural supports, an unsupported two storey stair and landing structure, and an open foundation/basement structure. Additionally, given the age of the former building, it is likely that there is asbestos contamination within the burned building debris that must be addressed.

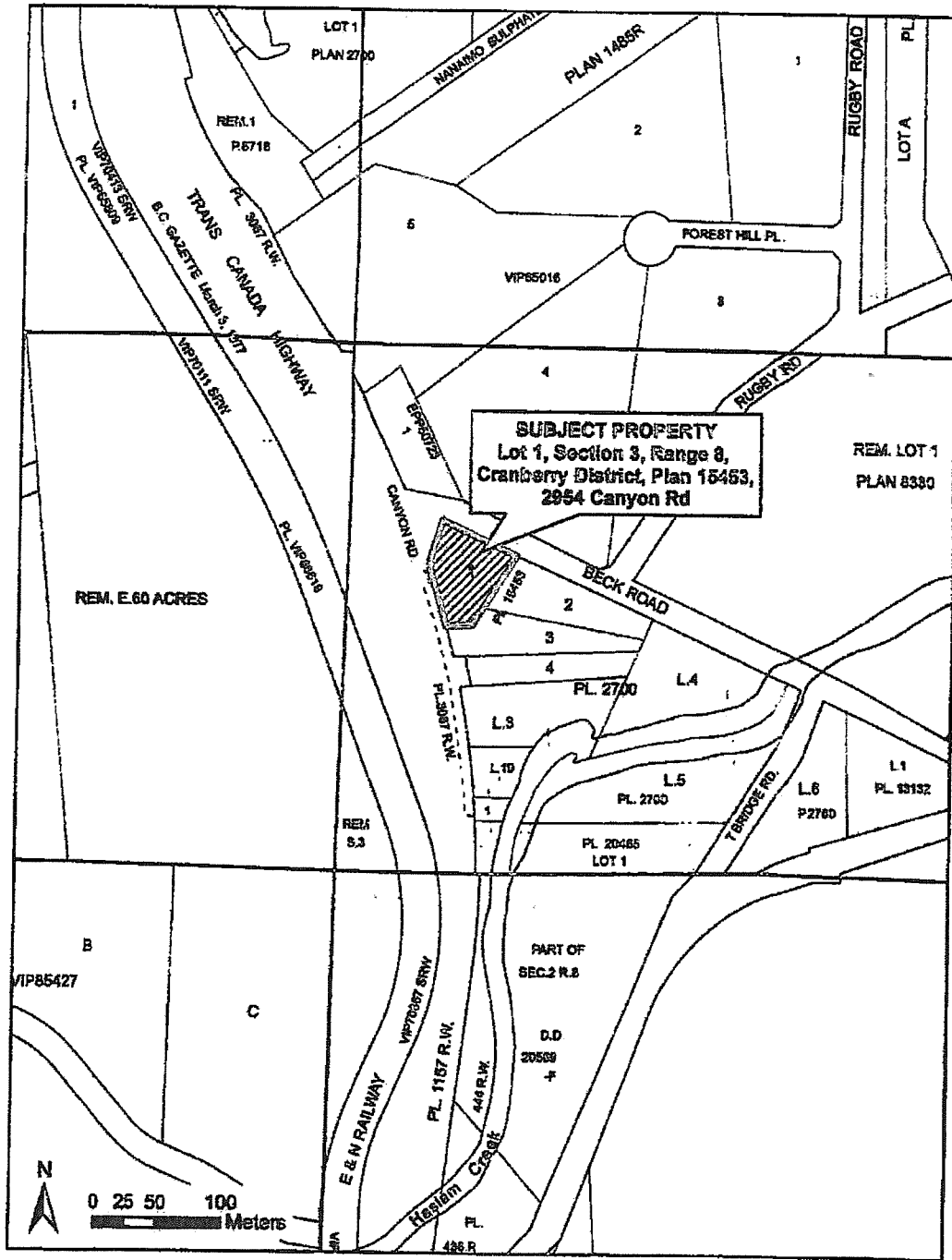
Given the property condition, the public health and safety issues and the lack of action by the property owner in response Board direction, a new order pursuant to the *Community Charter* appears to be the only remaining option to address these risks.

Staff is recommending that the Board declares the property and former building site as being in and creating an unsafe condition and as being so dilapidated and unclean as to be offensive to the community pursuant to Sections 73(1) and 74(1) of the *Community Charter* and direct the owner take remedial action to demolish and remove the hazardous building wreckage, metal, masonry, dispose of asbestos contamination, securely close the well and protect the well and wellhead from potential groundwater contamination and permanently close the artificial ground openings in the interest of public safety.

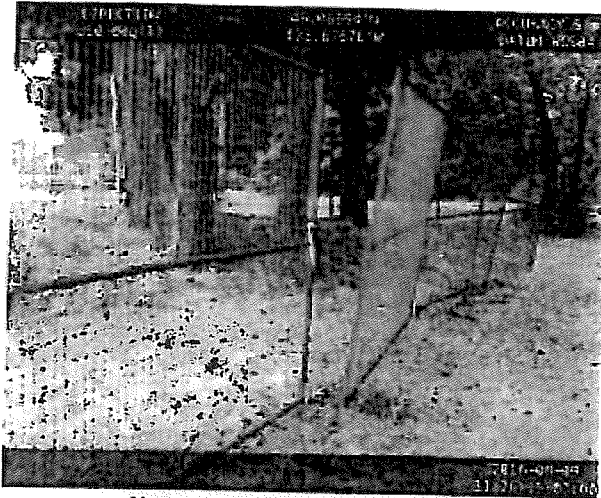

Report Writer


CAO Concurrence

Attachment No. 1
 Subject Map



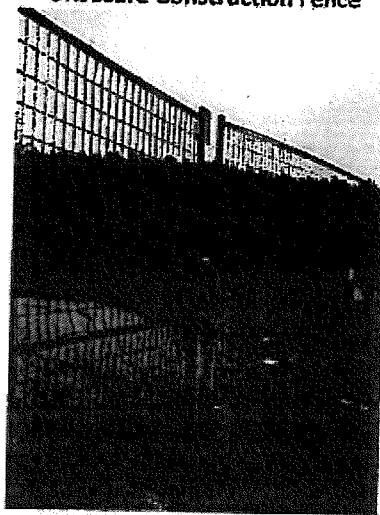
**Attachment No. 2
Fence Photographs**



Unsecure Construction Fence



Unsecure Construction Fence

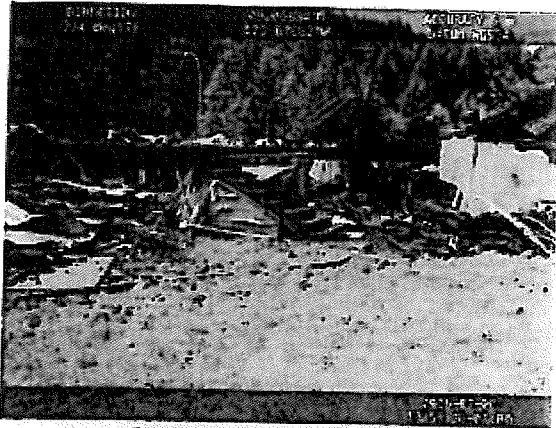


Unsecure Construction Fence

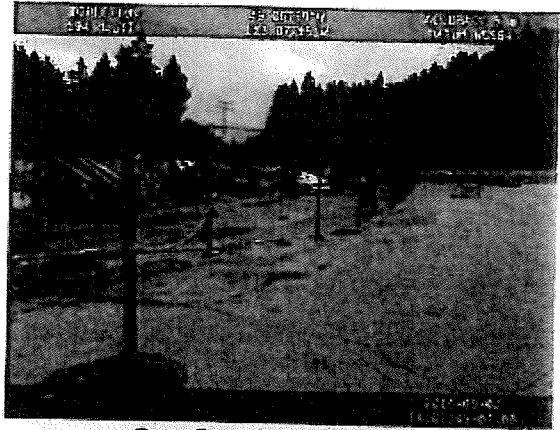


Unsecure Construction Fence

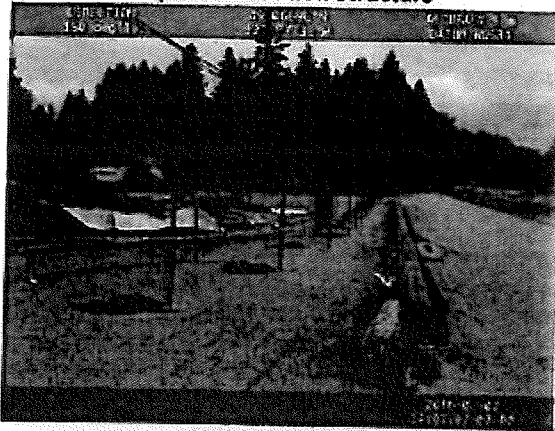
**Attachment No. 3
Photographs**



Open Foundation Structure



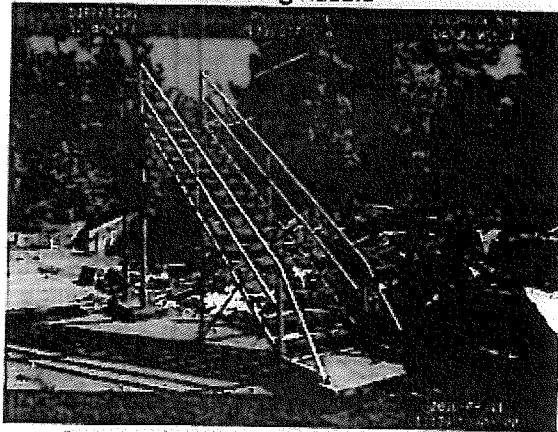
Open Foundation Structure



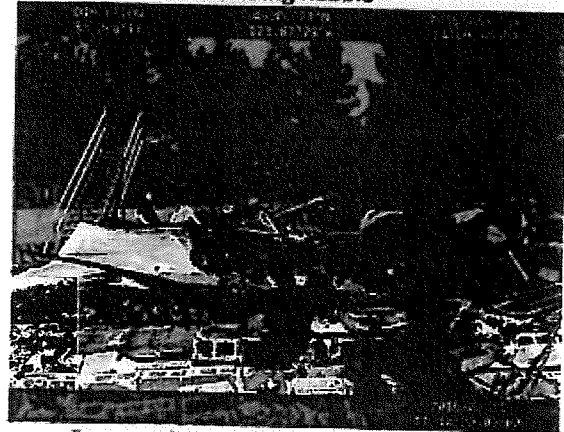
Building Rubble



Building Rubble



Freestanding Stair and Landing Remnant



Freestanding Stair and Landing Remnant

Attachment No. 4
Order

THE REGIONAL DISTRICT OF NANAIMO

ORDER UNDER DIVISION 12 OF PART 3 OF THE *COMMUNITY CHARTER*

The Board of the Regional District of Nanaimo (the Board) pursuant to Division 12 of Part 3 of the *Community Charter* hereby resolves that:

1. the Board declare that the remaining burned out structure and burned/charred building materials, open foundation, metal stair and landing assembly, open well/wellhead and ground openings on the property legally described as Lot 1, Section 3, Range 8, Cranberry District, Plan 15453 (2954 Canyon Road) create an unsafe condition and are so dilapidated and unclean as to be offensive to the community pursuant to Sections 73(1) and 74(1) of the *Community Charter*.
2. the owner of the property, 0904255 B.C. Ltd. (the Owner) be ordered to take the following remedial actions within fifteen (15) days of the receipt of notice of this Order:
 - Lawfully remove and lawfully dispose of any asbestos or other hazardous materials present at the property;
 - Demolish and remove from the property the burned building;
 - Cover securely the well and protect the wellhead to prevent access and groundwater contamination; and
 - Permanently fill in all artificial openings in the ground located at the property including two underground storage tanks and the open foundation and basement of the burned out building that remains as an artificial opening in the ground once the burned out building is demolished and removed.
 - Contract with a specialist in hazardous materials to conduct tests for asbestos on the burned out building remnants and provide the results to the Regional District of Nanaimo.
3. the time period for carrying out this work is shorter than the default time period of thirty (30) days in section 76 of the *Community Charter*, under section 79 of the *Community Charter* under section 79 of the *Community Charter* because the conditions at the property pose a significant risk to the health and safety of the community.
4. the Regional District of Nanaimo (RDN) or its contractors be authorized, in default of such remedial measures being undertaken by the Owner, to carry out or have such work carried out and the expense charged to the Owner. If unpaid on December 31st in the year in which the work is done, the expense shall be added to and form part of the taxes to be paid on the real property as taxes in arrears or be collected as a debt.
5. the time period of fourteen (14) days to seek reconsideration of this Order as set out in section 78 of the *Community Charter* be shortened to seven (7) days under section 79 of the *Community Charter* because there is a significant risk to the health and safety of the public due to the unsafe conditions at the property.

6. resolutions 16-414, 16-415 and 16-416 of the Board made June 28, 2016 regarding this property be repealed because of the change in circumstances caused by the fire at the property after the June 28, 2016 resolution was made.

MOVED BY DIRECTOR _____

SECONDED BY DIRECTOR _____

DATED at the Regional District of Nanaimo, BC this 23rd day of August, 2016.

Certified a true copy this _____ day of August, 2016.

Corporate Officer



Email Transmission

August 17, 2016

File No.: 195 744

Email: jadams@cookroberts.bc.ca

Mr. John Adams
Cook Roberts LLP
7th Floor, 1175 Douglas Street
Victoria, BC V8W 2E1

Dear Mr. Adams:

**RE: 0904255 B.C. Ltd (the "Property Owner")
2954 Canyon Road, Nanaimo, BC
Legally described as Lot 1, Section 3, Range 8, Cranberry District,
Plan 15453 (the "Property")**

We are in receipt of your letter dated August 12, 2016. We provide the following in response.

We understand that your firm represents the Property Owner as represented by Manno Powar.

Despite having been ordered to take certain remedial action by the Board of the Regional District of Nanaimo on June 28, 2016, your client failed to complete the works required by the remedial action orders for the July 27, 2016 deadline. Following this deadline, your client's Property was subject to a fire on July 4, 2016. The consequence of this fire has created new circumstances that the Property Owner must deal with and if it fails in this regard, the Board of the Regional District may take steps under its authority to order certain remedial actions in those circumstances under Division 12 of Part 3 of the *Community Charter*.

On August 3, 2016 our letter advised you that the Regional Board would be considering making new orders under sections 73 and 74 of the *Community Charter* in the event that your client had not dealt with the unsafe conditions the Property is in or creates and the fact that the Property is so dilapidated and unclean as to be offensive to the community. We did not receive a response from you to this August 3rd email.

On August 5, 2016 we sent a second letter identifying the matters located at the Property that would be considered by the Board of the Regional District under Division 12 of Part 3 of the *Community Charter*. We requested that the Property Owner take certain steps to deal with those matters by August 12, 2016. Your client did not take any of the steps set out in our August 5th letter toward dealing with the unsafe conditions the Property is in or creates or the fact that the Property is so dilapidated and unclean as to be offensive to the community. Consequently, we delivered a notice to you on August 12, 2016 confirming that the Board of the Regional District would be considering these matters at its August 23, 2016 Board Meeting.

You have now advised that your client is not able to take any of the steps set out in our letter of August 5, 2016. You have indicated that your client has retained a contractor to install a chain

Mr. John Adams
August 17, 2016
Page 2

link fence. Your client has had since June 28, 2016 to have a fence installed. Over a month and a half later there is no secure fence on the Property; only some fence posts are installed.

You have indicated that it is premature for your client to take steps to permanently fill the artificial openings in the ground located at the Property as a consequence of not having yet received the results of the hazardous material testing. It is difficult to appreciate why this is the case when your client finds it feasible to carry out the work of digging the holes necessary for the fence posts without the results of the hazardous material testing. Further, your client has not responded to the issue we raised that the chain link fence does not address the s.74 matter of the Property being so dilapidated and unclean as to be offensive to the community. We are also advised by our client, who has consulted with contractors that carry out hazardous material testing, including testing for the presence of asbestos, that the usual timeframe for obtaining the results of testing for asbestos is a week to 10 days. It has now been over a month since your client had its tests conducted and there is no explanation for the delay in having this information made available.

Further, you have indicated that Super Save Fence Rentals has installed locks on the construction fence at the Property. Our client advises that they see no evidence of locks. You indicate that the Super Save Fence Rentals attends the site daily to check on the construction fence. That may well be, however, our client observes that the openings in the fence continue to be present at each inspection that it carries out at your client's Property.

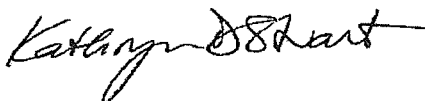
The artificial openings in the ground that are in or create an unsafe condition are openings to two underground tanks. Once the burned out remnants of the building are demolished there will be an open foundation on property that will also need to be permanently filled in.

Our client advises that there is virtually no possibility that the burned out remnants of the building could be repaired or used in any reconstruction of the building. Geoff Garbutt of the Regional District denies advising Mr. Powar that the filling in of the artificial openings in the ground could wait until the results of the hazardous material testing was complete. Presumably properly outfitted personnel could complete this work; if the burned out building does contain asbestos, this would be required in any event for the work crew that demolishes and disposes of the building remnants.

Please advise whether you or Ms. Dutton will attend the Regional District's Board Meeting on August 23, 2016.

Yours truly,

STEWART McDANNOLD STUART



Per:

Kathryn Stuart*

KS/kt

cc: Ms. J. Alexander Dutton (via email)

*Law Corporation

REGIONAL DISTRICT OF NANAIMO

**MINUTES FROM THE EMERGENCY MANAGEMENT SELECT COMMITTEE
HELD ON MONDAY, JULY 25, 2016 AT 2:00 PM
IN THE RDN COMMITTEE ROOM**

Present:

Chairperson B. Rogers	Electoral Area E
Director H. Houle	Electoral Area B
Director J. Fell	Electoral Area F
Director J. Stanhope	Electoral Area G
Director B. Veenhof	Electoral Area H
Director C. Haime	District of Lantzville

Regrets:

Director A. McPherson	Electoral Area A
Director M. Young	Electoral Area C

Also in Attendance:

D. Trudeau	Interim CAO
D. Pearce	A/ Director, Transportation and Emergency Planning Services
D. Marshall	Manager, Fleet, Projects & Emergency Planning Services
J. Drew	Emergency Coordinator
E. Beauchamp	Special Projects Assistant
N. Hewitt	Senior Secretary

CALL TO ORDER

Chairperson called the meeting to order at 2:00 pm.

MINUTES

MOVED Director Stanhope, SECONDED Director Veenhof, that the minutes of the regular Emergency Management Select Committee meeting held on April 22, 2015, be adopted.

REPORTS

Emergency Program Update Power Point (Verbal).

MOVED Director Stanhope, SECONDED Director Veenhof, that the Emergency Program Update be received for information.

CARRIED

Emergency Program Gap Analysis Report.

MOVED Director Stanhope, SECONDED Director Veenhof, that the Board Emergency Program Gap Analysis report be received for information.

CARRIED

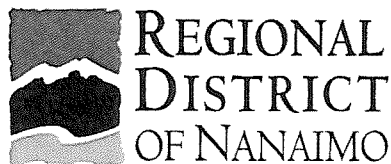
ADJOURNMENT

MOVED Director Stanhope, SECONDED Director Houle, that this meeting be adjourned.

CARRIED

Time 3:10 pm

CHAIRPERSON



RDN REPORT		
CAC APPROVAL		ACM
EAP		
COW		
AUG 12 2016		
RHD		
BOARD	1	

STAFF REPORT

TO: Dennis Trudeau
Interim Chief Administrative Officer

DATE: August 12, 2016

FROM: Geoff Garbutt, General Manager
Strategic and Community Development

MEETING: Board – August 23, 2016

FILE: CE20160000130

SUBJECT: 2954 Canyon Road, Electoral Area 'A' – Hazardous and Dilapidated Property

RECOMMENDATION

1. That the Board declare that the remaining burned out structure and burned/charred building materials, open foundation, metal stair and landing assembly, open well/wellhead and ground openings on the property legally described as Lot 1, Section 3, Range 8, Cranberry District, Plan 15453 (2954 Canyon Road) create an unsafe condition and are so dilapidated and unclean as to be offensive to the community pursuant to Sections 73(1) and 74(1) of the *Community Charter*.
2. That the owner of the property, 0904255 B.C. Ltd. (the Owner) be ordered to take the following remedial actions within fifteen (15) days of the receipt of notice of this Order:
 - Lawfully remove and lawfully dispose of any asbestos or other hazardous materials present at the property;
 - Demolish and remove from the property the burned building;
 - Cover securely the well and protect the wellhead to prevent access and groundwater contamination;
 - Permanently fill in all artificial openings in the ground located at the property including two underground storage tanks and the open foundation and basement of the burned out building that remains as an artificial opening in the ground once the burned out building is demolished and removed; and
 - Contract with a specialist in hazardous materials to conduct tests for asbestos on the burned out building remnants and provide the results to the Regional District of Nanaimo.

And further a declaration that, the time period for carrying out this work be shorter than the default time period of thirty (30) days in section 76 of the *Community Charter*, under section 79 of the *Community Charter* because the conditions at the property pose a significant risk to the health and safety of the community.

3. That the Regional District of Nanaimo (RDN) or its contractors be authorized, in default of such remedial measures being undertaken by the Owner, to carry out or have such work carried out and the expense charged to the Owner. If unpaid on December 31st in the year in which the work is done, the expense shall be added to and form part of the taxes to be paid on the real property as taxes in arrears or be collected as a debt.
4. That the time period of fourteen (14) days to seek reconsideration of this Order as set out in section 78 of the *Community Charter* be shortened to seven (7) days under section 79 of the *Community Charter* because there is a significant risk to the health and safety of the public due to the unsafe conditions at the property.

5. That resolutions 16-414, 16-415 and 16-416 of the Board made June 28, 2016 regarding this property be repealed because of the change in circumstances caused by the fire at the property after the June 28, 2016 resolution were made.

PURPOSE

To have the Board consider the remedies in Section 72(2)(b) of the *Community Charter* regarding the hazardous and dilapidated conditions on the subject property.

BACKGROUND

Property: 2954 Canyon Road, Electoral Area 'A'
Legal: Lot 1, Section 3, Range 8, Cranberry District, Plan 15453
Owner: 0904255 BC Ltd, 1460 61st Ave E, Vancouver BC V9P 2J4
Zoning: Commercial 5 (CM5)

The subject property is located adjacent to the Trans-Canada Highway near the public rest area at the Nanaimo River, adjacent to a new restaurant and a rural residential neighbourhood (Attachment No.1 – Subject Map). The property is the former Cassidy Inn which was closed several years ago. The property is currently owned as an investment property by a numbered British Columbia company in the Vancouver area. Ownership of the property has changed several times over the past few years.

The property has been the subject of several investigations by RDN staff, fire department and the RCMP since July of 2010 intermittently and the subject of much activity by staff and complaints from the public, RCMP and Cranberry Fire Department over the last 18 months. As the Board is aware, beginning in April of 2016, staff have attempted to work with the property owner through contact and correspondence to address public safety issues related to the condition of the property and the abandoned building. Given the lack of any progress to address the unsafe conditions through voluntary compliance, the unsafe condition of this property and abandoned building was brought before the Board on May 24, 2016. At this meeting, after consideration of the property and building condition and information provided by the RCMP and Cranberry Fire Department, RDN Building and Bylaw staff and input from the property owners representative, the Board determined the property and abandoned building was in and created an unsafe condition and issued an order to undertake remedial actions pursuant to Section 73(1) of the *Community Charter*.

In accordance with Section 78 of the *Community Charter* a hearing to reconsider the order and remedial actions, was held June 28, 2016. During this hearing, the property owner commented that works to secure the property were underway and would be completed shortly. At this hearing, after consideration of the property and building condition and information provided by the RCMP and Cranberry Fire Department, RDN Building and Bylaw staff and input from the property owners representative the Board decided that the condition of the abandoned building and property was in and created an unsafe condition pursuant to Section 73(1) of the *Community Charter*, directed the owner to undertake specific works to address the unsafe condition within thirty (30) days and suspended the order issued on May 24, 2016. At the hearing, when questioned by Directors, the property owner's representative indicated that all the required works would be completed in the timeframe indicated by the Board and no further action by the RDN would be required.

In accordance with the Board motions, correspondence was sent on July 4, 2016 to the solicitor for the property owner and the property owner outlining the direction of the Board and indicating that building permits to undertake the remedial works on the subject property would be required.

In the intervening time, on July 5, 2016, there was a catastrophic fire on the subject property which destroyed the abandoned building and has left the burned out remains of the former Cassidy Inn which includes a significant amount of burned/charred building materials, charred structural building supports, metal roofing, masonry rubble, and open foundation. Staff can advise that the thirty (30) day period for action expired on July 28, 2016 and as of the date of this staff report, the property owner has not contacted the RDN to make application for the required building demolition permit to remove the building remnants and has not taken steps to address the Board motion of June 28, 2016, including the installation of permanent security fencing, security monitoring systems, removal of exterior stairs or the permanent closure of ground opening.

Staff can advise that they witnessed hazardous material sampling being undertaken which is required to support a building demolition permit application and that a series of metal fencing posts have been installed around a portion of the subject property but no further works to install the remainder fencing has been undertaken as of the date of this staff report. Staff had contacted the Owner to discuss the lack of action on the property and to remind him of the Board motions. The Owner indicated that works would be undertaken shortly but made no commitment on the timeframe.

Due to the lack of response by the property owner to the Board's direction, starting on July 13, 2016 the RDN solicitor sent three separate pieces of correspondence to the legal representative of the property owner outlining the need for action. RDN staff have not received a reply to this correspondence as of the date of this staff report.

Unsafe and Dilapidated Conditions of Property

Notwithstanding this fire, the existing direction from the Board remains in place regarding works to secure the property, however, because the circumstances on the subject property have changed due to the loss of the abandoned building it is important for the Board to examine and consider the current conditions that make the property and former building site unsafe pursuant to Section 73(1) of the *Community Charter* and in addition, the state of the property and former building site is so dilapidated and unclean as to be offensive to the community pursuant to Sections 74(1) of the *Community Charter*.

or

Attachments 2 and 3 of this report include photographs of the unsafe, hazardous and dilapidated conditions of the property and former building site. The specific items/conditions that exist on the property and make the property and former building site unsafe and so dilapidated and unclean as to be offensive to the community include:

- Unsecured access to the property from the public by ineffective and deficient construction fencing (gaps in fencing and un-attached fencing panels);
- Significant amounts of charred/burned building materials;
- Presence of charred structural building supports that remain in place in the foundation and basement structure;
- Presence and or potential presence of asbestos within charred/burned building materials, flooring, pipe insulation, ceiling/floor tiles typical of a building of this age;
- Significant amounts of sharp and melted/charred metal including roofing cover and other metal building components;

- Unsupported, freestanding two storey metal stair and landing structure;
- Masonry rubble;
- Open foundation/basement structure;
- Unprotected well and wellhead which presents a risk to groundwater contamination due to access to the aquifer; and
- Unsecured access points to artificial openings in the ground including septic tanks and underground storage tanks.

Accordingly, staff is recommending that the Board direct the owner of property to demolish and remove the hazardous building materials, metal, masonry, dispose of any asbestos contamination, securely close and protect the well and wellhead from potential groundwater contamination and permanently close the artificial ground openings in the interest of public safety (see Attachment No. 4 - Order).

ALTERNATIVES

1. That the Board declare the property and building site to be unsafe and so dilapidated and unclean as to be offensive to the community and impose remedial action requirements on the owner of the subject property by ordering the removal of materials and works on the subject property.
2. Provide alternate direction to staff consistent with the remedial action options in Section 72(2)(b) of the *Community Charter* as follows: (i) remove or demolish the matter or thing; (ii) fill it in, cover it over or alter it; (iii) bring it up to a standard specified by bylaw; or (iv) otherwise deal with it in accordance with the directions of the Board or a person authorized by the Board.
3. Take no further action on this matter.

FINANCIAL IMPLICATIONS

If the Board directs that remedial action be taken, any costs incurred by the Regional District of Nanaimo or its agents with respect to the removal or remediation of the building may be recovered from the property owner. If unpaid on December 31st in the year in which the work is done, the expense may be added to taxes in arrears or be collected as a debt. If the taxes and debts remain unpaid, the Province could undertake a forfeiture process after a period of time, in which case, it may become necessary for the RDN to recover the remediation costs through adjustments to the Hazardous Properties Service tax requisition.

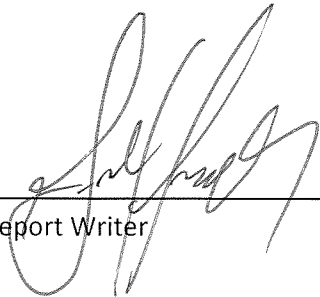
SUMMARY/CONCLUSIONS

The subject property has been abandoned for several years. Area residents, RCMP and fire officials had expressed concerns that the previous condition of the property and building poses a significant risk of damage to adjacent properties and potential for injury to individuals accessing the building. The Board issued orders declaring the property to be unsafe and directed the property owner to address the unsafe building and property conditions. Following the catastrophic fire that destroyed the abandoned building the unsafe and dilapidated condition of the subject property has been intensified.

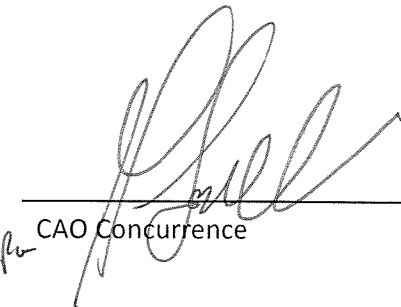
The property owner has not secured the property from public access due to insufficient fencing which has large gaps. The existing well and other artificial ground openings (septic tank and other underground storage tanks) remain open to access. The fire has resulted in significant amounts of burned building debris, charred/burned structural supports, an unsupported two storey stair and landing structure, and an open foundation/basement structure. Additionally, given the age of the former building, it is likely that there is asbestos contamination within the burned building debris that must be addressed.

Given the property condition, the public health and safety issues and the lack of action by the property owner in response Board direction, a new order pursuant to the *Community Charter* appears to be the only remaining option to address these risks.

Staff is recommending that the Board declares the property and former building site as being in and creating an unsafe condition and as being so dilapidated and unclean as to be offensive to the community pursuant to Sections 73(1) and 74(1) of the *Community Charter* and direct the owner take remedial action to demolish and remove the hazardous building wreckage, metal, masonry, dispose of asbestos contamination, securely close the well and protect the well and wellhead from potential groundwater contamination and permanently close the artificial ground openings in the interest of public safety.

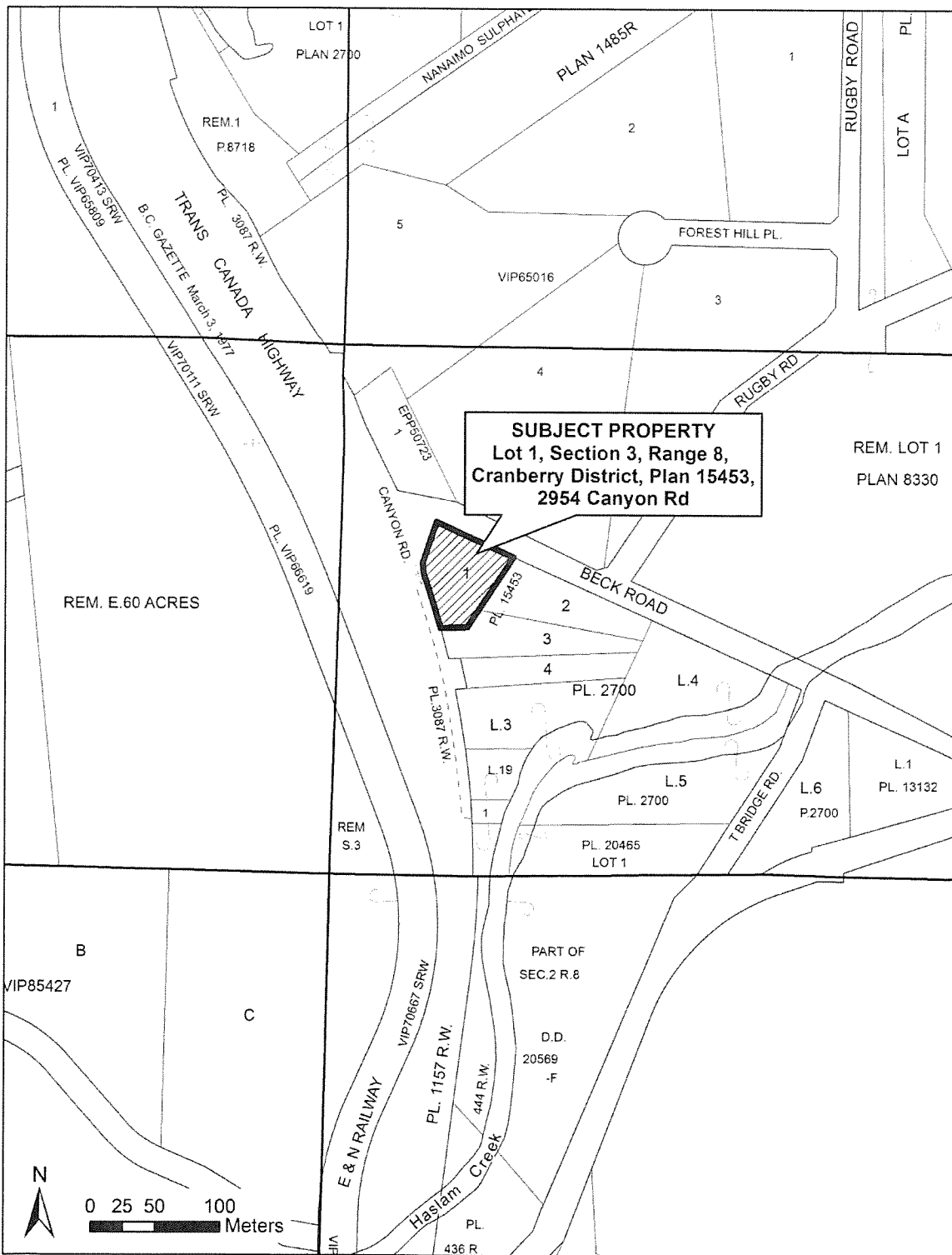


Report Writer

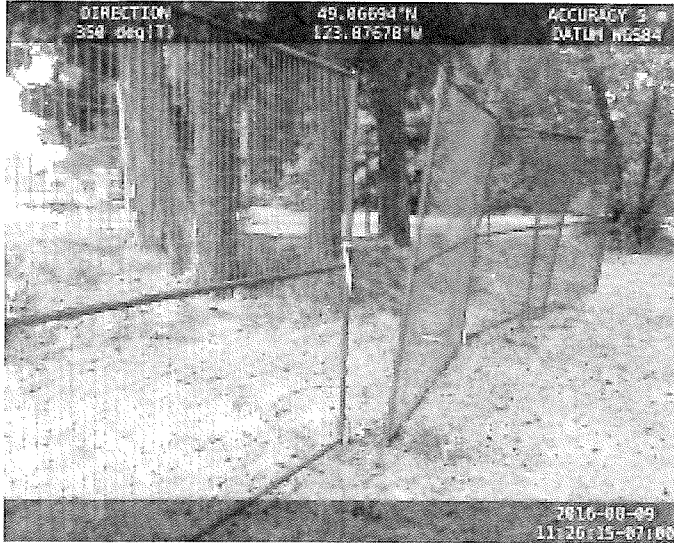


CAO Concurrence

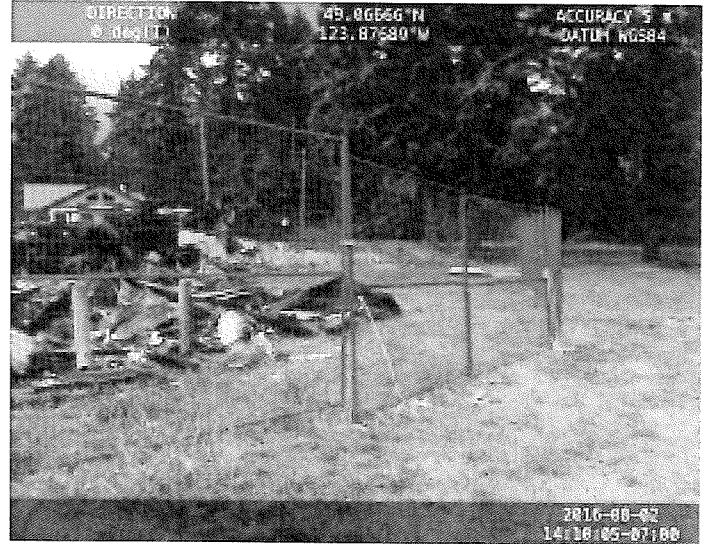
Attachment No. 1
Subject Map



**Attachment No. 2
Fence Photographs**



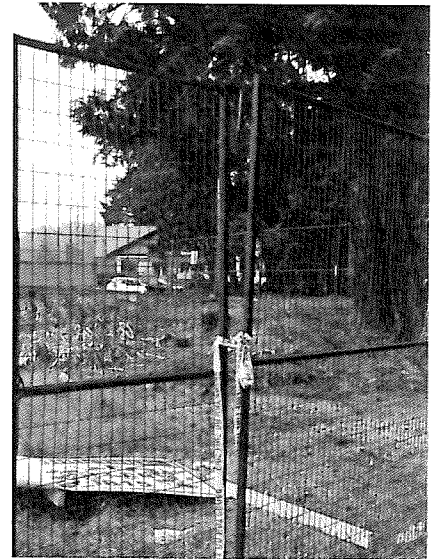
Unsecure Construction Fence



Unsecure Construction Fence



Unsecure Construction Fence



Unsecure Construction Fence

Attachment No. 3
Photographs



Open Foundation Structure



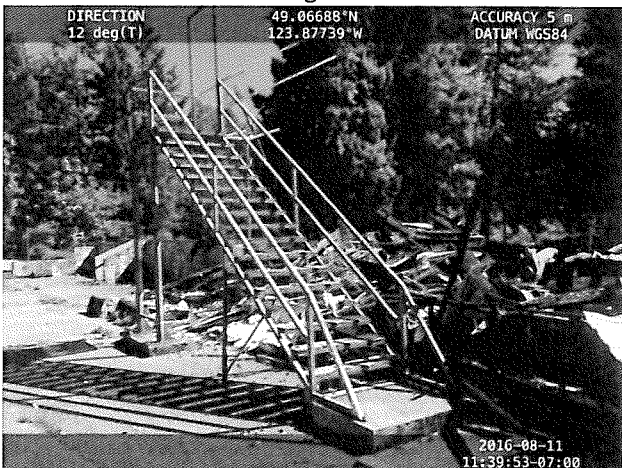
Open Foundation Structure



Building Rubble



Building Rubble



Freestanding Stair and Landing Remnant



Freestanding Stair and Landing Remnant

**Attachment No. 4
Order**

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 - Contract with a specialist in hazardous materials to conduct tests for asbestos on the burned out building remnants and provide the results to the Regional District of Nanaimo.
3. the time period for carrying out this work is shorter than the default time period of thirty (30) days in section 76 of the *Community Charter*, under section 79 of the *Community Charter* under section 79 of the *Community Charter* because the conditions at the property pose a significant risk to the health and safety of the community.
4. the Regional District of Nanaimo (RDN) or its contractors be authorized, in default of such remedial measures being undertaken by the Owner, to carry out or have such work carried out and the expense charged to the Owner. If unpaid on December 31st in the year in which the work is done, the expense shall be added to and form part of the taxes to be paid on the real property as taxes in arrears or be collected as a debt.
5. the time period of fourteen (14) days to seek reconsideration of this Order as set out in section 78 of the *Community Charter* be shortened to seven (7) days under section 79 of the *Community Charter* because there is a significant risk to the health and safety of the public due to the unsafe conditions at the property.

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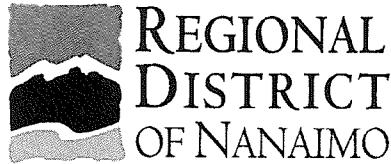
MOVED BY DIRECTOR _____

SECONDED BY DIRECTOR _____

DATED at the Regional District of Nanaimo, BC this 23rd day of August, 2016.

Certified a true copy this _____ day of August, 2016.

Corporate Officer



RDN REPORT		
CAO APPROVAL		<input checked="" type="checkbox"/>
EAP		
COW		
AUG 02 2016		
RHD		
BOARD	<input checked="" type="checkbox"/>	

STAFF REPORT

TO: Geoff Garbutt
 General Manager of Strategic
 and Community Development

DATE: August 3, 2016

FROM: Tyler Brown
 Intergovernmental Liaison

MEETING: Board Meeting – August 23, 2016

SUBJECT: Qualicum First Nation Cooperation Protocol Working Group

RECOMMENDATIONS

That this report be received for information.

PURPOSE

To inform the Board of the requirement contained within the Cooperation Protocol between the Regional District of Nanaimo and Qualicum First Nation for the creation of a Working Group and to announce two appointees from the Board.

BACKGROUND

Section 5.12 of the Cooperation Protocol between the Regional District of Nanaimo (RDN) and Qualicum First Nation (QFN) calls for the creation of a Working Group, consisting of two appointees from QFN Council and two from the RDN Board within 60 days from the signing of the Cooperation Protocol. The Cooperation Protocol was officially signed on July 26, 2016. The task of the Working Group is to develop an action plan based on the priorities identified in the appendix of the Cooperation Protocol. The priorities identified are diverse and include service contract opportunities, cooperative programs, and other items of mutual interest such as grant applications, promoting tourism and assisting each other in accessing provincial resources.

The Action Plan is to include priority action items, project accountability by establishing project managers or champions, and set timelines. As per Section 5.11, the Action Plan developed by the Working Group will be reviewed at a future joint meeting between the full Council and Board. There are no timelines or frequency of meetings of the Working Group noted in the Cooperation Protocol. Therefore, it is assumed that the Working Group will establish the frequency in which they meet and staff will be able to provide logistical and administrative support as required.

Pursuant to Section 30 of “Board Procedure Bylaw No. 1512”, the Chairperson is authorized the power to appoint Board members to RDN scheduled Standing Committees (external appointments). The Chair has appointed himself and Director Westbroek to sit on the Working Group.

ALTERNATIVES

There are no alternatives. This report is provided for information purposes only.

FINANCIAL IMPLICATIONS

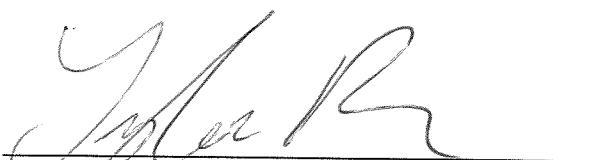
There may be travel and other meeting expenses associated with Working Group meetings which would be paid in accordance with Board policies. RDN costs related to Director meeting expenses and First Nations relations are funded through the Legislative Services annual requisition. The expenses of holding the Working Group meetings is anticipated to be relatively minor. The Regional District of Nanaimo's Intergovernmental Liaison position can provide coordination and administrative support to the Working Group; moreover, additional corporate Staff can provide support to the Working Group as required.


STRATEGIC PLAN IMPLICATIONS


Staff have reviewed the 2016 – 2020 Board Strategic Plan and note that the Cooperation Protocol Working Group is consistent with the RDN strategic priority of focusing on relationships. The Working Group consists of two appointees from the RDN and two appointees from QFN with the purpose of providing guidance on future planning, services delivery and other collaborative projects. Furthermore, the Working Group is consistent with governing principle Working Effectively as a Team as the Cooperation Protocol supports collaboration across jurisdictions while also promoting dialogue based on mutual interests, understanding and respect.

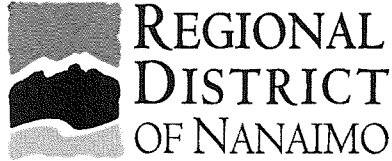
SUMMARY/CONCLUSIONS

Section 5.12 of the Cooperation Protocol between the RDN and QFN requires two appointees from QFN Council and two from the RDN Board to be appointed to a Working Group within 60 days from the signing of the Cooperation Protocol. Pursuant to Section 30 of "Board Procedure Bylaw No. 1512", the Chairperson is authorized the power to appoint Board members to the Working Group and has appointed himself and Director Westbrook to sit on the Working Group


Report Writer


General Manager Concurrence


CAO Concurrence



RDN REPORT		
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BOARD	<input checked="" type="checkbox"/>	
		DATE: August 5, 2016

STAFF REPORT

TO: Dean Banman
Manager, Recreation Services

MEETING: RDN Regular Board Meeting August 23, 2016

FROM: Hannah King
Superintendent, Recreation Program Services

FILE:

SUBJECT: Release of Funds from the Gabriola Island Recreation Service Reserve Fund to Gabriola Recreation Society

RECOMMENDATION

1. That the Board return the surplus fund transfer payment of \$6,058.54 made by Gabriola Recreation Society in 2015.
2. That the Board release \$20,000 from the “Gabriola Island Recreation Service Reserve Fund” to the Gabriola Recreation Society to be used for the acquiring of capital- equipment (\$10,000) and as a contingency fund (\$10,000).

PURPOSE

Obtain Board approval to return a surplus payment of \$6,058 made in error in 2015 and the release of \$20,000 from the Gabriola Island Recreation Service Reserve Fund to Gabriola Recreation Society (GRS) for the use of acquiring capital equipment (\$10,000) and as a contingency (\$10,000).

BACKGROUND

The Gabriola Island Recreation Service Reserve Fund was established by Bylaw #1671 in 2012 in order to manage an accumulated reserve of approximately \$60,000. Upon the establishment of the reserve fund GRS transferred a total of \$43,941 to the RDN that was deposited in the reserve fund and maintained approximately \$15,000 for contingency within their own budget.

Specifically the use of reserve funds is captured in Section 4 of the bylaw:

“Money in the reserve fund shall be used to provide recreation services or to acquire, construct, manage or otherwise provide property for pleasure, recreation and similar public use, including recreation and cultural facilities of all types in consultation with the Gabriola Recreation Society.”

In 2014 GRS recorded a surplus of \$6,058.54. In December 2015 they transferred these funds into the reserve fund held by the RDN. In addition to the contributions to the reserve fund made by the society, a total of \$13,154 has been contributed by way of the five year financial plan.

The Gabriola Recreation Society has identified that their contingency fund has been depleted. Recent significant expenditures include the purchase of replacement sailboats and summer staff wages which in years prior had been subsidized by a Human Resources Canada grant. In addition to these expenditures was the transfer surplus funds (\$6,058.54) to the Reserve Fund in 2015, which should have been retained by the Society within the operating budget as contingency.

ALTERNATIVES

- 1) That the Board return the surplus funds transfer payment of \$6,058.54 made by Gabriola Recreation Society in 2015.
- 2) That the Board release \$20,000 from the Gabriola Island Recreation Service Reserve Fund to the Gabriola Recreation Society to be directed to the capital equipment (\$10,000) and contingency (\$10,000) accounts.
- 3) That the Board not return the surplus funds transfer payment of \$6,058.54 made by Gabriola Recreation Society in 2015.
- 4) That the Board not release \$20,000 from the Gabriola Island Recreation Service Reserve Fund to the Gabriola Recreation Society to be directed to the capital equipment (\$10,000) and contingency (\$10,000) accounts.
- 5) That alternative direction be provided.

FINANCIAL IMPLICATIONS

The financial implications of returning the surplus payment and the request for \$20,000 from the reserve fund are outlined below. Staff will be working with the Gabriola Recreation Society to review the 2017 budget and service plan and to ensure adequate funding along with savings for future capital.

If the Board wishes to provide staff with an alternative(s) the balance in the reserve fund as show below would be adjusted to reflect the Board’s direction.

Gabriola Island Recreation Service Reserve Fund

5 Year Financial Plan contribution to reserve fund	\$13,154
GRS contributions to reserve fund	\$52,565
Total in reserve fund - July 2016	\$65,719
Transfer payment amount to GRS / staff recommendation	-\$6,058
Sub total	\$59,661
GRS request for capital & contingency funding / staff recommendation	-\$20,000
2016 planned RDN transfer to reserve / 5 year financial plan	\$8,610
Total remaining December 2016 if recommendations approved	\$48,271

STRATEGIC PLAN IMPLICATIONS

Working with Gabriola Recreation Society in identifying the surplus payment error and considering the release of funds from the reserve fund speaks to the Regional District's strategic priorities both in the areas of commitment to relationships and to service and organizational excellence.

SUMMARY

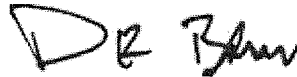
The Gabriola Island Recreation Service Reserve Fund Bylaw #1671 was established in 2012 to manage an accumulated reserve of approximately \$60,000.00. Upon the establishment of this fund Gabriola Recreation Society (GRS) transferred a total of \$43,941 to the RDN which was added to the reserve fund and withheld approximately \$15,000 for contingency within their budget.

GRS has identified that their contingency fund has been depleted. Recent significant expenditures include the purchase of replacement sailboats, summer staff wages, which in years prior had been subsidized by a Human Resources Canada grant, and the errant transfer to the RDN for the Gabriola Island Recreation Service Reserve Fund of the 2014 surplus funds (\$6,058).

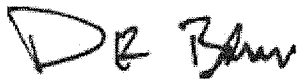
In order to purchase equipment and replenish the Society's contingency funds the Society has requested both the return of the previously transferred 2014 surplus (\$6,058) and a draw from the Gabriola Island Recreation Service Reserve Fund in the amount of \$20,000.



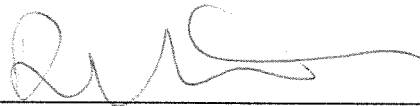
Report Writer



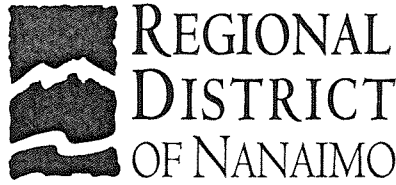
Manager Concurrence



A/G.M. Concurrence



C.A.O. Concurrence



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STAFF REPORT

TO: Wendy Idema, Director of Finance **DATE:** July 22, 2016

FROM: Jane Matheson, Accountant **MEETING:** Board August 23, 2016

FILE:

SUBJECT: Green’s Landing Wharf Reserve Fund Establishment Bylaw 1748

RECOMMENDATION:

1. That “Green’s Landing Wharf Reserve Fund Establishment Bylaw No. 1748, 2016” be introduced and read three times.
2. That “Green’s Landing Wharf Reserve Fund Establishment Bylaw No. 1748, 2016” be adopted.

PURPOSE:

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

- “Green’s Landing Wharf Reserve Fund Establishment Bylaw No. 1748, 2016”.

BACKGROUND:

On June 28, 2016, the motion was passed that the Board approve the agreement to transfer Green's Landing Wharf to the Regional District of Nanaimo (RDN) from the Federal Government. As part of this agreement, Canada has paid to the RDN \$200,000 for future expenditures.

Per the agreement with the Federal Government, the Green’s Landing Wharf reserve fund will be used to operate, maintain and manage the wharf acquired from Public Works and Government Services Canada (PWGSC) for a minimum of 10 years in the fashion the wharf has been managed and maintained for the last 10 years.

In order to retain funds for these specified future purposes, staff propose establishing formal reserve fund Bylaw 1748 (Attachment 1).

ALTERNATIVES:

1. Approve and adopt the bylaw as presented.
2. Do not approve the bylaw.

FINANCIAL IMPLICATIONS:

If the bylaw is adopted, the reserve specific to Green's Landing Wharf will be established and the initial transfer to the reserve fund in 2016 will be the \$200,000 received as part of the transfer. The ongoing maintenance and repair of the wharf will be incorporated under the RDN service established by Bylaw 1357 (Descanso Bay Wharf Service) for wharf maintenance on Gabriola Island. This service will be adjusted to provide additional future annual contributions towards the wharf reserve of \$1,000 to ensure sufficient funds will be available for renewal per the engineering consultant review undertaken in relation to the wharf transfer agreement.

The planned annual reserve transfer above will be included in the 2017 - 2021 operating budget and funds received from PWGSC on July 21, 2016 are available immediately for transfer.

STRATEGIC PLAN IMPLICATIONS:


The 2016-2020 Board Strategic Plan under the Regional Federation area includes the demonstration of fiscal responsibility by undertaking long-term financial planning, and protecting and maintaining assets. The establishment of reserve funds for future expenditures supports the Service and Organizational Excellence theme under the 2016 – 2020 Strategic Plan ensuring funding is available for infrastructure that supports core services and employs an asset management focus.

SUMMARY/CONCLUSIONS:

On June 28, 2016, the motion was passed that the Board approve the agreement to transfer Green's Landing Wharf to the Regional District of Nanaimo from the Federal government. As part of this agreement, Canada has paid to the RDN \$200,000 for future expenditures.

Per the agreement with the Federal Government, the Green's Landing Wharf reserve fund will be used to operate, maintain and manage the wharf acquired from Public Works and Government Services Canada (PWGSC) for a minimum of 10 years in the fashion the wharf has been managed and maintained in the last 10 years.


In order to retain funds for these specified future purposes, staff propose establishing formal reserve fund Bylaw 1748.



Report Writer



Director



C.A.O. Concurrence

Attachment 1

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1748

**A BYLAW TO ESTABLISH A RESERVE FUND FOR
THE ONGOING UPKEEP, MANAGEMENT AND MAINTENANCE OF GREEN'S LANDING WHARF**

WHEREAS 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 as an allowance for the operations and maintenance of Green's Landing Wharf on Gabriola Island;

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

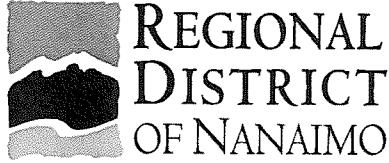
1. There is hereby established a reserve fund, pursuant to the *Local Government Act*, to be known as the "Green's Landing Wharf Reserve Fund".
2. Money from the current revenue collected under the Descanso Bay Wharf Service, to the extent to which it is available, or as otherwise provided in the *Local 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 ongoing upkeep, management and maintenance of the Wharf.
5. This bylaw may be cited as the "Green's Landing Wharf Reserve Fund Establishment Bylaw No. 1748, 2016".

Introduced and read three times this day of , 2016.

Adopted this day of , 2016.

CHAIRPERSON

CORPORATE OFFICER



RDN REPORT	
CAO APPROVAL <i>[Signature]</i>	
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STAFF REPORT

TO: Sean De Pol
Manager, Wastewater Services

DATE: July 14, 2016

FROM: Jolene Jackson
Special Projects Coordinator,
Wastewater Services

MEETING: Board, August 23, 2016

FILE: 5340-01-SEPT

SUBJECT: To introduce amendment Bylaws Nos. 888.07 and 889.72

RECOMMENDATION

1. That "Regional District of Nanaimo Southern Community Sewer Local Service Amendment Bylaw No. 888.07, 2016" be introduced, read three times, and forwarded to the Inspector of Municipalities for approval;
2. That "Regional District of Nanaimo Northern Community Sewer Local Service Amendment Bylaw No. 889.72, 2016" be introduced, read three times, and forwarded to the Inspector of Municipalities for approval;
3. That "Regional District of Nanaimo Southern Community Sewer Local Service Amendment Bylaw No. 888.06, 2015" be abandoned; and,
4. That "Regional District of Nanaimo Northern Community Sewer Local Service Amendment Bylaw No. 889.71, 2015" be abandoned.

PURPOSE

To bring forward amendments to Bylaw No. 888 and 889 for the purpose of removing the Wastewater Service Requisition and to align the bylaws with current legislation.

BACKGROUND

The Regional District of Nanaimo (RDN) owns and operates the Greater Nanaimo and the French Creek Pollution Control Centres for the treatment of sewage. Costs are recovered for these facilities through both taxation and user fees under Bylaws Nos. 888 (Greater Nanaimo) and 889 (French Creek).

Both Bylaws Nos. 888 and 889 divide their respective service areas in to "benefitting" and "non-benefitting" areas. Benefitting areas represent areas that are connected or that could be connected by way of sewer to one of the two treatment plants. Non-benefitting areas represent areas that are not connected by sewer to one of the treatment plants, and that are not expected to connect within a reasonable timeframe.

Properties in the non-benefitting areas rely on on-site wastewater systems, like septic tanks or holding tanks. The sewage from these on-site systems, called "septage", is pumped out by a truck and discharged at either one of the treatment plants.

Currently, the RDN recovers the cost to treat septage through user fees. If the total amount recovered through user fees is less than the actual cost to treat septage, the difference is recovered through taxation to the non-benefitting areas (called the “Wastewater Service Requisition”).

On February 24, 2015, the Board directed staff to remove the Wastewater Service Requisition and to transition septage treatment to a purely user-pay service. The user fee for the treatment of septage has since increased to match the cost to treat septage (\$0.23/gallon), meaning that the Wastewater Service Requisition equals zero and that taxation is not required to recover the net septage costs.

On October 27, 2015, the Board introduced, read three times, and forwarded to the Inspector of Municipalities amendment Bylaws Nos. 888.06 and 889.71 to fully remove the Wastewater Service Requisition formula.

The Inspector of Municipalities rejected the amendments citing concern of the division of the service areas in to benefitting and non-benefitting areas. This division of a service area is not allowed under the *Local Government Act*. The Inspector of Municipalities further advised staff to reduce the service areas to match the existing benefitting areas, and to remove the non-benefitting areas from the bylaws.

The RDN will continue to own and operate the septage receiving facilities as a user-pay service under these bylaws, but the areas without sewer will no longer have to be identified as “non-benefitting”. Areas currently identified as non-benefitting areas include all of Electoral Areas ‘F’ and ‘H’ and parts of the City of Nanaimo, District of Lantzville, and Electoral Areas ‘C’, ‘E’, and ‘G’.

The bylaw amendments presented here, Bylaws Nos. 888.07 (Attachment 1 & 2) and 889.72 (Attachment 3 & 4), satisfy the Board’s motion to convert septage to a user-pay service and satisfy the Inspector of Municipalities’ directive to revise the service area structure.

ALTERNATIVES

1. Introduce Bylaw No. 888.07 and 889.72 for three readings, and abandon Bylaws No. 888.06 and 889.71; or,
2. Do not introduce Bylaw No. 888.07 and 889.72 for three readings, and do not abandon Bylaws No. 888.06 and 889.71, and provide alternative direction to staff.

FINANCIAL IMPLICATIONS

The RDN charges \$0.23 per gallon for the treatment of septage at its Greater Nanaimo and French Creek wastewater treatment facilities. It costs the RDN \$0.23/gallon to treat septage. With these equal, the Wastewater Service Requisition is zero – meaning that there is no net difference to be recovered through taxation to the non-benefitting areas.

If the cost to treat septage increased but the user fee remained the same, the Wastewater Service Requisition would be charged as a property tax to the non-benefitting areas. The proposed amendments complete the transition of making septage treatment a user-pay service by removing the Wastewater Service Requisition formula from the bylaws.

STRATEGIC PLAN IMPLICATIONS

The 2016 – 2020 Board Strategic Plan identifies delivering efficient, effective and economically viable services that meet the needs of the Region as a priority. Amendment Bylaws Nos. 888.07 and 889.72 align with the Strategic Plan as they convert septage treatment to a user-pay service and update the bylaws to meet current legislation, thereby simplifying and improving the transparency of wastewater servicing cost recovery methods.

INTERGOVERNMENTAL IMPLICATIONS

The apportionment of costs for areas connected to sewer (ie: the existing “benefitting areas”) will continue to be charged to each Municipality and RDN collection areas based on recorded flow volumes. As it is currently done, the Municipalities will be responsible for then billing property owners on behalf of the RDN.

If a property owner wishes to connect a property that is outside the area defined by Bylaws Nos. 888 and 889, that property owner would have to petition to the RDN Board to expand the service area, including properties within the Municipalities. As directed by the Inspector of Municipalities, staff revised the service area boundaries to match the existing benefitting areas; RDN staff confirmed these areas with Municipal staff.


SUMMARY/CONCLUSIONS

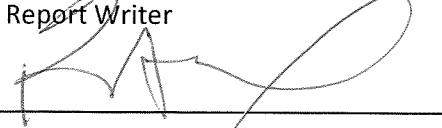
The RDN owns and operates the Greater Nanaimo and the French Creek Pollution Control Centres for the treatment of sewage. Costs are recovered for these facilities through both taxation and user fees under Bylaws Nos. 888 (Greater Nanaimo) and 889 (French Creek). The corresponding service areas are further sub-divided into “benefitting” and “non-benefitting” areas, which generally reflect areas with sewer and areas without sewer, respectively.

In February 2015, the Board motioned to remove the Wastewater Service Requisition from these two bylaws, which is a property tax applied to the non-benefitting areas to recover the net difference if the cost to treat septage is higher than the amount recovered through user fees.


The Inspector of Municipalities rejected the amendments that were first brought forward to remove the Wastewater Service Requisition, citing concern with the division of the service areas into benefitting and non-benefitting areas. The Inspector of Municipalities advised that the bylaw areas be reduced to just those defined as the benefitting area, and to remove the non-benefitting areas from the bylaws completely.

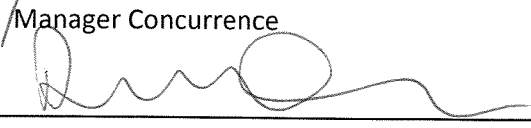
The bylaw amendments presented here, Bylaws Nos. 888.07 and 889.72, satisfy the Board’s motion to convert septage to a user-pay service and satisfy the Inspector of Municipalities’ directive to revise the service area structure.



Report Writer


General Manager Concurrence



A/Manager Concurrence


CAO Concurrence

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 888.07

A BYLAW TO AMEND THE SOUTHERN COMMUNITY
SEWER LOCAL SERVICE CONVERSION BYLAW

WHEREAS the Board of the Regional District of Nanaimo wishes to amend “Regional District of Nanaimo Southern Community Sewer Local Service Conversion Bylaw No. 888, 1993” for the purpose of transitioning the treatment and disposal of trucked liquid waste to a user-pay service;

AND WHEREAS the Board of the Regional District of Nanaimo wishes to amend “Regional District of Nanaimo Southern Community Sewer Local Service Conversion Bylaw No. 888, 1993” for the purpose of aligning the Bylaw with current legislation;

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

Amendment

“Regional District of Nanaimo Southern Community Sewer Local Service Conversion Bylaw No. 888, 1993” is amended as follows:

1. By deleting section 2 [Boundaries of Service Area] and replacing it with the following:
 2. **Boundaries of Service Area**
The service area is shown as shaded in Schedule ‘A’ of this bylaw.
2. By deleting section 3 [Participating Areas] and replacing it with the following:
 3. **Participating Areas**
The City of Nanaimo and the District of Lantzville are the participating areas in the service.
3. By deleting section 4 [Cost Recovery] and replacing it with the following:
 4. **Cost Recovery**
The costs of the service may be recovered by one or more of the following:
 - (a) property value taxes imposed in accordance with Division 3 of the *Local Government Act*;
 - (b) parcel taxes imposed in accordance with Division 3 of the *Local Government Act*;
 - (c) fees and charges imposed under section 397 of the *Local Government Act*;
 - (d) revenues raised by other means authorized under the *Local Government Act* or another Act;
 - (e) revenues received by way of agreement, enterprise, gift, grant or otherwise.

4. By deleting section 5 [Apportionment] and replacing it with the following:

5. **Apportionment**

The annual costs of the service shall be apportioned amongst the participating areas based on percent use, which shall be measured as a function of sewage flow to be calculated as follows:

- (a) the annual sewage flow for each participating area shall be the average of the preceding three years, where each year starts October 1st and ends September 30th;
- (b) the annual sewage flow for each participating area shall be used to calculate the overall sewage flow for the service and the percent use for each participating area.

5. By deleting section 6 [Benefitting Area].

6. By removing the words “under Section 804(1) of the *Municipal Act*” and “under Section 804(1)(a) and (b)” from section 7 [Maximum Amount Requisitioned].

7. By deleting section 9 [Sole Authority] and replacing it with the following:

8. **Sole Authority**

Notwithstanding section 263 of the *Local Government Act*:

- (a) the Regional District is the sole authority within the service area for the provision of the works and services;
- (b) a participant may proceed on its own initiative with such a work or service only when the Regional District has first consented in writing to the participant proceeding with the work or service provided that the design of the work or service has received the prior written approval of the Regional District;
- (c) no works or services described in section 8(b) shall be constructed in the service area and no major facilities in the local service area shall be altered, extended, or connected to the facilities of the Regional District until plans and particulars as required by the Regional District have been approved by the Regional District;
- (d) subject to the direction and regulation of the Regional District, every participant shall connect each of its sewers to a sewer of the Regional District;
- (e) if a participant or other person violates by act or omission subsections 8(b), 8(c), or 8(d), the Regional District may give notice in writing to the participant or other person responsible for the violation requiring the participant or other person to carry out, within the time limited in the notice, the works the Regional District deems necessary as a consequence of the violations;
- (f) if the notice referred to in subsection 8(e) is not complied with, the Regional District may do the works at the expense of the participant or other person in default, and may recover from the participant or other person, the costs including actual legal fees and disbursements incurred in any Court of competent jurisdiction.

8. By deleting section 11 [regarding outstanding debentures of the Greater Nanaimo Sewerage and Drainage District].
9. By removing the words "Section 9" in section 12 [regarding compensation] and replacing them with "section 7".
10. By deleting Schedules 'A' and 'B' and replacing them with Schedule 'A' attached to and forming part of this bylaw.
11. By re-numbering and re-formatting the bylaw sections as required to accommodate this amendment bylaw.

Repeal

The following bylaws are hereby repealed:

1. "Municipal Benefitting Area Bylaw No. 1216, 2000"; and,
2. "District of Lantzville Sewer Benefitting Area Bylaw No. 1527, 2007".

Citation

This bylaw may be cited for all purposes as "Regional District of Nanaimo Southern Community Sewer Local Service Amendment Bylaw No. 888.07, 2016".

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

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

Adopted this ____ day of _____, ____.

CHAIRPERSON

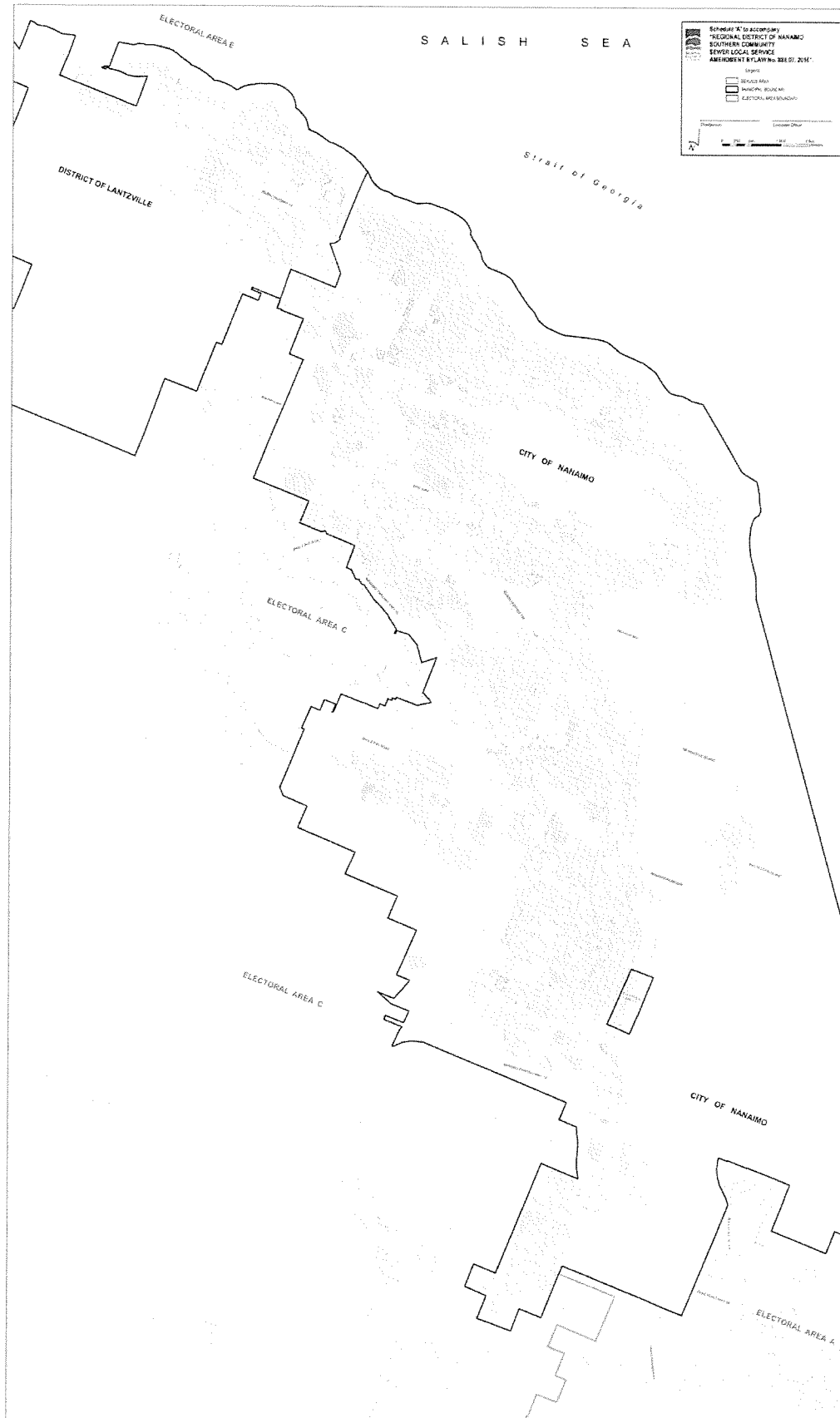
CORPORATE OFFICER

Schedule 'A'

MAP OF REVISED SERVICE AREA BOUNDARIES
TO BE ATTACHED ONCE ADOPTED,
AND IS AVAILABLE FOR VIEWING
WITH THE CORPORATE OFFICER

Attachment 2

Reduced size copy of Schedule 'A' to accompany Bylaw No. 888.07, 2016
Boundaries of Service Area



Attachment 3

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 889.72

A BYLAW TO AMEND THE NORTHERN COMMUNITY SEWER LOCAL SERVICE CONVERSION BYLAW

WHEREAS the Board of the Regional District of Nanaimo wishes to amend “Regional District of Nanaimo Northern Community Sewer Local Service Conversion Bylaw No. 889, 1993” for the purpose of transitioning the treatment and disposal of trucked liquid waste to a user-pay service;

AND WHEREAS the Board of the Regional District of Nanaimo wishes to amend “Regional District of Nanaimo Northern Community Sewer Local Service Conversion Bylaw No. 889, 1993” for the purpose of aligning the bylaw with current legislation;

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

Amendment

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

1. By deleting section 2 [Boundaries of Service Area] and replacing it with the following:
 2. **Boundaries of Service Area**
The service area is shown as shaded in Schedule ‘A’ of this bylaw.
2. By deleting section 3 [Participating Areas] and replacing it with the following:
 3. **Participating Areas**
The City of Parksville, Town of Qualicum Beach, and Electoral Areas ‘E’ and ‘G’ are the participating areas in the service.
3. By deleting section 4 [Cost Recovery] and replacing it with the following:
 4. **Cost Recovery**
The costs of the service may be recovered by one or more of the following:
 - (a) property value taxes imposed in accordance with Division 3 of the *Local Government Act*;
 - (b) parcel taxes imposed in accordance with Division 3 of the *Local Government Act*;
 - (c) fees and charges imposed under section 397 of the *Local Government Act*;
 - (d) revenues raised by other means authorized under the *Local Government Act* or another Act;
 - (e) revenues received by way of agreement, enterprise, gift, grant or otherwise.

4. By deleting section 5 [Apportionment] and replacing it with the following:

5. **Apportionment**

The annual costs of the service shall be apportioned amongst the participating areas based on percent use, which shall be measured as a function of sewage flow to be calculated as follows:

- (a) the annual sewage flow for each participating area shall be the average of the preceding three years, where each year starts October 1st and ends September 30th;
- (b) the annual sewage flow for each participating area shall be used to calculate the overall sewage flow for the service and the percent use for each participating area.

5. By deleting section 6 [Benefitting Area].

6. By removing the words “under Section 804(1) of the *Municipal Act*” and “under Section 804(1)(a) and (b)” from section 7 [Maximum Amount Requisitioned].

7. By deleting section 9 [Sole Authority] and replacing it with the following:

8. **Sole Authority**

Notwithstanding section 263 of the *Local Government Act*:

- (a) the Regional District is the sole authority within the service area for the provision of the works and services;
- (b) a participant may proceed on its own initiative with such a work or service only when the Regional District has first consented in writing to the participant proceeding with the work or service provided that the design of the work or service has received the prior written approval of the Regional District;
- (c) no works or services described in section 8(b) shall be constructed in the service area and no major facilities in the local service area shall be altered, extended, or connected to the facilities of the Regional District until plans and particulars as required by the Regional District have been approved by the Regional District;
- (d) subject to the direction and regulation of the Regional District, every participant shall connect each of its sewers to a sewer of the Regional District;
- (e) if a participant or other person violates by act or omission subsections 8(b), 8(c), or 8(d), the Regional District may give notice in writing to the participant or other person responsible for the violation requiring the participant or other person to carry out, within the time limited in the notice, the works the Regional District deems necessary as a consequence of the violations;
- (f) if the notice referred to in subsection 8(e) is not complied with, the Regional District may do the works at the expense of the participant or other person in default, and may recover from the participant or other person, the costs including actual legal fees and disbursements incurred in any Court of competent jurisdiction.

8. By deleting section 11 [regarding outstanding debentures of the Greater Nanaimo Sewerage and Drainage District].
9. By removing the words "Section 9" in section 12 [regarding compensation] and replacing them with "section 7".
10. By deleting Schedules 'A', 'C', 'D', and 'E' and replacing them with Schedule 'A' attached to and forming part of this bylaw.
11. By re-numbering and re-formatting the bylaw sections as required to accommodate this amendment bylaw.

Citation

This bylaw may be cited for all purposes as "Regional District of Nanaimo Northern Community Sewer Local Service Amendment Bylaw No. 889.72, 2016".

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

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

Adopted this ____ day of _____, ____.

CHAIRPERSON

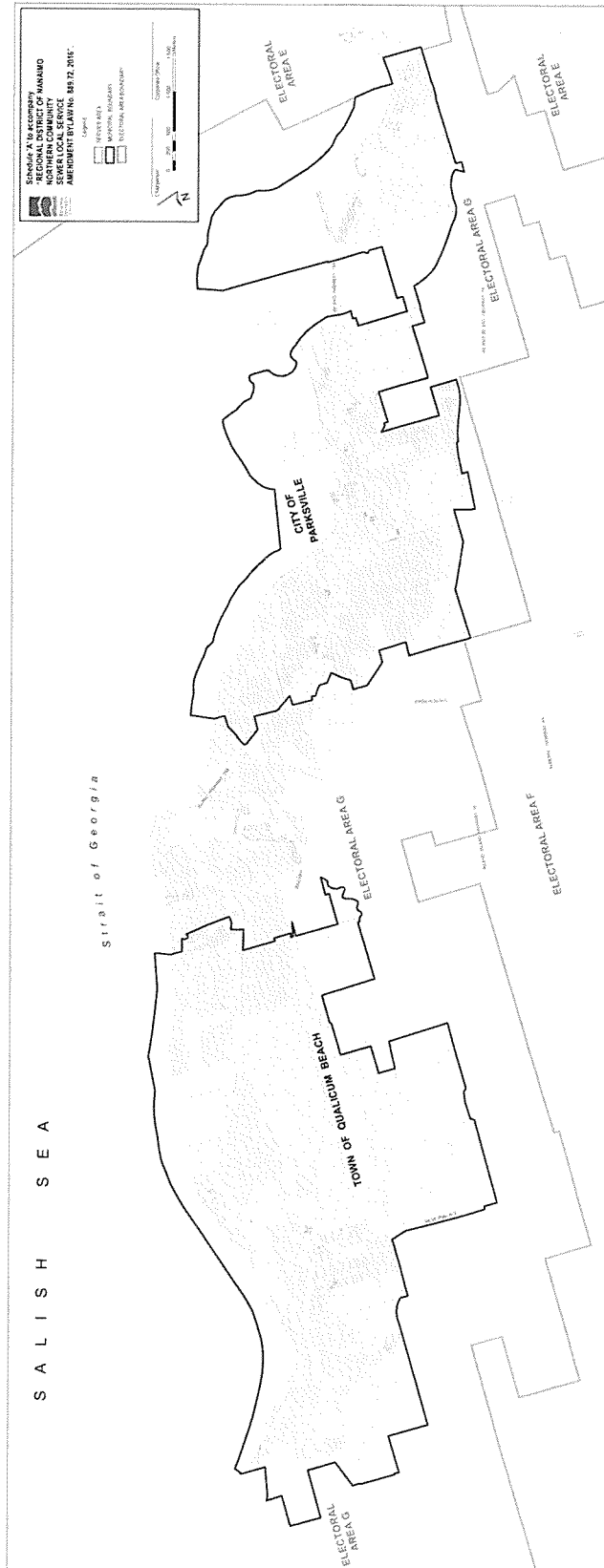
CORPORATE OFFICER

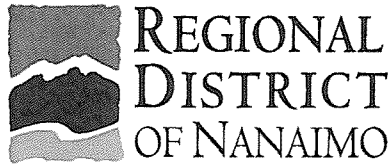
Schedule 'A'

MAP OF REVISED SERVICE AREA BOUNDARIES
TO BE ATTACHED ONCE ADOPTED,
AND IS AVAILABLE FOR VIEWING
WITH THE CORPORATE OFFICER

Attachment 4

Reduced size copy of Schedule 'A' to accompany Bylaw No. 889.72, 2016
Boundaries of Service Area





RDN REPORT		
CAC APPROVAL		
EAP		
COW		
AUG 17 2016		
RHD		
BOARD	✓	

STAFF REPORT

TO: Chris Midgley
 Manager, Water Services and Asset Management

DATE: August 12, 2016

FROM: Gerald St. Pierre, P.Eng., PMP
 Project Engineer, Water & Utility Services

MEETING: Board, August 23, 2016

FILE: 5500-20-WH-0001

SUBJECT: Westurne Heights Water Service Area – Transfer of Ownership to the RDN

RECOMMENDATION

That the Board direct staff to execute the agreements and legal documents required to transfer ownership of the Westurne Heights Water Utility to the Regional District of Nanaimo.

PURPOSE

To receive Board authorization to complete and execute the Water System Asset Transfer Agreement and any related legal documents necessary to complete the transfer of ownership of the Westurne Heights Water Utility to the Regional District of Nanaimo (RDN).

BACKGROUND

At the Regular Board meeting held January 27, 2015 the RDN Board of Directors passed four (4) motions relating to the transfer of ownership of the Westurne Heights Water Utility to the RDN. These motions were as follows:

1. That the “Westurne Heights Water Service Area Establishment Bylaw No. 1718, 2014” be introduced, read three times, and forwarded to the Inspector of Municipalities for approval.
2. That the “Westurne Heights Water Service Area Loan Authorization Bylaw No. 1719, 2014” be introduced, read three times, and forwarded to the Inspector of Municipalities for approval.
3. That the “Westurne Heights Water Service Area Security Issuing Bylaw No. 1720, 2014” be introduced, read three times, and forwarded to the Inspector of Municipalities for approval.
4. That staff be directed to proceed with obtaining a Statutory Right of Way, in favour of the RDN, on the parcel of land where the existing wellhead and pump house are situated.

The above mentioned Bylaws were forwarded to the Inspector of Municipalities, approved, and subsequently adopted by the RDN Board at the Regular Board meeting held April 28, 2015. Since January of 2015, RDN staff have been working toward obtaining the Statutory Right of Way (SRW), in favour of the RDN, on the parcel of land where the existing wellhead and pump house are situated. This has required existing easements over the wellsite, in favour of each property within the service area, to

be released. To date, the majority of the existing easements have been released and a new SRW, in favour of the RDN, has been registered. As such, the RDN is positioned to finalize the transfer of ownership of the water system by completing and executing a Water System Asset Transfer Agreement, and following up with related legal correspondence as required.

ALTERNATIVES

1. Direct staff to execute the agreements and legal documents required to transfer ownership of the Westurne Heights Water Utility to the RDN.
2. Provide alternate direction to RDN staff regarding the project.

FINANCIAL IMPLICATIONS

If the Water Service Area is acquired, all administrative and operational activities will be managed within the existing staff complement for Water and Utilities Services, therefore there are no direct financial implications to the RDN. A number of improvements to the system will be required once taken over by the RDN including a new chlorination system, pump house upgrades, water meters, flush-outs and other infrastructure. Costs associated with these improvements, as well as ongoing operation and maintenance of the system and servicing the debt incurred through borrowing will be borne by the property owners in the Westurne Heights Water Service Area.

Completing the above-noted upgrades requires borrowing in the amount of \$70,000, as enabled by the *Westurne Heights Water Service Area Loan Authorization Bylaw No. 1719, 2014*. The maximum amount that can be requisitioned in support of the service, as per the *Westurne Heights Water Service Area Establishment Bylaw No. 1718, 2014* is the greater of \$19,000 or \$6.00 per \$1,000 in net taxable value.

STRATEGIC PLAN IMPLICATIONS


Since 2006, the Westurne Heights water utility has been operated on a volunteer basis by residents that also use the system. In 2012, some of those residents expressed an interest in the RDN acquiring the system and operating it as a public utility. The Board Strategic Plan identifies *Focus on Service and Organizational Excellence* as a strategic priority, stating that *The RDN will deliver efficient, effective and economically viable services that meet the needs of the Region*. The RDN is experienced at building, operating and maintaining water systems and delivering high quality water effectively and efficiently to residents. Finalizing the transfer of ownership of the Westurne Heights Water Utility to the RDN reflects the will of the residents, and ensures that the affected residents will have a well-managed supply of clean water under the responsibility of the RDN.

SUMMARY/CONCLUSIONS


In January of 2015, the Board of Directors approved Bylaws to establish the Westurne Heights Water Service Area and to authorize borrowing up to \$70,000 to complete necessary system upgrades. At that time, the Board also directed staff to proceed with obtaining a SRW, in favour of the RDN, on the parcel of land where the existing wellhead and pumphouse are situated.

To date, the majority of the existing easements have been released and a new SRW has been registered. The RDN is now ready to finalize the transfer of ownership of the water system. This requires completing and executing a Water System Asset Transfer Agreement, and following up with correspondence and other legal documentation as required.

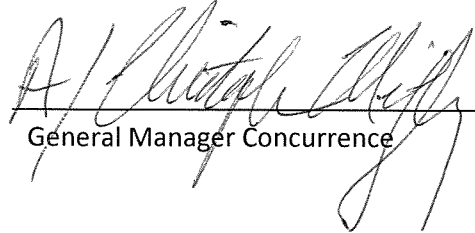
There are no financial implications to the RDN to acquire the water system. All costs related to operation and maintenance of the water system will be borne by the property owners in the Westurne Heights Water Service Area.



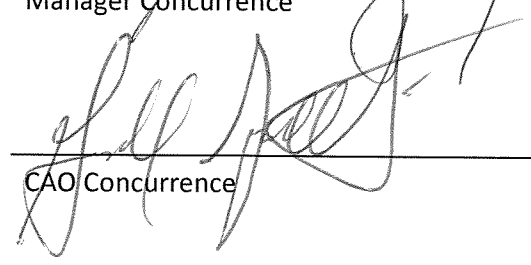
Report Writer



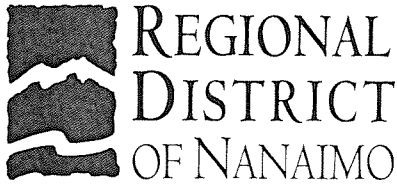
Manager Concurrence



General Manager Concurrence



CAO Concurrence



RDN REPORT	
CAC APPROVAL	
EAP	
COW	
AUG 17 2016	
RHD	
BOARD	✓

STAFF REPORT

TO: Wendy Idema
Director of Finance

DATE: August 15, 2016

FROM: Tiffany Moore
Manager, Accounting Services

MEETING: Board - August 23, 2016

FILE:

SUBJECT: Nanoose Bay Peninsula Water Service Area Capital Improvements – Security Issuing Bylaw No. 1750

RECOMMENDATIONS:

1. That Regional District of Nanaimo “Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1750, 2016”, be introduced and read three times.
2. That Regional District of Nanaimo “Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1750, 2016”, be adopted.

PURPOSE:

To obtain approval to proceed with borrowing for funding of the Nanoose Bay Peninsula Water Service Area Capital Improvements projects.

BACKGROUND:

The Board adopted Nanoose Bay Peninsula Water Service Area Capital Improvements Loan Authorization Bylaw No. 1714, 2014 at the November 25, 2014 Board Meeting to ensure borrowing authority is provided for the Nanoose Bay Peninsula Water Service Area Capital Improvements projects in accordance with the 2014 – 2018 Financial Plan. In order to proceed to borrowing, the next step requires approval of Security Issuing Bylaw No. 1750, attached.

The loan authorization bylaw was issued for \$2.6 million and Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1723, 2015 for \$350,000 was adopted on March 24, 2015 for work anticipated to be completed at that time. Now that more work is underway/completed, an additional Security Issuing Bylaw, Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1750, 2016 for \$557,200 is required. A total of \$907,200 will be borrowed this fall for the Nanoose Bay Peninsula Water Service Area Capital Improvements.

Current 10 year rates with Municipal Finance Authority are indicated at 2.34% and it would be expected that the actual borrowing rate for the first 10 years of this debt would be at approximately this rate.

ALTERNATIVES

1. That the Board approve Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1750, 2016, and proceed with first, second and third readings and adoption of the bylaw.

2. That the Board provide alternative direction.

FINANCIAL IMPLICATIONS:

Alternative 1

Borrowing in 2016 to fund the Nanoose Bay Peninsula Water Service Area Capital Improvements projects is included in the 2016 to 2020 Financial Plan and the repayment of the debt is also included in the Plan.

The Financial Plan anticipates an interest rate of 4%; however, it is likely that the Municipal Finance Authority will be able to borrow at a lower rate given the current interest rate climate. Assuming an actual interest rate of 3%, annual debt servicing payments would be \$59,300 combined for interest and principal. The \$907,200 in borrowing will result in \$59,300 in annual debt servicing payments increasing the parcel tax by \$24 per parcel based on 2,503 parcels (in 2016).

Alternative 2

The financial impacts of alternative direction would need to be determined based on the direction provided.

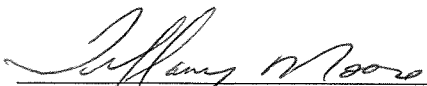
STRATEGIC PLAN IMPLICATIONS:

The 2016 to 2020 Strategic Plan includes a focus on environment health and recognizes the importance of water in supporting our economic and environmental health making Nanoose Bay Peninsula Water Service Capital Improvements congruent with the strategic plan. As well undertaking borrowing now at a time of reduced interest rates reflects the governing principle to "Show Fiscal Restraint" through financial planning to provide services to the community in as cost effective manner as possible.

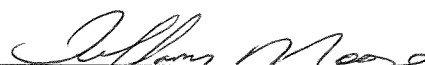
SUMMARY/CONCLUSIONS:

The Board adopted Nanoose Bay Peninsula Water Service Area Capital Improvements Loan Authorization Bylaw No. 1714, 2014 at the November 25, 2014 Board Meeting to ensure borrowing authority is provided for the Nanoose Bay Peninsula Water Service Area Capital Improvements projects in accordance with the 2014 – 2018 Financial Plan. In order to proceed to borrowing, the next step requires approval of Security Issuing Bylaw No. 1750, attached.


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Report Writer



A/Director Concurrence



A/CAO Concurrence

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1750

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

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

AND WHEREAS, pursuant to the provisions of Section 411 of the *Local Government Act*, the amount of borrowing authorized by the following Loan Authorization Bylaw, the amount already borrowed under the authority thereof, the amount of authorization to borrow remaining thereunder and the amount being issued under the authority thereof by this bylaw is as follows:

Regional District	L/A Bylaw No.	Purpose	Amount Borrowing Authorized	Amount Already Borrowed	Borrowing Authority Remaining	Term of Issue (Yrs.)	Amount of Issue
Nanaimo	1714	Nanoose Bay Peninsula Water Service Area Capital Improvements	\$2,600,000	\$350,000	\$2,250,000	20	\$557,200

Total Financing pursuant to Section 411 \$557,200

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

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

1. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Nanaimo Regional District and its municipalities hereinbefore referred to, in Canadian Dollars or in such other currency or currencies as the Authority shall determine so that the amount realized does not exceed Five Hundred and Fifty Seven Thousand, Two Hundred Dollars (\$557,200) in Canadian Dollars and/or the equivalent thereto and at such interest and with such discounts or premiums and expenses as the Authority may deem consistent with the suitability of the money market for sale of securities of the Authority.
2. Upon completion by the Authority of financing undertaken pursuant hereto, the Chairperson and Director of Finance of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements which said agreement or agreements shall be substantially in the form annexed hereto as Schedule 'A' and made part of this bylaw (such agreement or agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
3. The Agreement in the form of Schedule 'A' shall be dated and payable in the principal amount or amounts of money in Canadian Dollars or as the Authority shall determine and subject to the *Local Government Act*, in such other currency or currencies as shall be borrowed by the Authority pursuant to Section 1 and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
4. The obligations incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority and shall bear interest at a rate to be determined by the Treasurer of the Authority.
5. The Agreement shall be sealed with the seal of the Regional District and shall bear the signatures of the Chairperson and Director of Finance.
6. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
7. If during the currency of the obligations incurred under the said Agreement to secure borrowings in respect of Nanoose Bay Peninsula Water Service Area Capital Improvements Loan Authorization Bylaw No. 1714, the anticipated revenues accruing to the Regional District from the operation of the said Nanoose Bay Peninsula Water Local Service are at any time insufficient to meet the annual payment of interest and the repayment of principal in any year, there shall be requisitioned an amount sufficient to meet such insufficiency.

8. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the terms of the Agreement, provided however that if the sums provided for in the Agreement are not sufficient to meet the obligations of the Authority, and deficiency in meeting such obligations shall be a liability of the Regional District to the Authority and the Regional District shall make provision to discharge such liability.
9. At the request of the Treasurer of the Authority and pursuant to Section 15 of the *Municipal Finance Authority Act*, the Regional District shall pay over to the Authority such sums and execute and deliver such promissory notes as are required pursuant to said Section 15 of the *Municipal Finance Authority Act*, to form part of the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.
10. This bylaw may be cited as "Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1750, 2016".

Introduced and read three times this ___ day of _____, 2016.

Adopted this ___ day of _____, 2016.

CHAIRPERSON

CORPORATE OFFICER

Schedule 'A' to accompany "Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1750, 2016".

Chairperson

Corporate Officer

C A N A D A
PROVINCE OF BRITISH COLUMBIA

AGREEMENT
REGIONAL DISTRICT OF NANAIMO

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

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

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 1750 cited as "Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1750, 2016", this Agreement is sealed with the Corporate Seal of the Regional District and signed by the Chairperson and the Director of Finance thereof.

Chairperson

Director of Finance

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

Dated this _____ day of _____, 20__.

Inspector of Municipalities of British Columbia