

REGIONAL DISTRICT OF NANAIMO

**REGULAR BOARD MEETING
TUESDAY, NOVEMBER 25, 2014
7:00 PM**

(RDN Board Chambers)

A G E N D A

PAGES

- 1. CALL TO ORDER**
- 2. DELEGATIONS**
 - 7 **AJ Hustins and Sasha Angus, Nanaimo Economic Development Corporation, re NEDC Activities in the RDN.**
 - 8 **Rita Taylor, Manna Homeless Society, re Request for Funding from the Homelessness Reserve Fund.**
- 3. BOARD MINUTES**
 - 9-22 Minutes of the Regular Board meeting held Tuesday, October 28, 2014 (All Directors – One Vote).
- 4. BUSINESS ARISING FROM THE MINUTES**
- 5. COMMUNICATIONS/CORRESPONDENCE**

(All Directors – One Vote)

 - 23 **Christy Clark, BC Premier re Meetings at 2014 UBCM Convention.**
 - 24-26 **Mary Polak BC Minister of Environment, re RDN Liquid Waste Management Plan Amendment dated January 2014.**
 - 27 **Todd Stone, BC Minister of Transportation and Infrastructure, re Playground Zone Signs.**
 - 28-29 **Norm Parkes, Ministry of Transportation and Infrastructure, re Thank You for Your Input.**
 - 30 **Bert van Dalssen, Strengthening Farming Program, Ministry of Agriculture, re Agricultural Advisory Committee Workshop.**

31-32 **Rona Ambrose, Federal Minister of Health**, re Funding Request for Drinking Water Supply.

33 **John Craig, Nanaimo Airport Commission**, re Nanaimo Airport Expansion Projects, Phase 1.

34-35 **Greta Taylor**, re Proposed Medical Marihuana Facility in Deep Bay – Area ‘H’.

36 **Jerry Flynn**, re Proposed Medical Marihuana Facility in Deep Bay – Area ‘H’.

6. UNFINISHED BUSINESS

7. STANDING COMMITTEE, SELECT COMMITTEE AND COMMISSION MINUTES AND RECOMMENDATIONS

7.1 ELECTORAL AREA PLANNING STANDING COMMITTEE

37-39 Minutes of the Special Electoral Area Planning Committee meeting held Tuesday, October 14, 2014 (for information) (All Directors – One Vote).

40-87 **Ministry of Agriculture Draft Bylaw Standard Guide for Medical Marihuana Production in the ALR** (All Directors – One Vote).

1. *That the Board receive this report for information.*
2. *That staff provide correspondence to Health Canada requesting its thorough evaluation of such issues as traffic and security impacts, potential for ground and surface water contamination, wastewater discharge and aquifer impacts when considering Medical Marihuana Production Regulation applications on Agriculture Land Reserve land within the Regional District of Nanaimo.*
3. *That staff respond to the Ministry of Agriculture's request for comments on draft criteria for developing local government bylaws regarding medical marihuana production in the Agriculture Land Reserve with the following requests:*
 - a) *that the criteria provide clarity with regard to provisions available only to municipalities and those available to regional districts.*
 - b) *that the criteria provide clarity on which provisions are only available to local governments through approved Farm Bylaws.*
 - c) *that the "Guide for Bylaw Development in Farming Areas" provide clarity with regard to Provincial and Federal regulations that apply to medical marihuana production in the Agriculture Land Reserve.*

- d) *that the Ministry of Agriculture include guidance specific to the production of medical marihuana in the Ministry's 'Farm Practice Reference Guide'.*
- e) *that the Ministry of Agriculture recognize the uniquely industrial character of medical marihuana production facilities and that regulating bylaws be allowed to include provisions to:*
 - 1) *Prove that there is sufficient on site water to meet the needs of the facility.*
 - 2) *Install a proper facility to treat waste.*
 - 3) *Prove that the infrastructure of roads and power is sufficient to service the site without upgrades.*
 - 4) *Meet standards for the zero emissions claimed in the discussion paper. At the very least, the Provincial Government should be taken up on its offer in the Discussion Paper that a similar standard to that used in on-farm mushroom composting could be developed for odours with respect to the production of medical marihuana.*
 - 5) *Prove that fire and police facilities are close enough to meet safety concerns.*
- f) *that the Province harmonize its siting regulations in accordance with Health Canada Guidelines.*

7.5 SCHEDULED STANDING, ADVISORY, AND SELECT COMMITTEES

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

- 88-91 Minutes of the Electoral Area 'A' Parks, Recreation, and Culture Commission Meeting held Wednesday, September 17, 2014 (For Information) (All Directors – One Vote).

Electoral Area 'H' Parks and Open Space Advisory Committee

- 92-93 Minutes of the Electoral Area 'H' Parks and Open Space Advisory Committee Meeting held Wednesday, October 15, 2014 (For Information) (All Directors – One Vote).

Agricultural Advisory Committee

- 94-95 Minutes of the Agricultural Advisory Committee Meeting held Friday, October 17, 2014 (For Information) (All Directors – One Vote).

Grants-In-Aid Advisory Committee

96-97 Minutes of the Grants-In-Aid Advisory Committee Meeting held Wednesday, October 22, 2014 (For Information) (All Directors – One Vote).

District 68 (Electoral Areas A, B, C – Weighted Vote).

1. *That Grant-in-Aid funds for District 68 be awarded to the following applicant:*

Gabriola Arts Council – Materials for the Fifth Annual Isle of the Arts Festival 2,000

Total **\$2,000**

2. *That the remaining District 68 funds in the amount of \$966.00 be carried forward to the 2015 Spring Grants-in-Aid budget.*

District 69 (Parksville, Qualicum Beach, EAs E, F, G, H – Weighted Vote)

That Grant-in-Aid funds for District 69 be awarded to the following applicants:

BC SPCA Parksville / Qualicum Beach Branch – Spay / Neuter Program 1,000.00

Lighthouse Community Centre – Chair Replacement for Hall 2,814.40

Lighthouse Country Marine Rescue Society – 2 Day on the Water SARex Exercise Training 4,926.40

North Island Wildlife Recovery Association – Signage and Display Boards for a Mobile Display Trailer and / or Upgrades to Eagle Flight Cage 2,500.00

Total **\$11,240.80**

Emergency Management Select Committee

98-99 Minutes of the Emergency Management Select Committee Meeting held Tuesday, October 28, 2014 (For Information) (All Directors – One Vote).

100-115 **Overview of the Emergency Table Top Exercise Held April 25, 2014** (All Directors – One Vote).

That the Overview of the Emergency Table Top Exercise held April 25, 2014 report be received for information.

- 116-117 **Emergency Operations Center Notification and Activation System** (Lantzville, All Electoral Areas – Weighted Vote).

That the report on the Emergency Operations Center Notification and Activation System be received and that staff be directed to investigate the feasibility of implementing an automated mass notification system in the RDN and report back on available options for the Board's consideration.

8. ADMINISTRATOR'S REPORTS

- 118-128 **Operating Results for the Period Ending September 30, 2014** (All Directors – One Vote).
- 129-132 **Electoral Area 'F' Community Parks Amendment Bylaw 804.07** (All Directors – One Vote / 2/3).
- 133-136 **Community Parks and Trails Select Committee – Terms of Reference** (All Directors – One Vote).
- 137-168 **District of Lantzville Service Agreements 2015/16** (All Directors – Weighted Vote).
- 169-181 **Capacity Building to End Homelessness Reserve Fund Funding Request – Cold Wet Weather Shelter and Housing Placement Program** (All Directors – Weighted Vote).
- 182-189 **Capacity Building to End Homelessness Reserve Fund Funding Request – Manna Homeless Society** (All Directors – Weighted Vote).
- 190-244 **Organic Waste Processing Agreement Amendment** (All Directors – Weighted Vote).
- 245-253 **Liquid Waste Management Plan Amendment Approval** (All Directors – One Vote).
- 254-312 **Nanoose Bay Peninsula Water Service Development Cost Charge Bylaw No. 1715** (All Directors – One Vote).
- 313-324 **Bylaws No. 813.53, 869.10, 889.69, and 1021.11 – Petition Requests from Three Electoral Area 'G' Property Owners to be included in Sewer and Streetlighting Service Areas** (All Directors – One Vote).
- 325-336 **Report of Election Results - 2014 Local Government Elections** (All Directors – One Vote).

9. ADDENDUM

10. BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

11. NEW BUSINESS

Acknowledgement of Outgoing Board Members.

12. IN CAMERA

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

13. ADJOURNMENT

Re: NEDC Activities in the RDN

From: Sasha Angus

Sent: Tuesday, October 21, 2014 1:57 PM

Subject: Re: Invitation to RDN Board Meeting

Both if you don't mind. AJ will bring welcoming remarks and I will give the balance of the presentation.

Best regards,

Sasha Angus

CEO

Nanaimo Economic Development Corp.

From: Sasha Angus

Sent: Tuesday, October 21, 2014 9:11 AM

Subject: Re: Invitation to RDN Board Meeting

In speaking with our Chair, November 25th would be best.

Best regards,

Sasha Angus

Chief Executive Officer

Nanaimo Economic Development Corporation (NEDC)

104 Front Street, Nanaimo BC V9R 5H7

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Nanaimo. Infinite Possibilities.

Re: Request for Funding from the Homelessness Reserve Fund

From: Thompson, Paul

Sent: Thursday, November 13, 2014 11:02 AM

Subject: Board Delegation

Can you please add Rita Taylor as a delegation for the November 25 Board. She will be speaking to the Manna Ministries request for funding from the Homelessness Reserve Fund. Her contact info is: email: ritataylor50@hotmail.com (h)250.468.5386

Thanks.

Paul Thompson, MCIP, RPP

Manager of Long Range Planning

Regional District of Nanaimo

Tel: 250-390-6510

Email: pthompson@rdn.bc.ca

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE REGULAR BOARD MEETING
OF THE REGIONAL DISTRICT OF NANAIMO HELD ON
TUESDAY, OCTOBER 28, 2014 AT 7:00 PM IN THE
RDN BOARD CHAMBERS

In Attendance:

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

Regrets:

Director B. Bestwick	City of Nanaimo
Director J. Kipp	City of Nanaimo

Also in Attendance:

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

CALL TO ORDER

The Chairperson called the meeting to order.

DELEGATIONS

Richard Rosenthal, Independent Investigations Office of BC, re Overview of the IIO.

Richard Rosenthal provided a verbal overview of the Independent Investigations Office of BC.

Rob Lawrance, City of Nanaimo, and Rob Grey, ReMax Nanaimo, re Real Estate Energy Efficiency Project.

Rob Lawrance and Rob Grey provided a visual and verbal overview on the Real Estate Energy Efficiency Project.

Lisa Berlin, re Presentation on Open Burning / Backyard.

Lisa Berlin provided a visual overview relating to land clearing open burns and backyard burning in District 69 and shared her concerns about the impacts to residents' health and the environment, and requested the Regional District to implement bylaws to address the problem.

Sharon Trepp and July Forrester also shared their concerns on the impacts to their health.

Dennis Lowen, re Proposed RDN Water supply well at 2629 Parker Road, Nanoose.

Dennis Lowen provided a visual presentation on the well impact assessment and provided an overview of the impact on aquifers nearby.

LATE DELEGATIONS

14-697 MOVED Director Holme, SECONDED Director Ruttan, that late delegations be permitted to address the Board.

CARRIED

Sheila Malcolmson, Islands Trust, re Gabriola Island Bicycle Route Plan in OCP.

Sheila Malcolmson provided a verbal update regarding the Gabriola Island Bicycle Route Plan.

Ken Collingwood, re Maz-Can RDN Draft Agreement (Parker Road Well).

Mr. Collingwood requested that the Board set aside the Agreement until the impacts of water extraction are assessed and a public consultation process is undertaken.

Melissa MacNeill, re Well on Parker Road.

Melissa MacNeill shared her concerns regarding her well productivity during the well testing and the potential impact to the neighbouring residents.

Janet Thony, Coombs Farmers' Institute, re Nanoose Aquifer Steering Committee.

Janet Thony spoke on behalf of the Coombs Farmers' Institute, requesting the Board defer putting the well into production until a comprehensive study could be completed.

Howie Griessel, re Well on Parker Road.

Howie Griessel, owner of Meadowbrook Farms, spoke about concerns for his farm and agricultural business, and requested that the Board address his concerns and those of other residents.

Robert Gould, re Water Issue on Parker Road.

Robert Gould stated his intention to create a two lot subdivision, and that the well provides a way for him to potentially subdivide his lot.

Virginia Brucker, re Support for Well on Parker Road.

Virginia Brucker stated that she has been a resident of Nanoose for 26 years, and that her intention was to subdivide her property.

Jim Lettic, re Maz-Can Investment's Parker Road Well.

Jim Lettic stated that he purchased his land so that he could subdivide the property and stated Maz-Can has completed all agreements, infrastructure, and intends to turn over the well, and that this is an opportunity to contribute to capital costs in exchange to connect to a community water system.

Gareth Slocombe, re Water Development on Parker Road in Nanoose Bay.

Gareth Slocombe provided a copy of the petitioner's motions opposing the well and shared his concerns about the precedent being set with the Agreement stating that it is a bad deal for the Regional District and the residents.

Helen Sims, re Well on Parker Road.

Helen Sims spoke in support of the well and provided background information on the permitting process for the property, stating that all the regulations and requirements have been followed.

Frances Lasser, re Opposition to Yellowpoint Medical Marijuana Facility.

Frances Lasser spoke about the community's opposition for Wildflower Medical Marijuana Inc. in the rural setting of Electoral Area 'A'.

Jim Russell, re Opposition to Yellowpoint Medical Marijuana Facility.

Jim Russell stated he supports the direction of Medical Marijuana but raised his concerns about the location of the facility, fire protection, the excessive amounts of water required and potential contamination risks, and requested the Regional District write a letter of opposition to Health Canada.

Dianne Eddy, re Responsibility of the RDN Board.

Dianne Eddy voiced her opposition for medical marijuana facilities and seaweed harvesting within the Deep Bay area. She requested that a letter be sent to Health Canada stating the Board's concerns relating to Area 'H' and the industrialization of Gainsberg Road.

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

Maz-Can Investments, 2729 Parker Road.

14-698 MOVED Director Holme, SECONDED Director Young, that the Regional District of Nanaimo Board refer the issue of the well, located at 2729 Parker Road, Nanoose Bay, back to staff to work with representatives of the Parker Road residents and the applicant, and to initiate the monitoring program.

CARRIED

Cycling Infrastructure on Gabriola Island.

14-699 MOVED Director Houle, SECONDED Director Veenhof, that staff be directed to set aside \$50,000 dollars from the Area 'B' Community Works Fund for cycling infrastructure planning on Gabriola.

CARRIED

Health Canada, Medical Marihuana.

- 14-700 MOVED Director McPherson, SECONDED Director Young, that correspondence be sent to Health Canada by the Regional District of Nanaimo opposing the issuance of a permit for the production of medical marihuana at 3045 / 3055 Quennell Road (Lot A, Section 2, Range 4, Cedar District) due to concerns regarding the potential for negative impacts on adjacent residential areas, and lack of water and sewer infrastructure, and traffic and security concerns.
- CARRIED

BOARD MINUTES

Minutes of the Regular Board meeting held Tuesday, September 30, 2014.

- 14-701 MOVED Director Holme, SECONDED Director Brennan, that the minutes of the Regular Board meeting held Tuesday, September 30, 2014, be adopted.
- CARRIED

COMMUNICATION/CORRESPONDENCE

John Horgan and Selina Robinson, Official Opposition, re Meetings at 2014 UBCM Convention.

- 14-702 MOVED Director Brennan, SECONDED Director Johnstone, that the correspondence from John Horgan and Selina Robinson, Official Opposition, regarding meetings at the 2014 Union of BC Municipalities Convention be received.
- CARRIED

UBCM, re Feedback Requested on First Nation Tax Report.

- 14-703 MOVED Director Brennan, SECONDED Director Johnstone, that the correspondence from the Union of BC Municipalities, regarding feedback requested on the First Nation Tax Report be received.
- CARRIED

Rick and Sharon Andersen, re Development Permit with Variance Application No. PL2014-089 – Johnson – 235 Driftwood Road, Electoral Area ‘H’.

- 14-704 MOVED Director Brennan, SECONDED Director Johnstone, that the correspondence from Rick and Sharon Andersen, regarding Development Permit with Variance Application No. PL2014-089 – Johnson – 235 Driftwood Road, Electoral Area ‘H’ be received.
- CARRIED

Malcolm Menninga, re Development Permit with Variance Application No. PL2014-089 – Johnson – 235 Driftwood Road, Electoral Area ‘H’.

- 14-705 MOVED Director Brennan, SECONDED Director Johnstone, that the correspondence from Malcolm Menninga, regarding Development Permit with Variance Application No. PL2014-089 – Johnson – 235 Driftwood Road, Electoral Area ‘H’ be received.
- CARRIED

Dr. Mitchell and EJ Mitchell, re Development Variance Permit Application No. PL2014-100 – Wheeler – 1403 Marina Way, Electoral Area ‘E’.

- 14-706 MOVED Director Brennan, SECONDED Director Johnstone, that the correspondence from Dr. Mitchell and EJ Mitchell, regarding Development Variance Permit Application No. PL2014-100 – Wheeler – 1403 Marina Way, Electoral Area ‘E’ be received.

CARRIED

Len Walker, re The Absurdity of Marijuana.

- 14-707 MOVED Director Brennan, SECONDED Director Johnstone, that the correspondence from Len Walker regarding the absurdity of marijuana be received.

CARRIED

Len Walker, re Seaweed Removal Issue in Deep Bay.

- 14-708 MOVED Director Brennan, SECONDED Director Johnstone, that the correspondence from Len Walker regarding the seaweed removal issue in Deep Bay be received.

CARRIED

UNFINISHED BUSINESS

STANDING COMMITTEE, SELECT COMMITTEE AND COMMISSION MINUTES & RECOMMENDATIONS

ELECTORAL AREA PLANNING STANDING COMMITTEE

Minutes of the Electoral Area Planning Committee meeting held Tuesday, October 14, 2014.

- 14-709 MOVED Director Holme, SECONDED Director Fell, that the minutes of the Electoral Area Planning Committee meeting held Tuesday, October 14, 2014 be received for information.

CARRIED

DEVELOPMENT PERMIT APPLICATIONS

Development Permit Application No. PL2014-107 – Pennell – 5481 Deep Bay Drive, Electoral Area ‘H’.

- 14-710 MOVED Director Veenhof, SECONDED Director Holme, that Development Permit No. PL2014-107 to permit the construction of an addition to a dwelling unit within the Hazard Lands DPA be approved subject to the conditions outlined in Attachments 2 to 4.

CARRIED

Development Permit Application No. PL2014-115 – FMC Holdings Ltd. – 1890 Schoolhouse Road, Electoral Area ‘A’.

- 14-711 MOVED Director McPherson, SECONDED Director Young, that Development Permit No. PL2014-115 to amend previously issued Development Permit with Variance No. PL2012-166 be approved subject to the conditions outlined in Attachments 2 to 6.

CARRIED

DEVELOPMENT VARIANCE PERMIT APPLICATIONS

Development Variance Permit Application No. PL2014-102 – Ryan & Kara Malcolm – 2962 Ridgeway Road, Electoral Area ‘C’.

- 14-712 MOVED Director Young, SECONDED Director Fell, that Development Variance Permit No. PL2014-102 to increase the maximum permitted height and floor area for an accessory building containing a secondary suite be approved subject to the conditions outlined in Attachments 2 to 4.
- CARRIED

Development Variance Permit Application No. PL2014-064 – Lindsay – 2410 Shady Lane, Electoral Area ‘H’.

- 14-713 MOVED Director Veenhof, SECONDED Director Young, that Development Variance Permit No. PL2014-064 to reduce the setbacks to a watercourse from 15.0 metres to 6.2 metres be approved subject to the conditions outlined in Attachments 2 to 4.
- CARRIED

Development Variance Permit Application No. PL2014-100 – Wheeler – 1403 Marina Way, Electoral Area ‘E’.

- 14-714 MOVED Director Holme, SECONDED Director Fell, that Development Variance Permit No. PL2014-100 to reduce the setbacks to the interior side lot lines, setback to the sea and increase the maximum allowable height to legalize the siting of an existing dwelling unit, be approved subject to the conditions outlined in Attachments 2 to 4.
- CARRIED

DEVELOPMENT PERMIT WITH VARIANCE APPLICATIONS

Development Permit with Variance Application No. PL2014-032 – Parksville Redi-Mix Ltd. – 10 Nanaimo River Road, Electoral Area ‘A’.

- 14-715 MOVED Director McPherson, SECONDED Director Young, that Development Permit with Variance No. PL2014-032 to permit the construction of a concrete batch plant be approved subject to the conditions outlined in Attachments 2 to 4.
- CARRIED

Development Permit with Variance Application No. PL2014-089 – Johnson – 235 Driftwood Road, Electoral Area ‘H’.

Delegations wishing to speak to DPVA No. PL2014-089 – Johnson – 235 Driftwood Road, Electoral Area ‘H’.

Rick and Sharon Andersen, Driftwood Road – spoke in opposition.

- 14-716 MOVED Director Veenhof, SECONDED Director McPherson, that Development Permit with Variance No. PL2014-089 to legalize the siting of an existing dwelling unit and permit an addition to the dwelling unit within the Hazards Land Development Permit Area be approved subject to the conditions outlined in Attachments 2 to 4.
- CARRIED

- 14-717 MOVED Director Veenhof, SECONDED Director McPherson, that the property owner shall submit to the Regional District of Nanaimo in support with the Building Permit Application, a drainage, sediment and erosion plan prepared by a qualified geotechnical engineer, which includes an assessment and recommendations to include drainage such as rock pits if appropriate.
- CARRIED

14-718 MOVED Director Veenhof, SECONDED Director McPherson, that the property owner shall submit to the Regional District of Nanaimo in support with the Building Permit Application, a report from an authorized person, as defined by the provincial Sewerage System Regulations which confirms that the method of sewerage disposal is of adequate capacity and repair for the intended use.

CARRIED

Development Permit with Variance Application No. PL2014-118 – Haggarty – 1318 Lanyon Drive, Electoral Area 'G'.

14-719 MOVED Director Holme, SECONDED Director Young, that Development Permit with Variance No. PL2014-118 to permit the construction of an accessory building be approved subject to the conditions outlined in Attachments 2 and 3.

CARRIED

OTHER

Request for Relaxation of the Minimum 10% Perimeter Frontage Requirement Subdivision Application No. PL2014-046 – Lost Lake Properties Ltd. – Sumar Lane, Electoral Area 'G'.

14-720 MOVED Director Holme, SECONDED Director McPherson, that the request to relax the minimum 10% perimeter frontage requirement for the remainder lot be approved.

CARRIED

Request for Relaxation of the Minimum 10% Perimeter Frontage Requirement Subdivision Application No. PL2014-077 – Giuriato – 2909 Turnbull Road, Electoral Area 'H'.

14-721 MOVED Director Veenhof, SECONDED Director Young, that the request to relax the minimum 10% perimeter frontage requirement for proposed Lot 3 be approved.

CARRIED

Amendments to Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987; Regional District of Nanaimo Electoral Area 'F' Zoning & Subdivision Bylaw No. 1285, 2012; and Board Policy B1.5 – Electoral Areas 'A', 'C', 'E', 'F', 'G', 'H'.

14-722 MOVED Director Veenhof, SECONDED Director McPherson, that the Summaries of the Public Information meetings held on September 16, 17, and 18, 2014, be received.

CARRIED

14-723 MOVED Director Veenhof, SECONDED Director McPherson, that "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.396, 2014", be introduced and read two times.

CARRIED

14-724 MOVED Director Veenhof, SECONDED Director McPherson, that the Public Hearing on "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.396, 2014", be chaired by Director Stanhope or his alternate.

CARRIED

14-725 MOVED Director Veenhof, SECONDED Director Fell, that "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Amendment Bylaw No. 1285.22, 2014", be introduced and read two times.

CARRIED

14-726 MOVED Director Veenhof, SECONDED Director Fell, that the Public Hearing on "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Amendment Bylaw No. 1285.22, 2014", be chaired by Director Fell or his alternate.

CARRIED

- 14-727 MOVED Director Veenhof, SECONDED Director Fell, that the Board approve the revision as proposed to Board Policy B1.5 Development Variance Permit, Development Permit with Variance & Floodplain Exemption Application Evaluation.

CARRIED

COMMITTEE OF THE WHOLE STANDING COMMITTEE

Minutes of the Committee of the Whole meeting held Tuesday, October 14, 2014.

- 14-728 MOVED Director Ruttan, SECONDED Director Lefebvre, that the minutes of the Committee of the Whole meeting held Tuesday, October 14, 2014 be received for information.

CARRIED

COMMUNICATION/CORRESPONDENCE

Gary and Joan Lansdell, re Parker Road well and water to the RDN system.

- 14-729 MOVED Director Holme, SECONDED Director Brennan, that the correspondence from Gary and Joan Lansdell regarding the Parker Road well and water to the Regional District of Nanaimo system be received.

CARRIED

Leonard Krog, MLA, re Morden Colliery Historic Provincial Park.

- 14-730 MOVED Director Holme, SECONDED Director Brennan, that the correspondence from Leonard Krog, MLA, regarding Morden Colliery Historic Provincial Park be received.

CARRIED

Dawn Nedzelski and Elin Bjarnason, Island Health, re Meeting Request with Island Health Representatives and Nanaimo Regional Hospital Board.

- 14-731 MOVED Director Holme, SECONDED Director Brennan, that the correspondence from Dawn Nedzelski and Elin Bjarnason, Island Health, regarding a meeting request with Island Health Representatives and Nanaimo Regional Hospital Board be received.

CARRIED

Vancouver Island Regional Library, re 2015-2019 Adopted Financial Plan.

- 14-732 MOVED Director Holme, SECONDED Director Brennan, that the correspondence from Vancouver Island Regional Library regarding the 2015 – 2019 adopted Financial Plan be received.

CARRIED

CAO

2014 Service Area Work Plan Project Update.

- 14-733 MOVED Director Lefebvre, SECONDED Director Anderson, that the Board receive the progress report on the 2014 Service Area Work Plan Project Update for the reporting period of January to September, 2014, for information.

CARRIED

RECREATION AND PARKS

RECREATION SERVICES

Gabriola Recreation Society Agreement Renewal 2015 – 2018.

- 14-734 MOVED Director Houle, SECONDED Director Greves, that the Agreement attached as Appendix 'A' with the Gabriola Recreation Society be renewed for a three year term from January 1, 2015 through December 31, 2017.

CARRIED

ADVISORY AND SELECT COMMITTEE, AND COMMISSION

District 69 Recreation Commission.

Minutes of the District 69 Recreation Commission Meeting held Thursday, September 18, 2014.

- 14-735 MOVED Director Veenhof, SECONDED Director Holme, that the minutes of the District 69 Recreation Commission meeting held Thursday, September 18, 2014 be received for information.

CARRIED

NEW BUSINESS

Ban on Large Scale Land Clearing.

- 14-736 MOVED Director Lefebvre, SECONDED Director Greves, that staff be directed to write to the appropriate provincial ministries to urge the consideration of a ban on large scale land clearing debris burning in electoral areas on municipal boundaries and that other more environmentally friendly methods be used to dispose of such debris be referred to staff for a review of regulatory options, and that staff report back to the Board on options for consideration.

CARRIED

COMMISSIONS

District 69 Recreation Commission

Minutes of the District 69 Recreation Commission Meeting, held Thursday, October 16, 2014.

- 14-737 MOVED Director Veenhof, SECONDED Director Holme, that the minutes of the District 69 Recreation Commission meeting, held Thursday, October 16, 2014 be received for information.

CARRIED

District 69 Grants.

- 14-738 MOVED Director Veenhof, SECONDED Director Holme, that the following District 69 Youth Recreation Grant Applications be Approved:

Arrowsmith Community Recreation Association	1,100
District 69 Family Resource Association- youth drop-in food	1,085
Ravensong Waterdancers Synchronized Swimming Club	1,780
Total	\$3,965

CARRIED

14-739 MOVED Director Veenhof, SECONDED Director Holme, that the following District 69 Community Recreation Grant applications be approved:

Arrowsmith Agricultural Association – Family Day Celebration	725
Corcan Meadowood Residents Association – Halloween event	1,345
Family Resource Association – FASD activities/camps	1070
Forward House Community Society – recreation activities	2,230
Lighthouse Community Centre Society – stage lighting	2,500
Lighthouse Community Slo-Pitch League	1,200
Parksville Quilt House Quilter's Guild – facility and equipment rentals	2,500
Ravensong Masters Swim Club	1,250
Total	\$12,820

CARRIED

14-740 MOVED Director Fell, SECONDED Director Veenhof, that the unused portion of 2014 District 69 Recreation Grant funds (\$15,728) be rolled forward into the 2015 preliminary budgeted amount for the District 69 Recreation Grants Program.

CARRIED

District 69 Arena (Parksville Curling Club) Building and Systems Assessment 2014.

14-741 MOVED Director Veenhof, SECONDED Director Willie, that the Parksville Curling Club continue with capital plan responsibilities as per the existing lease agreement and staff be directed to review funding options, including grants, to replace systems and upgrade the facility to continue as a curling club.

CARRIED

14-742 MOVED Director Veenhof, SECONDED Director Holme, that the Regional District consider alternative facility uses for the District 69 Arena and associated costs as part of the 2016 Recreation Services Master plan process for District 69.

CARRIED

SCHEDULED STANDING, ADVISORY, AND SELECT COMMITTEES

Northern Community Economic Development Select Committee

Minutes of the Northern Community Economic Development Select Committee meeting, held Thursday, October 16, 2014.

14-743 MOVED Director Holme, SECONDED Director Fell, that the minutes of the Northern Community Economic Development Select Committee meeting, held Thursday, October 16, 2014 be received for information.

CARRIED

Northern Community Economic Development Program – Fall 2014 Proposals.

14-744 MOVED Director Holme, SECONDED Director Fell, that the proposal from Central Vancouver Island Job Opportunities Building Society / BladeRunners' pilot youth employment program for Regional District of Nanaimo North be awarded funding in the amount of \$9,889.75.

CARRIED

14-745 MOVED Director Holme, SECONDED Director Veenhof, that the Lighthouse Country Business Association / LCBA – Website proposal be awarded 50% of the estimated cost to a maximum of \$2,000.00, be approved.

CARRIED

New Business

Northern Community Economic Development Funds.

14-746 MOVED Director Willie, SECONDED Director Veenhof, that all Northern Community Economic Development funds not disbursed in 2014 be carried forward as surplus for additional funding for the service in 2015.

CARRIED

District 69 Community Justice Select Committee

Minutes of the District 69 Community Justice Select Committee meeting, held Monday, October 20, 2014.

14-747 MOVED Director Holme, SECONDED Director Lefebvre, that the minutes of the District 69 Community Justice Select Committee meeting, held Monday, October 20, 2014 be received for information.

CARRIED

2015 Requisition for D69 Community Justice Funding.

14-748 MOVED Director Lefebvre, SECONDED Director Veenhof, that the 2015 requisition for funding to support the Oceanside Victims Services, Restorative Justice and Community Policing Programs be approved at \$111,800 and that the Regional District of Nanaimo Crime Prevention and Community Justice Support Service Bylaw No. 1479, 2006" be amended accordingly.

CARRIED

Community Safety Grant-In-Aid Applications.

14-749 MOVED Director Lefebvre, SECONDED Director Fell, that a 2014 grant in the amount of \$4,500 for the Citizens on Patrol Society, District 69 be approved.

CARRIED

14-750 MOVED Director Lefebvre, SECONDED Director Fell, that a 2014 grant in the amount of \$4,500 for the Oceanside Community Safety Volunteers, District 69 Speedwatch be approved.

CARRIED

14-751 MOVED Director Fell, SECONDED Director Lefebvre, that the grant request from Errington Preschool Parents Society be referred to the next intake of the regular Grants in Aid.

CARRIED

Wembley Road Safety Issue.

- 14-752 MOVED Director Johnstone, SECONDED Director Lefebvre, that given the critical nature of the Wembley Road safety issue as well as similar issues in other jurisdictions, that staff be requested to continue to liaise with the Ministry of Transportation and Infrastructure, electoral area directors and the Oceanside RCMP Detachment to review possible assistance that can be provided by the Regional District of Nanaimo to assist with resolving and mediating pedestrian safety concerns.

CARRIED

Regional Parks and Trails Select Committee

Minutes of the Regional Parks and Trails Select Committee meeting, held Tuesday, October 21, 2014.

- 14-753 MOVED Director Holme, SECONDED Director Brennan, that the minutes of the Regional Parks and Trails Select Committee meeting, held Tuesday, October 21, 2014 be received for information.

CARRIED

Morden Colliery Regional Trail Bridge Report.

- 14-754 MOVED Director Brennan, SECONDED Director Fell, that the updated Nanaimo River Pedestrian Crossing at the Morden Colliery Regional Trail Feasibility Study be received to use as a guiding document for the future development of a bridge crossing within the Morden Colliery Regional Trail corridor.

CARRIED

- 14-755 MOVED Director Brennan, SECONDED Director Fell, that subsequent design and assessment work proceed under the Steel Truss Bridge option.

CARRIED

- 14-756 MOVED Director Brennan, SECONDED Director Fell, that the equestrian accessible bridge option be vetted through local residents and equestrian groups prior to subsequent design work in order to ensure public support and user demand in consideration of higher construction and maintenance costs.

CARRIED

Fairwinds Management Plan Committee.

- 14-757 MOVED Director Willie, SECONDED Director Holme, that Director Stanhope and Director de Jong represent the Regional Parks and Trails Select Committee on the Fairwinds Management Plan Committee, with Director Young acting as an alternate.

CARRIED

ADMINISTRATOR'S REPORTS

Development Permit Application No. PL2014-121 – Isle West Investments Ltd. – Electoral Area 'A'.

- 14-758 MOVED Director McPherson, SECONDED Director Young, that Development Permit No. PL2014-121 to permit the placement of fill and establish a building envelope for a future dwelling within the Nanaimo River Floodplain Development Permit Area be approved subject to the conditions outlined in Attachments 2 to 4.

CARRIED

Formal Acknowledgement of First Nations Traditional Territory.

- 14-759 MOVED Director Houle, SECONDED Director de Jong, to acknowledge First Nations traditional territory (using the guidelines suggested in Attachment 1) at the beginning of Regional District of Nanaimo Board meetings and special events hosted by the Regional District of Nanaimo.

CARRIED

Bylaw 1479.01 – A Bylaw to Amend the Regional District of Nanaimo Crime Prevention and Community Justice Support Service Bylaw No. 1479, 2006.

- 14-760 MOVED Director Willie, SECONDED Director Lefebvre, that "Regional District of Nanaimo Crime Prevention and Community Justice Support Service Amendment Bylaw No. 1479.01, 2014" be introduced and read three times.

CARRIED

- 14-761 MOVED Director Lefebvre, SECONDED Director Anderson, that "Regional District of Nanaimo Crime Prevention and Community Justice Support Service Amendment Bylaw No. 1479.01, 2014" be adopted.

CARRIED

Bylaws No. 1716 and 1717 – Reserve Fund Establishment Bylaws.

- 14-762 MOVED Director McPherson, SECONDED Director Holme, that "Rural Streetlighting Local Service Reserve Fund Establishment Bylaw No. 1716, 2014" be introduced and read three times.

CARRIED

- 14-763 MOVED Director Holme, SECONDED Director McPherson, that "Rural Streetlighting Local Service Reserve Fund Establishment Bylaw No. 1716, 2014" be adopted.

CARRIED

- 14-764 MOVED Director Holme, SECONDED Director Lefebvre, that "Gabriola Island Noise Control Extended Service Reserve Fund Establishment Bylaw No, 1717, 2014" be introduced and read three times.

CARRIED

- 14-765 MOVED Director Houle, SECONDED Director Johnstone, that "Gabriola Island Noise Control Extended Service Reserve Fund Establishment Bylaw No. 1717, 2014" be adopted.

CARRIED

BUSINESS ARISING FROM DELEGATION OR CORRESPONDENCE

UBCM Re Feedback Requested on First Nation Tax Report.

- 14-766 MOVED Director de Jong, SECONDED Director Brennan, that this matter be referred to staff to bring a report forward for the Board's consideration.

CARRIED

NEW BUSINESS

Bylaw 1250.

- 14-767 MOVED Director Fell, SECONDED Director Veenhof, that staff be directed to meet with Directors for Electoral Areas 'A', 'C', 'F', and 'H' to start discussions on modifications to Bylaw 1250 for owner builders.

CARRIED

14-768 **Witness Blanket.**

MOVED Director Houle, SECONDED Director Veenhof, that staff be directed to consult with the Snuneymuxw First Nation, the Snaw-Naw-As First Nation, the Qualicum First Nation, and the City of Nanaimo to make them aware of the Witness Blanket project and the opportunity to host the art installation during its national tour.

CARRIED

Time Limit on Addendum.

14-769 MOVED Director Veenhof, SECONDED Director Anderson, that addendums be published no later than 24 hours before the meeting to which they refer and that no further updates be approved.

DEFEATED

IN CAMERA

14-770 MOVED Director Holme, SECONDED Director Young, that pursuant to Sections 90 (1)(c) and (e) of the *Community Charter* the Committee proceed to an In Camera meeting for discussions related to labour relations and land acquisitions.

CARRIED

TIME: 10: 16 PM

ADJOURNMENT

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

CARRIED

TIME: 10:47 PM

CHAIRPERSON

CORPORATE OFFICER



RDN CAOS OFFICE			
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GMS&CD		GM T&SW	
GM R&CU		DF	
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CHAIR	<input checked="" type="checkbox"/>		

October 16, 2014

Joe Stanhope
Chair, Regional District of Nanaimo
c/o City of Nanaimo
455 Wallace Street
Nanaimo, BC V9R 5J6

Dear Joe:

Thank you very much for meeting with Minister Coleman, Deputy Minister Nikolejsin, MLA Stilwell and me during the UBCM Convention this year. It was good to see you, along with the members of the RDN and AVICC.

I appreciate your support on common rates and your view that the move will create a lot of economic opportunities. We do feel that it is good news for the Island.

I want to encourage you to keep in touch because I believe strongly that only by knowing about local priorities, can we – together – reach our collective goal for a strong and healthy province.

Again, thank you for the update. I wish you all the best in the year ahead.

Sincerely,

Christy Clark
Premier

pc: Honourable Rich Coleman, Minister of Natural Gas Development and Housing
Dave Nikolejsin, Deputy Minister, Ministry of Energy and Mines
Michelle Stilwell, MLA, Parksville-Qualicum



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CHAIR	<input checked="" type="checkbox"/>		<input type="checkbox"/>

Reference: 200343

OCT 30 2014

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

Dear Chair Stanhope and Directors:

Thank you for your letter of January 30, 2014, with the enclosed Regional District of Nanaimo (RDN) Liquid Waste Management Plan Amendment (Plan) dated January 2014.

I am satisfied that the Plan provides a comprehensive outline of commitments addressing key planning components. The amendment includes initiatives targeted at addressing failing onsite systems, source control, odour control, rainwater management, volume reduction, inflow and infiltration reduction, integrated resource recovery and beneficial use of biosolids. The direction and commitments identified in the proposed amendment are supportable and the public review and consultation process meets this ministry's requirements.

The RDN's commitment to replace the aging outfall at the Greater Nanaimo Pollution Control Centre (GNPCC) by 2015 and to complete treatment upgrades at GNPCC and Nanoose Bay Pollution Control Centre (NBPCC) by revised timelines of 2018 and 2023, respectively, are accepted. The ministry supports upgrading to a minimum of secondary level treatment at both GNPCC and NBPCC. As the level of treatment as well as design of treatment and disposal facilities are informed by environmental impact studies, the RDN will need to address specific regulatory requirements in greater detail and undertake appropriate environmental impact studies in advance of scheduled completion dates for upgrades.

Pursuant to Section 24(5) of the *Environmental Management Act*, I hereby approve the RDN Liquid Waste Management Plan Amendment dated January 2014 with the following conditions:

1. Within 30 days of receipt of this letter, provide terms of reference, plan and schedule for completion of Stages 1 & 2 of an Environmental Impact Study for each of the GNPCC, NBPCC and French Creek Pollution Control Centre (FCPCC) sewage treatment and disposal facilities.
2. By January 31, 2015, provide the Environmental Impact Study for the marine portion of the GNPCC outfall replacement project.

...2

Ministry of
Environment

Office of the
Minister

Mailing Address:
Parliament Buildings
Victoria BC V8V 1X4

Telephone: 250 387-1187
Facsimile: 250 387-1356

Please continue to work with Ministry of Environment, Environmental Protection Division, Coast Region staff to address requirements for completion of environmental impact studies.

Please continue your efforts to engage with First Nations regarding any specific concerns with the Plan. This includes consultation pertaining to environmental impact studies and assessment and design of receiving environment monitoring programs. Please take action as necessary to assist in addressing any concerns identified during consultation.

It is noted that the Plan does not anticipate any significant future development to occur within the Nanoose Bay sewer service area over the lifetime of the Plan. As the draft Operational Certificate for NBPCC specifies a maximum discharge rate that is inconsistent with and unsubstantiated by the details of the Plan, I support the RDN's commitment to work in cooperation with ministry staff in the Coast Region to review and refine the details of the Operational Certificate for NBPCC, as well as for Operational Certificates for the GNPCC and FCPCC facilities to ensure alignment with projects and programs detailed in the Plan as well as regulatory requirements and findings of environmental impact studies. I bring to your attention that any significant changes to what is detailed in the Plan would require a plan amendment as well as public and First Nations consultation as appropriate to the nature of the amendment.

I concur with the RDN's commitment to establish a plan monitoring committee to complete annual reviews of the Plan. I understand the plan monitoring committee will make recommendations for revisions and updates to the Plan and prepare an annual audit report. Please forward a copy of the audit report to the regional office, with the first report to be submitted by June 30, 2015, and subsequent reports by June 30th of each following year.

In looking forward, I would like to see future plan amendments include specific targets and measures focused on the elimination of sewer overflows and reduction of inflow and infiltration, and give further attention to emerging issues such as climate change and contaminants of concern. I also encourage the RDN to develop bylaws that will assist in achieving goals to reduce wastewater volume and better manage rainwater and cumulative effects.

Approval of the Plan does not authorize entry upon, crossing over or use for any purpose of private or Crown lands or works, unless and except as authorized by the owner of such lands or works. The responsibility of obtaining such authority shall rest with the local government. This Plan is approved pursuant to the provisions of the *Environmental Management Act*, which asserts it is an offence to discharge waste without proper authorization. It is also the RDN's responsibility to ensure that all activities conducted under this Plan are carried out with regard to the rights of third parties and comply with other applicable legislation that may be in force.

...3

Thank you again for your submission.

Sincerely,

A handwritten signature in cursive script that reads "Mary Polak". The signature is written in black ink and is positioned above the printed name and title.

Mary Polak
Minister

cc: AJ Downie, Regional Director, Coast Region, Environmental Protection Division,
Ministry of Environment



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CHAIR	<input checked="" type="checkbox"/>		

October 31, 2014

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

Reference: 229337

Dear Chair Stanhope:

Re: Playground Zone Signs

Thank you for your letter expressing concerns on behalf of local area residents regarding road signs at permanently closed school sites.

Safety is the ministry's highest priority, and ministry staff will work with the Regional District of Nanaimo (RDN) and the local school districts to review the concerns you raise. I understand a number of the permanently closed school sites, including South Wellington School, are currently available for sale or rent. Ministry staff will work with Regional District representatives to complete a review of the level of playground activity at these sites to assess whether playground or other warning signs should be put in place. Staff will continue to monitor these locations following any changes in property use to ensure signage remains appropriate.

I am advised our local Operations Manager, Johnathan Tillie, has scheduled a meeting with the RDN in the near future to discuss this issue in greater depth. If you have any questions regarding this issue in the meantime, please do not hesitate to contact Mr. Tillie by telephone at 250 751-3287 or by e-mail at Johnathan.Tillie@gov.bc.ca. He would be pleased to assist you.

Thank you again for taking the time to write.

Sincerely,

Todd G. Stone
Minister

Copy to: Johnathan Tillie, Operations Manager
Vancouver Island District



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CHAIR	<input checked="" type="checkbox"/>		

OCT 31 2014

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

Reference: 230834

Dear Chair Stanhope

Re: Thank You for Your Input

Thank you for taking the time to meet with me and Ministry of Transportation and Infrastructure staff this past September.

The opportunity to hear your feedback was an important factor in our collection of initial input for the Vancouver Island component of B.C. on the Move, the Ministry of Transportation and Infrastructure's Ten Year Transportation Plan. Your contributions were appreciated, and will be considered by ministry staff as the new plan is developed.

Since we met, a discussion guide for the public engagement phase of BC on the Move was developed. I encourage you to review the guide, and to provide any additional feedback you may have as a result via the online survey or through the other methods noted online at <http://engage.gov.bc.ca/transportationplan/>.

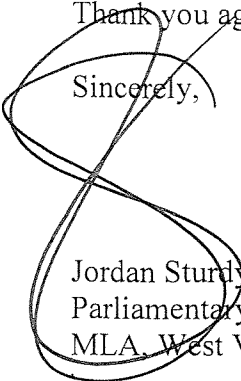
A copy of the Discussion Guide for B.C. on the Move can be found at: http://engage.gov.bc.ca/transportationplan/files/2014/10/BContheMove_DiscussionGuide_October-8_Web.pdf.

If you have questions or concerns, or should you wish to meet again directly with Ministry of Transportation and Infrastructure staff, please do not hesitate to contact Norm Parkes, Executive Director of Highways for the ministry. Mr. Parkes can be reached in Victoria at 250 387-0159 or by e-mail at Norm.Parkes@gov.bc.ca and would be pleased to hear from you.

.../2

Thank you again for taking the time to meet.

Sincerely,



Jordan Sturdy
Parliamentary Secretary to the Minister of Transportation and Infrastructure
MLA, West Vancouver-Sea to Sky

Copy to: Norm Parkes
Executive Director, Highways Department
Ministry of Transportation and Infrastructure



November 6, 2014

Dear Agricultural Advisory Committee Chair,

The Ministry of Agriculture would like you to save the date of **Wednesday, February 18, 2015** to participate in the seventh biennial **Agricultural Advisory Committee Workshop** from 9:30 a.m. to 4:00 p.m. This year, there will be one province-wide event and it will be held in the lower mainland. The event will be free and lunch will be provided. Complete event details and registration will be sent to you and your local government officials and staff in early December 2014.

The workshop will bring AAC members together from across BC to meet each other and discuss agricultural issues of importance. We are confident that these sessions will be useful to all communities, even those who do not yet have an AAC and are only considering beginning an AAP process. A complete list of proceedings from AAC workshops held in recent years is available on our website: <http://www.al.gov.bc.ca/resmgmt/sf/aac/wrkshps.htm>.

Previous workshops have invigorated AAC members, generated new ideas, and helped AACs continue to offer effective advice and support to their councils, boards and local trust committees. **Please save the date and watch for complete details in the coming month.** If you have any questions in the interim please contact our land use planner, Sonja Zupanec directly at sonja.zupanec@gov.bc.ca or 250.247.7686 (toll free 1.888.221.7141).

I look forward to seeing your representatives at the workshop.

Yours truly,

Bert van Dalzen
Manager, Strengthening Farming Program



Ottawa, Canada K1A 0K9

OCT 29 2014

Mr. Joe Stanhope
Chair
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, British Columbia V9T 6N2

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CHAIR	<input checked="" type="checkbox"/>		

Dear Mr. Stanhope:

Thank you for your letter of July 15, 2014, in which you seek funding assistance to meet the operating conditions established by the Vancouver Island Health Authority to ensure a safe and adequate supply of water to the residents of Parksville and the Nanoose Peninsula in the Regional District of Nanaimo.

In Canada, responsibility for drinking water quality is shared between various levels of government. The principal responsibility for ensuring the safety of drinking water generally rests with the provinces and territories, while municipalities usually ensure the day-to-day operations of treatment facilities and distribution systems. Health Canada works with the provinces and territories, through the Federal-Provincial-Territorial Committee on Drinking Water, to develop the *Guidelines for Canadian Drinking Water Quality*. The Guidelines are then used by each province and territory as a basis to establish their own requirements for drinking water quality.

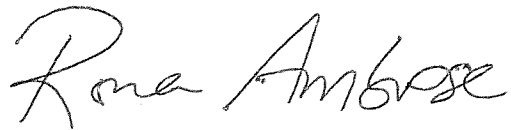
Health Canada does not have any mechanism for providing funding assistance to municipalities for drinking water infrastructures. However, the Government of Canada has created, through Infrastructure Canada, the Building Canada Plan. This plan focuses on supporting projects that enhance economic growth, job creation and productivity. Each province and territory is allocated a specific amount of funding from the federal government under the Provincial-Territorial Infrastructure Component of the New Building Canada Fund over the 10-year duration of the Plan (2014-2024). This is funding that the provinces and territories can access to receive federal support for their infrastructure project priorities over the next decade. Further information on the Plan is available at <http://www.infrastructure.gc.ca/plan/plan-eng.html>.

.../2

As mentioned by the Honourable Denis Lebel, Minister of Infrastructure, Communities and Intergovernmental Affairs, in his response to you, projects under the Provincial-Territorial Infrastructure Component must be prioritized by the province and submitted to the Government of Canada for funding consideration. Therefore, you may wish to contact the British Columbia Ministry of Transportation and Infrastructure regarding your project.

Thank you for writing.

Yours sincerely,

A handwritten signature in cursive script that reads "Rona Ambrose". The signature is written in black ink on a white background.

The Hon. Rona Ambrose, P.C., M.P.

c.c. The Honourable Denis Lebel, P.C., M.P.
Minister of Infrastructure, Communities and Intergovernmental Affairs
and Minister of the Economic Development Agency of Canada for the
Regions of Quebec

Dr. James Lunney, M.P.
Nanaimo–Alberni



Nanaimo Airport
P.O. Box 149 3350 Spitfire Rd
Cassidy, BC Canada V0R 1H0
Ph (250) 245-2157 Fax (250) 245-4308

November 17, 2014

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

Re: Nanaimo Airport Expansion Projects, Phase 1

Dear Mr. McPherson,

Alec, it was good speaking to you the other day and we appreciate your support in this funding endeavour.

The Nanaimo Airport Commission is seeking New Building Canada funding for the expansion of its airport facilities to better serve the growing population and economy of the mid-Vancouver Island region.

The Nanaimo Airport Commission's (NAC) objective for the Airport Expansion Projects is "to provide reliable, expanded air services to meet the growth of the Mid-Island region and in doing so to provide the infrastructure necessary for the region to develop to its full economic potential". To reach this objective, the Nanaimo Airport Commission has prepared a Phase 1 project budget of \$11 million and will be requesting funding for 2/3 of that amount from the Building Canada Fund.

We note that transportation plays an integral part in creating sustainable communities; and as part of the 2013 - 2015 RDN Board Strategic Plan, the Board is supportive of the expansion of air travel options in the region including the Nanaimo Airport.

Therefore, on behalf of the Board of the Nanaimo Airport Commission, I am requesting a letter of endorsement for the application for \$11 million Nanaimo Airport Phase 1 Expansion Project by the Commission (as an eligible applicant) from the New Building Canada Fund – "Small Communities Fund".

Sincerely,

A handwritten signature in black ink, appearing to read "John Craig", with a stylized flourish at the end.

John Craig
NAC Board Chairman
(250) 713-0300
JCraig@Shaw.ca

Cc: Michael Hooper, CEO

From: Greta Taylor
Sent: Tuesday, October 28, 2014 2:36 PM
Subject: Letter to all RDN Directors re Marihuana Facility.

October 28th 2014.

To **Mr. J. Stanhope**, Chairman of the Board Regional District of Nanaimo
and ALL DIRECTORS.

Ladies and Gentleman.

Re: Proposed Medical Marihuana Facility in Deep Bay - Area H.

My husband and I are greatly concerned to learn that a license has been issued for the above facility to be built on the corner of Highway 19A and Gainsberg Road in Deep Bay. We have lived in this rural residential area for over twenty years and so far it has been a pleasure to make our home in this very quiet and beautiful area. However, if this facility is allowed to be built here, this will all change and we we feel this is not the right area for such a facility for the following reasons:

1. Agricultural land that is in the Agricultural Land Reserve should not be used for Industrial purposes and this is an Industrial facility.
2. The proposed site for this facility is in very close proximity to an Elementary School.
3. Property values will be degraded by having such a facility in a rural residential area.
4. We feel that such a facility in this area would attract more criminal activity No matter whatever type of security may be in place there is always someone ready to beat the odds.
5. Here in Deep Bay we are quite a way away from Police protection being in between Courtenay to the north of us and Parksville to the south. Right now we have very little crime in this area and that is how we would like it to stay.
6. If you should allow this facility to be built, it will be the thin end of the wedge to making Deep Bay/Bowser into an Urban area instead of a quiet residential area that the folks who live here very much appreciate.
7. Agricultural land should be used only for farming and raising animals for food etc, The land in the Reserve was set aside for this purpose many years ago by people who had the foresight to see we would one day be in need of it. This day is not too far off now what with the droughts, fires and lack of water in California, which makes getting supplies from there unpredictable and what we do get is becoming more and more expensive to import. We have only 2-3 days supply of food on this Island in case of emergencies, which does not seem much considering the number of people who live here, so we need to keep our Agricultural Land in the reserve. Use Industrial Land for these facilities only.

8. Considering the fact that Area H Director Veenhof made a motion to oppose a Medical Marihuana facility in Nanoose in September 2014, why has he not called a meeting to discuss this issue with the residents of Deep Bay/Bowser? We have very similar concerns including the fact that a good many residents are on wells in this area. Also depending on where the entrance would be, traffic could be very much increased. Does the fact that he has not called any meeting to discuss this problem mean that he is quietly in favour of it here in Deep Bay and he is letting it slip through the cracks? We call on Mr. Veenhof to do the same for the residents of Deep Bay to call a meeting with the folks here and if the majority are opposed to it, then make a motion to write a letter to Health Canada opposing a Marihuana facility in this residential area. Fair is Fair Mr. Veenhof.

We hope, Ladies and Gentlemen of the Board, that you will take note of our concerns and not make a decision until a meeting has been called by Director Veenhof to ascertain the feelings of the majority of residents in the Deep Bay/Bowser area and Area H at large.

Yours respectfully,
Greta and Peter Taylor,
244, Hembrough Road,
Deep Bay/Bowser, VOR 1G0
teL 250 757 8909
email gptaylor@shaw.ca

From: jerryjgf@shaw.ca
Sent: Friday, October 31, 2014 12:30 PM
Subject: Proposed Marijuana Facility in Deep Bay/Bowser

October 31st, 2014

Chairman and Board Regional District of Nanaimo
Nanaimo, B.C.

Dear Mr. Stanhope and Board Members:

As a relatively newcomer to Bowser/Deep Bay, I strongly support the legitimate concerns expressed to you by Greta and Peter Taylor about the prospects of a Medical Marijuana Facility being located in Deep Bay - AREA H.

I can assure you, had we known such a facility was being contemplated for this area, it definitely would have affected our decision to buy here in Deep Bay/Bowser, for the very reasons Mr. & Mrs. Taylor expressed.

None of us is asking for, nor expecting, anything which each of you board members would not yourselves ask, were you in our situation, namely: consult with us - in our community; listen to what the majority of us say, and heed the consensus. That's what democracy is all about! Thank you for your after-the-fact consideration.

Sincerely,
James G. ("Jerry") Flynn
5181 Gainsberg Road
Bowser, B.C. V0R 1G0
(778) 424-9609

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE SPECIAL ELECTORAL AREA PLANNING COMMITTEE MEETING
OF THE REGIONAL DISTRICT OF NANAIMO HELD ON
TUESDAY, OCTOBER 14, 2014 AT 3:05 PM IN THE
RDN BOARD CHAMBERS**

In Attendance:

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

Also in Attendance:

Director H. Houle	Electoral Area B
Director D. Johnstone	City of Nanaimo
Director M. Lefebvre	City of Parksville
P. Thorkelsson	Chief Administrative Officer
J. Harrison	Director of Corporate Services
R. Alexander	Gen. Mgr. Regional & Community Utilities
G. Garbutt	Gen. Mgr. Strategic & Community Development
P. Thompson	A/Gen. Mgr. Transportation and Solid Waste
J. Holm	Mgr. Current Planning
J. Hill	Mgr. Administrative Services
C. Golding	Recording Secretary

CALL TO ORDER

The Chairperson called the meeting to order.

DELEGATIONS

Mayta Ryn, re Medical Marihuana Production Facilities on ALR land.

Mayta Ryn shared her views that medical marihuana production facilities on Agriculture Land Reserve lands should be regulated to guide producers of medical marihuana to choose a site that provides the necessary services and infrastructure for the facility.

REPORTS

Ministry of Agriculture Draft Bylaw Standard Guide for Medical Marihuana Production in the ALR.

MOVED Director Stanhope, SECONDED Director Veenhof, that the Board receive this report for information.

CARRIED

MOVED Director Stanhope, SECONDED Director Holme, that staff provide correspondence to Health Canada requesting its thorough evaluation of such issues as traffic and security impacts, potential for ground and surface water contamination, wastewater discharge and aquifer impacts when considering Medical Marihuana Production Regulation applications on Agriculture Land Reserve land within the Regional District of Nanaimo.

CARRIED

MOVED Director Stanhope, SECONDED Director Veenhof, that staff respond to the Ministry of Agriculture's request for comments on draft criteria for developing local government bylaws regarding medical marihuana production in the Agriculture Land Reserve with the following requests:

- a) that the criteria provide clarity with regard to provisions available only to municipalities and those available to regional districts.
- b) that the criteria provide clarity on which provisions are only available to local governments through approved Farm Bylaws.
- c) that the "Guide for Bylaw Development in Farming Areas" provide clarity with regard to Provincial and Federal regulations that apply to medical marihuana production in the Agriculture Land Reserve.
- d) that the Ministry of Agriculture include guidance specific to the production of medical marihuana in the Ministry's 'Farm Practice Reference Guide'.

MOVED Director Fell, SECONDED Director Stanhope that the Board amend the motion to include:

- e) that the Ministry of Agriculture recognize the uniquely industrial character of medical marihuana production facilities and that regulating bylaws be allowed to include provisions to:
 - 1) Prove that there is sufficient on site water to meet the needs of the facility.
 - 2) Install a proper facility to treat waste.
 - 3) Prove that the infrastructure of roads and power is sufficient to service the site without upgrades.
 - 4) Meet standards for the zero emissions claimed in the discussion paper. At the very least, the Provincial Government should be taken up on its offer in the Discussion Paper that a similar standard to that used in on-farm mushroom composting could be developed for odours with respect to the production of medical marihuana.
 - 5) Prove that fire and police facilities are close enough to meet safety concerns.
- f) that the Province harmonize its siting regulations in accordance with Health Canada Guidelines.

The vote was taken on the main motion as amended.

CARRIED

ADJOURNMENT

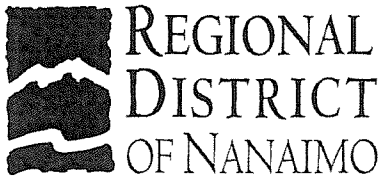
MOVED Director Young, SECONDED Director Stanhope, that this meeting terminate.

CARRIED

TIME: 4:22 PM

CHAIRPERSON

CORPORATE OFFICER



RDN REPORT	
CAO APPROVAL ###	
EAP	✓
COW	
OCT 09 2014	
RHD	
BOARD	

MEMORANDUM

TO: Geoff Garbutt
GM Strategic and Community Development

DATE: October 7, 2014

FROM: Jeremy Holm
Manager of Community Planning

FILE: 3015 01 MMPR

SUBJECT: Comments on the Ministry of Agriculture's Draft Bylaw Standard Guide for Medical Marihuana Production in the ALR

PURPOSE

To provide background information to the Electoral Area Planning Committee (EAPC) to assist the EAPC to develop recommendations for the Regional District of Nanaimo (RDN) Board on the Ministry of Agriculture's draft criteria for developing local government bylaws regarding medical marihuana production in the Agricultural Land Reserve (ALR).

BACKGROUND

At a special Board meeting on February 11, 2014, the RDN Board adopted zoning bylaw amendments to address medical marihuana production under Health Canada's Marihuana for Medical Purposes Regulations (MMPR). The Province has determined that medical marihuana production facilities are an allowable 'farm use' on ALR land. As such, local governments can regulate but not prohibit medical marihuana production on ALR land. This creates some unique challenges to local governments in relation to concerns expressed by the public. These concerns include commercial access and traffic, potential crime/security impacts, potential ground and surface water contamination, wastewater discharge and aquifer impacts where medical marihuana production facilities proposed on ALR land in unserved rural areas.

In their June 26, 2014, joint memorandum on the issue the Honourable Coralee Oakes, Minister of Community, Sport and Culture Development and the Honourable Norm Letnick, Minister of Agriculture, committed to providing guidance to local governments on the regulation of medical marihuana production in the ALR through the development a set of Minister's bylaw standards (see Attachment 1). At its meeting of September 30, 2014, the RDN Board received correspondence from the Ministry of Agriculture (MOA) requesting comments on the Ministry's draft criteria which are intended to guide the development of local government bylaws related to medical marihuana production in the ALR (see Attachments 2 and 3). The Board directed that the matter be referred to an Electoral Area Director's Seminar. This special EAPC meeting has been scheduled in response to the Board's direction in order to allow broad discussion amongst Electoral Area Directors on the issue and to allow an opportunity for the EAPC to provide recommendations to the RDN Board on the matter while attempting to respect the Ministry's comment deadline of October 26, 2014.

DISCUSSION

The Ministry has indicated that following input from stakeholders the draft criteria for developing local government bylaws regarding medical marihuana production in the ALR may be incorporated into the existing "Guide for Bylaw Development in Farming Areas" (see web link on Attachment 4). The Ministry's existing bylaw development guide sets standards to guide local governments in the preparation of various bylaws affecting agriculture in order to promote consistency amongst local governments for the benefit of the farming community. Ministry staff have advised that the intent of this process is to develop criteria that can be used by local governments to establish consistent land use policy or regulations to address medical marihuana production facilities (MMPFs) in the ALR and further advises that the criteria related to MMPFs are intended to:

1. Meet the needs of the agriculture industry;
2. Minimize the impact of MMPFs in the agricultural area; and
3. Minimize the risk of MMPFs being used for non-farm purposes.

While the Ministry's discussion paper outlines the process for establishing criteria, provides an overview of the regulatory context and provides some examples of existing local government bylaws related to medical marihuana production on ALR land, the Ministry has specifically requested comment on Part 4 of the discussion paper which outlines the proposed set of criteria (see Attachment 3). Should the Minister approve bylaw standard criteria regarding medical marihuana production in the ALR, local governments will have a clearer understanding of the extent to which they may regulate medical marihuana production facilities in the ALR. The proposed criteria are summarized in the following table excerpt from the MOA's discussion paper for convenience:

Proposed provisions for MMPFs on ALR land

Subject	Proposed provision
Local Government Bylaw Standard	
Minimum Lot Size	No minimum lot size
Lot Coverage	35% lot coverage maximum
Stormwater and Agricultural Liquid Waste management Plans	If the total impervious area of farm buildings and structures exceed 3700 m ² (appr. 40,000 ft ²) or covers more than 10% of lot a plan is required
Height Limitations	15 metre maximum building height
Building Setbacks	15 to 30 metre maximum building setbacks from property lot lines for MMPFs
Setbacks from Watercourses	30 metre setback from any watercourse
Business license	Required to operate
'Farm Bylaw' Standard	
Farm-side 'Edge Planning'	100 metre maximum building setback from urban/ALR boundary

Proposed definitions

Subject	Proposed definition
Marihuana for Medical Purposes Regulations	Means the same as found in the MMPPR.
Medical Marihuana Production Facilities	Means "Site" as defined in the MMPPR.

Criteria for developing local government bylaws regarding medical marihuana production in the ALR were not available at the time the RDN Board was considering zoning bylaw amendments to address medical marihuana production under the MMPR in late 2013. Staff relied on the guidance of the Ministry of Agriculture in order to draft the bylaw amendments. The staff report to the EAPC in November 2013 introducing the draft MMPR zoning amendment bylaws provides background on the bylaw development guidance offered by the Ministry in relation to regulation of medical marihuana in the ALR (see Attachment 5). Staff have reviewed the Ministry's proposed criteria and are of the opinion that the MMPR zoning amendments as adopted by the RDN Board in February 2014 are consistent with the proposed criteria and reflect the RDN's limited authority to regulate but not prohibit medical marihuana production on ALR land.

The Ministry's criteria as drafted outlines proposed provisions to regulate medical marihuana production in the ALR. However, it is unclear which regulatory tools are available to regional districts, as some tools such as business licencing are only available for municipalities. The proposed criteria could also provide greater clarity on which provision can be regulated through a Farm Bylaw and which provisions are available to local governments that do not operate under a Farm Bylaw. For example the draft criteria include 'farm-side edge planning' under Farm Bylaw provisions, but include 'stormwater and agricultural liquid waste management plans' under general provisions. Both of these criteria could be included as Farm Bylaw provisions. Staff recommend that comments to the Ministry of Agriculture include a request to ensure that the criteria provide greater clarity on provisions only available to municipalities, those available to regional districts and also which provisions are only available to local governments through approved Farm Bylaws.

Although there are real limitations on local governments to directly address issues such as traffic and security impacts, ground and surface water contamination, wastewater discharge and aquifer impacts in relation to 'farm uses' on ALR land, a Provincial and Federal regulatory framework exists for many of these issues. Health Canada has indicated that facilities operating under the MMPR will be subject to Federal and Provincial legislation and regulations, however given the approval process at the Federal level and Provincial legal jurisdiction it is unclear how Provincial authority is exercised on this Federally approved use. In order to address public concerns, confirmation of the Provincial authority over those matters/ issues is extremely important.

The Ministry of Agriculture has developed a 'Farm Practice Reference Guide' for various farm commodities, farm activities and farm related nuisances. The Ministry's 'Farm Practice Reference Guide' includes reference to existing government legislation, industry guidelines and other sources of information related to farm practices in British Columbia. The Ministry's 'Farm Practice Reference Guide' may also be used by the Farm Industry Review Board, the statutory body established under the Farm Practices Protection (Right to Farm) Act to hear formal complaints about farm practices. In order to provide the industry with a resource for best management practices and to provide clarity on regulations and legislation applicable to the industry, Staff recommend that the Board request the Ministry of Agriculture to include guidance specific to the production of medical marihuana in the Ministry's 'Farm Practice Reference Guide'.

ALTERNATIVES

1. To receive this report for information and provide recommendations to the Board on comments to the Ministry of Agriculture regarding the Ministry's draft criteria for developing local government bylaws regarding medical marihuana production in the ALR.
2. To receive this report for information and not provide recommendations to the Board on comments to the Ministry of Agriculture regarding the Ministry's draft criteria for developing local government bylaws regarding medical marihuana production in the ALR.


SUMMARY/CONCLUSIONS

In British Columbia the ability of local governments to address issues related to the siting of medical marihuana production facilities within their communities is limited on ALR land given that the use has been determined by the Province to constitute a 'farm use' in the ALR. Local governments have limited authority to regulate and cannot prohibit farm uses on ALR land. This creates some unique challenges in unserved rural areas where public concerns have been expressed. These include traffic and security impacts, potential for ground and surface water contamination, wastewater discharge and aquifer impacts exist in relation to medical marihuana production facilities proposed on ALR land. With respect to the RDN's limited authority to address these concerns staff recommend that the Board provide correspondence to Health Canada requesting its thorough evaluation of such issues when considering MMPR applications on ALR land within the RDN.

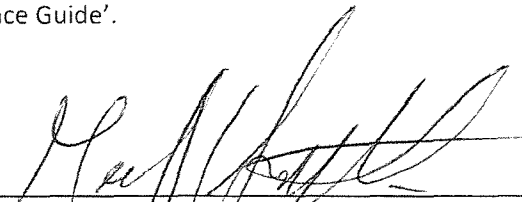
The RDN Board received correspondence from the Ministry of Agriculture requesting comments on the Ministry's draft criteria which are intended to guide development of local government bylaws related to medical marihuana production in the ALR. If the Minister approves bylaw standard criteria regarding medical marihuana production in the ALR, local governments will have a clearer understanding of the extent to which they may regulate medical marihuana production facilities in the ALR. Staff have reviewed the proposed criteria and are of the opinion that the MMPR zoning amendments as adopted by the RDN Board in February 2014 are consistent with the proposed criteria and reflect the RDN's limited authority to regulate medical marihuana production on ALR land. Staff recommend that comments to the Ministry of Agriculture include a request to ensure that the criteria provide greater clarity on provisions available to municipalities, but not available to regional districts and also which provisions are only available to local governments through approved Farm Bylaws. In order to provide the industry a resource for best management practices and provide clarity on regulations and legislation applicable to the industry, Staff also recommend that the Board request the Ministry include guidance specific to the production of medical marihuana in the Ministry's 'Farm Practice Reference Guide'.

RECOMMENDATION

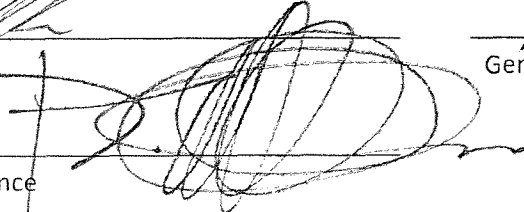
1. Receive this report for information.
2. Provide correspondence to Health Canada requesting its thorough evaluation of such issues as traffic and security impacts, potential for ground and surface water contamination, wastewater discharge and aquifer impacts when considering MMPR applications on ALR land within the RDN.
3. Respond to the Ministry of Agriculture's request for comments on draft criteria for developing local government bylaws regarding medical marihuana production in the ALR with the following requests:
 - a) that the criteria provide clarity with regard to provisions available only to municipalities and those available to regional districts.
 - b) that the criteria provide clarity on which provisions are only available to local governments through approved Farm Bylaws.
 - c) that the "Guide for Bylaw Development in Farming Areas" provide clarity with regard to Provincial and Federal regulations that apply to medical marihuana production in the ALR.
 - d) that the Ministry of Agriculture include guidance specific to the production of medical marihuana in the Ministry's 'Farm Practice Reference Guide'.



Report Writer



General Manager Concurrence



CAO Concurrence

Attachment 1

**Memorandum from Ministers Oakes and Letnick (July 26, 2014) Outlining the Province's Position on
Medical Marihuana Production in the ALR.**

Attachment 1

From: Minister, CSCD CSCD:EX [<mailto:CSCD.minister@gov.bc.ca>]
Sent: Thursday, June 26, 2014 4:14 PM
To: corpsrv
Subject: Medical Marihuana Production in British Columbia

We are writing in our capacities as Minister of Community, Sport and Cultural Development and Minister of Agriculture, regarding issues relating to medical marihuana production in British Columbia.

Many local governments have expressed concern regarding the potential establishment of medical marihuana production facilities in our communities, under the new federal regulations. Some local governments and stakeholders have written expressing an array of concerns, the most common messages concerning the exclusion of these facilities from qualifying for provincial farm class and if they would be considered an allowable farm use.

These concerns have been taken seriously and we understand that the establishment of these facilities within your communities will have a potential impact on services and costs. We brought your concerns to the attention of Honourable Christy Clark, Premier, and our Cabinet colleagues in the context of a larger discussion about medical marihuana production in the province.

After careful consideration, we are pleased to inform you that the Province of British Columbia has made a decision to implement a regulatory change that excludes medical marihuana, and any other federally regulated narcotic, from being eligible for farm classification for property assessment and tax purposes. This decision to treat medical marihuana as a restricted narcotic substance and a pharmaceutical is also consistent with the Province of Alberta. This change will apply to facilities located on both Agricultural Land Reserve (ALR) and non ALR lands.

In addition, please be advised that the Province will continue to view medical marihuana production facilities as an allowable farm use on ALR lands. The Ministry of Agriculture's policy position is that local governments should not prohibit medical marihuana production in the ALR. Any local government that has passed or is considering bylaws that address the issue of medical marihuana production within its boundaries may wish to seek legal counsel, as enacting such a bylaw may give rise to a constitutional challenge as frustrating a lawful initiative of the federal government. This is consistent with the position of the Agricultural Land Commission's updated Information Bulletin from January 2014 (http://www.alc.gov.bc.ca/publications/ALC_Info_Bulletin_Marihuana_Amended_Jan_2014.pdf).

Any applicant for a license must comply with all federal requirements including security and building standards, as well as local bylaws regulating site-specific requirements.

Consistent with British Columbia government policy, the Minister of Agriculture does not intend to approve any bylaw that would prohibit the production of medical marihuana in the ALR.

The Ministry of Agriculture will, however, offer guidance to local governments on the degree in which one of their farm bylaws could regulate medical marihuana production in the ALR through a Minister's Bylaw Standard specific to the production of medical marihuana on ALR land and will involve local governments in the development of those standards.

Minister's Bylaw Standards establish standards for the guidance of local government in the preparation of various bylaws affecting agriculture. Examples of current Minister's Bylaw Standards include:

- Building setbacks from lot lines
- Maximum lot coverage
- Maximum building heights

More information about Minister's Bylaw Standards is available on the Ministry of Agriculture's website at: www.al.gov.bc.ca/resmgmt/sf/guide_to_bylaw_development/Guide_to_ByLaw_Dev_index.htm.

Overall, we believe this decision reflects a balanced approach, which considers the interests of the federally licensed facility operators, the interests of the agricultural sector and the purpose of the Agricultural Land Reserve, and the concerns of local governments and communities. Also, please see [Information Bulletin and Backgrounder](#) for more information.

Sincerely,

Coralee Oakes
Minister of Community, Sport and Cultural Development

Norm Letnick
Minister of Agriculture

Attachment 2

Correspondence from the Ministry of Agriculture (September 16, 2014) Requesting Comment on the Ministry's Draft Criteria Bylaws Regarding Medical Marihuana Production in the ALR.



September 16, 2014

File:

Dear Stakeholder:

Re: Draft Minister's Bylaw Standard on Medical Marihuana Production Facilities

Attached is discussion paper prepared by the BC Ministry of Agriculture. This paper contains a draft set of criteria for developing local government bylaws regarding medical marihuana production in the Agricultural Land Reserve (ALR). The criteria describe what is considered a permitted use in the ALR by the Ministry.

The discussion paper describes the issue, provides the framework for developing the bylaw standard, and proposes criteria for developing local government bylaws. We are most interested in input on the criteria (Part 4) but we welcome feedback on all sections of the paper. Please provide us with comments directed specifically at the content of the paper so that your feedback can be effectively incorporated into the final document. We would like to receive all comments by October 26, 2014 (via mail, fax or email). Once stakeholder input has been received and incorporated into the discussion paper, the criteria will be sent to the Ministry executive and Minister for final approval. Once approval has been received, the information will be distributed to local governments and incorporated into the Ministry's "Guide for Bylaw Development in Farming Areas".

You may send your feedback by email, Canada Post, or fax.

Email: AgriBylaw@gov.bc.ca

Mail:

Medical Marihuana Production Facilities in the ALR Consultation

Ministry of Agriculture

PO Box 9120 Stn Prov Govt

Victoria, BC V8W 9B4

Fax: 250 356-0358

Ministry of Agriculture

Innovation and Adaptation
Services Branch

Mailing Address:
1767 Angus Campbell Rd
Abbotsford, BC V3G 2M3

Telephone: 604 556-3109
Facsimile: 604 556-3099

Web address: <http://www.gov.bc.ca/agri/>

Please direct your questions or comments to:

Gregory Bartle – ph 250 387-9687, fax 250 356-0358, Gregory.Bartle@gov.bc.ca; or
Bert van Daltsen – ph 604 556-3109, Bert.vanDaltsen@gov.bc.ca ; or
Toll-free for South Coast and Vancouver Island: 1-888-221-7141
Toll-free for Interior and Northern BC: 1-800-334-3011

Yours truly,



Bert van Daltsen, PEng.
Manager, Strengthening Farming Program
Innovation and Adaptation Services Branch

Attachment 3

**Ministry of Agriculture's (September 15, 2014) Discussion Paper on the Ministry's Draft Criteria Bylaws
Regarding Medical Marihuana Production in the ALR.**



**Regulating
MEDICAL MARIHUANA PRODUCTION FACILITIES
in the ALR**

DISCUSSION PAPER AND PROPOSED MINISTER'S BYLAW STANDARDS

September 15, 2014

**Prepared by:
Strengthening Farming Program
Innovation and Adaptation Services Branch**

Executive Summary

Canadian courts have determined that individuals who have demonstrated a medical need for marihuana must have reasonable access to a legal source of marihuana for medical purposes. In-line with this, the Federal Government has introduced the “Marihuana for Medical Purposes Regulations” (MMPR) in June 2013, to update the system in which patients access medical marihuana and how medical marihuana is produced to address issues with the previous system.

The province has considered medical marihuana and decided that it is a farm use and should not be prohibited by local governments in the Agricultural Land Reserve (ALR). This discussion paper was prepared by the BC Ministry of Agriculture (AGRI) to seek input on the establishment of a Minister’s Bylaw Standard to guide local government bylaw development regarding medical marihuana production facilities in the ALR.

The discussion paper describes the process to develop the bylaw criteria, background information, current policies and regulation, and proposed set of criteria. The draft criteria are in Part 4.3. The consultation period closes on October 26, 2014. The feedback will be compiled and analyzed and the discussion paper and criteria will be updated. The Minister of Agriculture may consider establishing the updated criteria as a Bylaw Standard and incorporating the criteria into the Ministry’s “Guide for Bylaw Development in Farming Areas”.

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Introduction

This discussion paper outlines a set of criteria for regulating Medical Marihuana Production Facilities (MMPFs) in the Agricultural Land Reserve (ALR) and serves as a basis for further discussion with local governments and the agricultural industry to ensure the criteria effectively deal with the issue of MMPFs from a land use regulation perspective. The criteria that have been developed reflect analysis undertaken by Ministry of Agriculture (AGRI) staff as well as current approaches being used by local governments to accommodate MMPFs. The criteria can also be modified by local governments to be made less restrictive to meet local agricultural needs.

1.0 Part one – The Criteria Development Process

The intent of this process is to develop criteria that can be used by local governments to establish land use policy or regulations to address MMPFs in the ALR. Following consultation with stakeholders, these criteria, if approved by the Minister of Agriculture, may become standards and be incorporated into the “Guide for Bylaw Development in Farming Areas” (Bylaw Guide).¹

Purpose and Goals

The purpose of establishing the criteria is to address local government concerns regarding MMPFs while recognizing that MMPFs are considered a permitted use within the ALR. These criteria will:

1. Meet the needs of the agriculture industry;
2. Minimize the impact of MMPFs in the agricultural area; and
3. Minimize the risk of MMPFs being used for non-farm purposes

Scope

The land use regulation criteria considered in this Discussion Paper were developed by considering MMPFs as being similar to other types of agricultural buildings in the ALR and by identifying other potential issues pertaining to MMPFs that should also be addressed. While consideration of the health, safety and welfare of the general public are acknowledged, the proposed set of criteria is not intended to replicate Health Canada regulations, policing authority, and the BC Building Code.

Stakeholders

It is anticipated that the medical marijuana stakeholders involved in developing these bylaw standards will include:

- a) Local governments and their Agricultural Advisory Committees;
- b) The BC Agriculture Council;
- c) Agricultural Land Commission staff;
- d) The Canadian National Medical Marijuana Association;
- e) The Canadian Medical Cannabis Industry Association;
- f) Health Canada;
- g) Community, Sport and Cultural Development Ministry staff; and
- h) Ministry of Health

Objectives of the Process

The objectives of the development process are to:

1. Create a set of criteria for review by stakeholders;
2. Consult with stakeholders; and
3. Develop standards that local governments can adapt and apply as policy or regulation.

¹ Under the *Local Government Act* (Part 26, Division 8, Section 916), the Minister responsible for the *Farm Practices Protection (Right to Farm) Act* can develop bylaw standards to guide the development of zoning and farm bylaws. Development of provincial standards is intended to promote consistency in the regulation of, and planning for, farming. However, provision has been made under Section 916(3) to allow the standards to differ, if necessary, to respond to BC’s diverse farming industry and land base.

Key Steps

There are five key steps in creating the Minister's bylaw standards. AGRI staff will:

1. develop draft criteria;
2. consult with internal and external stakeholders and receive feedback on the draft criteria;
3. revise criteria for consideration by the Minister;
4. seek Minister's approval ; and
5. encourage local governments to adopt and apply criteria.

Process to Date

AGRI staff reviewed the Health Canada regulations, BC policy and regulations applying to the ALR and BC local government land use bylaws relating to MMPFs. The literature was also reviewed on the regulation of medical marihuana production in other Canadian jurisdictions and the American States of Colorado and Washington. The existing criteria in the Bylaw Guide were assessed as to how they could apply to MMPFs. A committee of AGRI staff prepared a draft set of criteria for review by AGRI, Agricultural Land Commission and BC Farm Industry Review Board staff.

The Discussion Paper is now ready for public consultation.

Context

AGRI has taken the initiative to establish bylaw standards for two significant agricultural topics in recent years. Both have been approved by the Minister and staff encourage local governments to adopt them. The two subjects are "Combined Heat and Power Generation at Greenhouses in the ALR" (2013) and "Residential Uses in the ALR" (2011). Both can be found in the Ministry's Bylaw Guide with additional information at <http://www.al.gov.bc.ca/resmgmt/sf/index.htm>

2.0 Part two – Background information

Context

Canadian courts have determined that individuals who have demonstrated a medical need for marihuana must have reasonable access to a legal source of marihuana for medical purposes. In-line with this, the Federal Government in 2001 introduced the “Marihuana Medical Access Regulations” (MMAR), authorized under the Controlled Drugs and Substances Act, establishing a framework to implement access to this product. Due to subsequent court challenges and a number of other concerns, a second set of regulations, “Marihuana for Medical Purposes Regulations” (MMPR), were created which came into force on June 7, 2013 and ran concurrently with the MMAR until it was repealed on March 31, 2014. These new regulations changed the manner in which patients could access medical marihuana and how medical marihuana can be produced.

As a result of ongoing litigation and uncertainty arising from court decisions, Health Canada will treat the Authorizations to Possess, Personal-Use Production Licences, and Designated-Person Production Licences issued under MMAR as extending beyond March 31, 2014 until a decision is made. There are certain criteria to be met for these extensions.

“Dried marijuana is not an approved drug or medicine in Canada. The Government of Canada does not endorse the use of marijuana, but the courts have required reasonable access to a legal source of marijuana when authorized by a physician.” – Health Canada

Medical Marihuana Production Regulations

The MMPR change the parameters for medical marihuana production in Canada from a system of home-based or other location production licenses for personal use, which have been associated with various law enforcement and public safety concerns, to a system of more tightly regulated, commercial scale production licenses supplying authorized medical marihuana patients. MMPR require applicants for a commercial license to notify the local government, fire and police officials of the location of their facilities, and to comply with all federal, provincial and local government laws and bylaws, including zoning bylaws. As of April 22, 2014, five licenses have been issued in BC; in Saanich, Maple Ridge, Whistler, Nanaimo, and the Okanagan. Thirteen licenses have been issued in Canada. As of September 1, 2014 there have been no revisions since April.

The MMPR define a site as follows:

“Site” means (a) a building or a place in a building used by a licensed producer; or (b) an area occupied exclusively by buildings used by a licensed producer. - MMPR

For clarity and ease of use, this Discussion Paper will also refer to “Medical Marihuana Production Facilities” (MMPF) as the de facto meaning of “site”.

The MMPR construction requirements for MMPFs focus almost exclusively on security for both production and storage. The technical details on how to comply are outlined in Health Canada’s “Guidance Document: Building and Production Security Requirements for Marihuana for Medical

Purposes". This document provides assistance to producers but is not a one-size fits all prescription. Producers submit a security proposal to Health Canada as part of their licensing application.

- The production, packaging, labeling and storage of the product can only occur indoors at the site with restricted access to areas within the site. MMPFs must provide both site perimeter security and security for areas where marihuana is present. A physical barrier, like a fence, is expected to be part of the site security. The site perimeter must also be visually monitored by recording devices at all times. The Guidance Document also provides guidance on specific wall, roof, and glass construction details, back-up mechanisms and power supply.
- Areas where marihuana is present also require a system that filters the air to prevent the escape of odours and pollen. The Guidance Document cites a high efficiency particle air filter such as a H13 HEPA filter as an example.
- MMPFs appear to fall into a range of different licensee categories depending on their production level. Associated with this are related security levels for product storage, with specific minimum electrical detection requirements, safe requirements, ventilation security, secure environs construction specifications, and door specifications.

Security requirements for the storage of dried marihuana are established in Health Canada's "Directive on Physical Security Requirements for Controlled Substances". Minimum security standards for the storage of a variety of controlled substances, including marihuana, are included. These standards are intended to allow for flexibility as technology and materials change over time.

Other elements of MMPR that may be of note include provisions to import and export medical marihuana with other countries where appropriate agreements are in place. Sales of medical marihuana must be handled through bonded couriers and not directly to the consumers at the production facility. The MMPR also requires testing of the product to verify that it meets the specifications of the product and product quality. These requirements may distinguish medical marihuana from some other agricultural crops.

Medical Marihuana Production

Scientific information on medical marihuana production is limited. Indoor marihuana production can be assumed to use energy, water and nutrients intensively. According to one research paper, energy use includes lighting, dehumidification, ventilation, air conditioning, heating, irrigation and generation of CO₂. From another, nearly one-third of medical marihuana production costs can be energy costs. This crop, just like any other commercially produced indoor crop, is susceptible to plant pests such as insects or diseases.

Indoor production of medical marihuana is generally similar to greenhouse production of plants. In both cases the growing environment can be highly controlled. Production concerns regarding irrigation water, waste water and pesticide use for medical marihuana will also be similar to greenhouse production of other plants. Water and nutrients are generally conserved through recirculation. Also, there are very few pesticides registered for use with medical marihuana in Canada. Pesticides are considered registered for use on medical marihuana when medical marihuana is clearly listed on each pesticide label which always has a registration number on the main panel as well as pests controlled and how to use the product. Pesticide labels are considered legal documents.

From a production area perspective, the production of medical marihuana takes place on a relatively small acreage when compared to other agricultural crops produced indoors (e.g. greenhouse vegetables, nursery stock, landscaping plants) in Canada or in British Columbia. Currently a very small portion of the Canadian population (0.166%) consumes medical marihuana. The average consumption is estimated at 2 grams per day. Assuming that 75 grams of marihuana is produced per square foot of building space (excluding storage and distribution), then the combined production area required for medical marihuana in British Columbia is estimated at 0.7 ha (1.7 acres) and for Canada is 5.2 ha (12.9 acres). Even if the consumption of medical marihuana were to increase ten-fold, the production area requirements are small for this very high value crop relative to greenhouse agricultural crops.

The Regulations in BC

Many local and regional governments in BC are responding to Canada's MMPR by introducing bylaw amendments to regulate medical marihuana production in their communities. Many local governments sought direction from the province regarding whether medical marihuana production would receive "farm class" status under the *Assessment Act* and whether it could be prohibited in the ALR.

On June 24 2014, the Provincial Government issued a media release² providing further clarity on its position with regards to federally licensed medical marihuana production. The statement supports the ALC's position that medical marihuana production that is in compliance with Health Canada's MMPR is an allowable farm use within the ALR. In addition, the Province states that this production "...should not be prohibited by local government bylaws".

Local governments looking to propose a bylaw prohibiting medical marijuana [sic] may wish to seek legal counsel as enacting such a bylaw may give rise to a constitutional challenge as frustrating a lawful initiative of the federal government. – BC Government

The BC Government's June 24, 2014 statement also clarifies that amendments to the *BC Assessment Act*³ which regulates which farm uses qualify for farm classification, will exclude medical marihuana production as a farm use for property tax purposes. These changes are expected to be in effect for 2015 property taxes.

² <http://www.newsroom.gov.bc.ca/2014/06/bc-preserves-local-governments-tax-revenues-from-medical-marijuana-growers.html>

³ The BC Assessment Authority has a factsheet webpage with more information on medical marihuana production and farm class here: <http://www.bccassessment.ca/public/Fact%20Sheets/Medical%20Marihuana%20Property%20Class.aspx>

3.0 Part three – Current policies and regulations

This section reviews current medical marihuana production policies and regulations and how they relate specifically to agricultural land. This review includes: Health Canada’s MMPR; local and regional government bylaws from across the Province; and relevant Ministry of Agriculture’s local government Bylaw Standards already approved from its Bylaw Guide. Policies and regulations from other jurisdictions are included to provide further context for discussion.

3.1 Marihuana for Medical Purposes Regulations

Health Canada’s MMPR are the primary source for current Canadian policy on medical marihuana. The most recent amendments to the regulations came into force on June 7, 2013 and ran concurrently with the MMAR until March 31, 2014 when the MMAR were rescinded. Court challenges have resulted in an extension of some of the licenses under MMAR.

The MMPR are intended to address the entire process for commercial production of medical marihuana. This discussion paper focuses on how these provisions could affect local government land use authority as provided in the *Local Government Act*, how they will interrelate with provisions found in the *Agricultural Land Commission Act* and provisions in the *Farm Practices Protection (Right to Farm) Act*. Specific MMPR requirements of interest include:

- Medical marihuana can only be produced indoors in commercial facilities by licensed operators with no residential accommodation;
- Facilities will mail the product, not dispense it from the site; and
- Notification by the licensed operator to local governments, fire and police authorities before submitting an application to Health Canada is required.

Applicable provisions in the MMPR

Provision	Local Government Bylaw significance
Interpretation	
“site” means (a) a building or place in a building used by a licensed producer, or (b) an area occupied exclusively by buildings used by a licensed producer.	This allows for more than one building on the property. Some local governments restrict the number of buildings allowed to one (1).
PART 1.Division 1	
12. (1) Subject to subsections (2) to (7) and to the other provisions of these Regulations, a licensed producer may <ul style="list-style-type: none"> • possess, produce, sell, provide, ship, deliver, transport and destroy marihuana; • (b) possess and produce cannabis, other than marihuana, solely for the purpose of conducting in vitro testing that is necessary to determine the percentages of cannabinoids in dried marihuana; and • (c) sell, provide, ship, deliver, transport and destroy cannabis, other than marihuana, that was obtained or produced solely for the purpose of conducting the in vitro testing referred to in paragraph (b). (p.9-10) 	This requires in vitro testing as part of the production process. The producer must be growing the plant in order for the in vitro testing to be an accessory farm use. If it is strictly a lab, it is a non-farm use and can take place outside the ALR or apply to the ALC for non-farm use in the ALR.
12. (6) A licensed producer may import marihuana if they do so in accordance with an import permit issued under section 75. (p.11)	This provides for importing of marihuana into Canada by licensed producers. The ALC USP Regulations limits the amount of selling non-farm products to 50%.
13. A licensed producer must not conduct any activity referred to in section 12 at a dwelling place. (p.11)	MMPPs are not allowed in a dwelling place.
14. A licensed producer must produce, package or label marihuana only indoors and	MMPPs must be indoors. Can they

at the producer's site. (p.11)	process crop from another producer? The ALC USP Regulations have a provision that limits the percentage of selling non-farm products to 50%.
PART 1. Division 2	
23 (4) An application for a producer's license must be accompanied by... (h) a document signed and dated by the a quality assurance person referred to in section 60 that includes (ii) a report establishing that the buildings, equipment and a sanitation program to be used in conducting the proposed activities referred to in Division 4 comply with the requirement of that Division; and (f) floor plans for the proposed site.	MMPF floor plans are required.
PART 1. Division 3	
43(1). The perimeter of the licensed producer's site must be visually monitored at all times by visual recording devices to detect any attempted or actual unauthorized access. (p.33-34)	This might affect local government provisions on vegetative buffering.
44. The perimeter of the licensed producers' site must be secured by an intrusion detection system that operates at all times and that allows for the detection of any attempted or actual unauthorized access to or movement in the site or tampering with the system. (p.34)	
50. Those areas [where cannabis is present] must be equipped with a system that filters air to prevent the escape of odours and, if present, pollen. (p.35)	MMPFs are required to have odour control.
PART 1. Division 4	
54. Marijuana must not be treated — before, during or after the drying process — with a pest control product unless the product is registered for use on marijuana under the Pest Control Products Act or is otherwise authorized for use under that Act. (p. 35)	

3.2 BC Agricultural Land Commission Act (ALCA)

Legislation guiding the activities that can take place on agricultural land in BC includes the *Agricultural Land Commission Act (ALC Act)* and the *Agricultural Land Reserve Use, Subdivision and Procedure Regulation*. The Agricultural Land Reserve (ALR) and its associated Agricultural Land Commission (ALC) are established by this legislative authority with regulations defining the types of uses and activities allowed within the Reserve. The mandate of the Commission is to preserve BC's limited agricultural land resource and encourage farm use on those lands.

In January 2014, the ALC provided a bulletin in response to questions concerning medical marijuana production in the ALR. The ALC notes that while the regulation is silent on this land use, the production of licensed medical marijuana is consistent with the definition of "farm use" in the ALCA. Uses that do not involve the growing of the plant however, may require an application to the ALC for non-farm use.

"farm use " means an occupation or use of land for farm purposes, including farming of land, plants and animals and any other similar activity designated as farm use by regulations, and includes a farm operation as defined in the Farm Practices Protection (Right to Farm) Act – ALC Act

3.3 BC Farm Practices Protection (Right to Farm) Act

Under BC's *Farm Practices Protection (Right to Farm) Act (FPPA)*, farmers are provided certain legal protections related to nuisance providing they meet the following criteria:

- engaging in a farm operation conducted as part of a farm business as defined by the *FPPA*, AND

- using a “normal farm practice” as defined by the *FPPA*, AND
- operating on protected land (Agricultural Land Reserve, or land on which the local government allows farm use, or Crown land designated as a farming area), AND
- the farm practice is not in contravention of the *Health Act*, *Integrated Pest Management Act*, or *Environmental Management Act* or their regulations, AND
- is not in contravention of any land use regulation.

Under the *FPPA*, the BC Farm Industry Review Board (BCFIRB) hears nuisance complaints to determine “normal farm practice”. The complaint must relate to a farm operation conducted as part of a farm business that is in the ALR or on land on which farm use is allowed by a local government. The growing of marihuana could be considered a farm operation (growing of plants) and in some situations under the new federal regulations could be considered a farm business. BCFIRB has not received a farm practice complaint related to a medical marihuana production facility to date. Whether a complaint falls under the *FPPA* is situation dependent and would be determined by BCFIRB when a complaint is received. Even if BCFIRB determined a complaint related to a particular marihuana business did fall under the *FPPA* and subsequently determined that the farm business’s operations were following “normal farm practice”, the business must still meet all the *FPPA* criteria to be protected.

3.4 BC Ministry of Agriculture (AGRI)

While the AGRI is currently soliciting input for specific standards on medical marihuana production through this Discussion Paper, the Bylaw Guide addresses the following elements that are relevant to medical marihuana production in BC. Part 2 of the Bylaw Guide presents Minister’s Bylaw Standards that are already approved and which local governments are encouraged to adopt. Part 3 of the Bylaw Guide presents existing ‘Farm Bylaw’ standards for local governments that have had the ‘Right to Farm Regulation’ under the *Local Government Act* applied (they are ‘regulated’).

Many of the standards that already exist in the Bylaw Guide can be applied to MMPFs. The following table presents a list of bylaw standards and addresses their relevance to MMPFs.

Applicable provisions in the Ministry’s “Guide for Bylaw Development in Farming Area”

Section	Comment
Part 2 – Minister’s Bylaw Standards	
2.4.2 Permitted Uses	The Province’s policy is that medical marihuana production should not be prohibited in the ALR.
2.4.3 Off-Street Loading and Parking	MMPR requires that medical marihuana be distributed to patients only by mail. Section 2.4.3 applies for direct farm marketing sales only.
2.4.4.2 Minimum Lot Size for Specific Commodity Use	Minimum lot size requirements for specific commodities (such as medical marihuana) are discouraged. Nuisance concerns can be addressed through minimum lot line setbacks, maximum lot coverage, and normal farm practices.
2.4.5 Lot Coverage	The Bylaw Guide states that ‘Bylaws should not restrict the area of a lot which may be covered by <i>buildings</i> and <i>structures</i> for farm use, to an area less than 35% or less than 75% for greenhouses.
2.4.5.2 Stormwater and Agricultural Liquid Waste management Plans	A plan is required if the total impervious area of farm buildings and structures exceed 3700 m ² or covers more than 10% of lot a required plan.
2.4.7 Height Limitations	A 15 metre maximum building height for most agricultural buildings.
2.4.8 Setbacks	“Appropriate setback distances can help prevent nuisance conflicts, protect natural resources, and safeguard human health. On the other hand, excessive setbacks can present serious challenges to farming operations.” (p. 18) The Bylaw Guide restricts minimum lot line setbacks to a maximum of 15 to 30 metres for buildings with significant

	nuisance potential such as livestock barns.
2.4.8.4 Setbacks from Watercourses	The Bylaw Guide provides for setbacks from watercourses that vary depending on the type of building. The maximum setback requirement is 30 m for Category 1 type buildings or facilities.
Part 3 – Farm Bylaw Standards and Bylaw Approval for Regulated Local Governments	
'Right to Farm' regulated Local Governments	Part 3 of the Bylaw Guide is available only to local governments where the "Right to Farm Regulation" under the Local Government Act has been applied.
3.5.2 Mushroom Farms and On-Farm Composting	Odour is addressed in the MMPR. This Farm Bylaw Standard addresses odour from on-farm mushroom composting. A similar standard could be developed for medical marihuana if required.
3.5.3 Farm-side Edge Planning	This Farm Bylaw Standard provides for setbacks to urban/ALR boundaries of up to 100m when urban-side edge planning is also employed.

3.5 BC's Local Governments

In an effort to provide bylaw requirements by April 1, 2014 when the MMPR came into effect, many local governments began drafting or adopted, zoning bylaw amendments to direct land use decisions concerning MMPFs in their communities. A wide range of provisions have now been enacted across the province, many of which are inconsistent with the Province's position. The following table summarizes existing local governments' regulations.

Existing MMPF provisions in Local Government bylaws

Provision	Example (either adopted or in draft)
Minimum parcel size	<ul style="list-style-type: none"> A range including 2 to 40 hectare (ha) minimum parcel sizes 1ha minimum parcel size in a smallholding zone in the ALR and 2ha minimum parcel size in a country residential zone in the ALR 259ha (640 acres) minimum parcel size for a MMPF in the ALR
Minimum MMPF building setbacks from property lines	<ul style="list-style-type: none"> A range including 40, 50, or 100 metre (m) setbacks to any lot line 60m setback to exterior lot line 90m setback to front lot line, 30 m to other lot lines
Minimum MMPF building setbacks from other land uses	<ul style="list-style-type: none"> 60m setback from residential zones 300m setback from residential or mixed use zones 100, 200m setback from schools 150m setback from a residential zone, daycare, playground, or school
Minimum MMPF building setbacks from other MMPF	<ul style="list-style-type: none"> 1000m setback from nearest medical marihuana facility
Minimum MMPF building setbacks from watercourses	<ul style="list-style-type: none"> 50m setback from all watercourses
Maximum building heights	<ul style="list-style-type: none"> 10m maximum building height
Maximum building size	<ul style="list-style-type: none"> 2000m² in industrial and resource management zones & 1000m² in agricultural zones
Number of buildings per parcel	<ul style="list-style-type: none"> Some local governments have provisions limiting the production facility to one (1) building
Odour control	<ul style="list-style-type: none"> A ventilation plan must be filed with the City and must include how the system prevents any offensive odour from leaving the building;
Vegetative buffers for screening	Development Permit Area: Medical Marihuana Operation. "Landscaping and Buffering: a) Buffering of medical marihuana operations is important in order to ensure that these uses are not at odds with adjacent uses. b) Any federally required metal fencing shall be buffered with native planting. c) Top soil deep enough to allow for well-rooted planting and reduce irrigation requirements should be utilized. d) Use native species of trees or shrubs and utilize the planting of conifers to block winter winds and deciduous trees to create shade in the summer. e) Utilize cisterns to store water and provide irrigation."
Form and character guidelines for buildings	Development Permit Area: Medical Marihuana Operation. "This Development Permit Area controls the construction on all property in the Upper Bridge River Valley for the purposes of ensuring that medical marihuana operations are developed in a way that is in keeping with the form and character of the Upper Bridge River Valley. See policies 1.4 to 1.12 in the

	Community Growth and Character section for specific guidelines.”
Light emission controls	Development Permit Area: Medical Marihuana Operation. “Lighting and Signage: a) Minimize the amount of lighting on signs. Installation of video, reader board, and neon or LED signs is discouraged. Signs should be non-illuminated from within. b) Exterior lighting, including within a parking area, should be low intensity and not cause excessive night-time glow or glare. c) Use energy efficient exterior lighting systems with timers and sensors to provide light only when required. Ambient lighting should be minimized. d) Signage should be pedestrian oriented in scale. Large vehicular-based signage should be avoided. Appropriate forms of signage include: i) Signs mounted flush with building facades; ii) Wood carved and/or hand painted hanging signs above pathways.”
Waste water controls	<ul style="list-style-type: none"> • MMPPFs are required to provide a description of all discharges to air, sanitary sewer, storm sewer, streams, or groundwater
Waste management controls	<ul style="list-style-type: none"> • The practice of diverting building-generated CO2 gas or otherwise provided CO2 gas to feed plants is prohibited.
Permitted zoning	<ul style="list-style-type: none"> • Permitted only in the ALR or in some rural use zones. • Permitted in some industrial zones, only in industrial zones, light industrial zones, heavy industrial zones, light and heavy industrial zones, general and heavy industrial zones, a special industrial zone or specific industrial zones. • Permitted through spot zoning, spot zoning only in ALR, spot zoning only in industrial zones, or spot zoning only in ALR and industrial zones. • Prohibited everywhere, everywhere except 1 parcel, or everywhere except 1 parcel that is City owned.
Health and welfare	<ul style="list-style-type: none"> • MMPPFs will not be detrimental to the health or general welfare of the people living or working in the surrounding area or negatively affect other properties or potential development in the surrounding area.
Building Permits	<ul style="list-style-type: none"> • MMPPFs will require a Building Permit, pursuant to a Building Bylaw.
Outdoor storage	<ul style="list-style-type: none"> • No outdoor storage.

Examples

Three existing Local Government zoning bylaws are provided below as examples for review. They include the City of Kamloops, District of Maple Ridge and the City of Armstrong.

City of Kamloops Zoning Bylaw (Bylaw No. 5-2001 Section 311A)

- Medical Marihuana Grow Operations (MMGOs) will not be detrimental to the health or general welfare of the people living or working in the surrounding area or negatively affect other properties or potential development in the surrounding area;
- MMGOs shall be permitted in I-2 (General Industrial) and I-3 (Heavy Industrial) zones subject to the following regulations:
- MMGOs are required to provide a description of all discharges to air, sanitary sewer, storm sewer, streams, or groundwater;
- MMGOs will require a Building Permit, pursuant to City of Kamloops Building Bylaw, as amended;
- MMGOs will meet all other applicable municipal, provincial, and federal regulations;
- A ventilation plan must be filed with the City and must include how the system prevents any offensive odour from leaving the building;
- MMGOs shall be permitted in stand-alone buildings only;
- No ancillary uses shall be permitted in a building containing a MMGO.
- MMGOs shall be located no closer than 150 m from any residential zone, daycare facility, playground, community centre, school, public park, or any use catering to individuals under the age of 18;
- The practice of diverting building-generated CO2 gas or otherwise provided CO2 gas to feed plants is prohibited.
- Licensed MMGOs shall be decommissioned if inactive for more than one year and the structure/site remediated in accordance with City of Kamloops Controlled Substances Property Remediation Bylaw, as amended.
- Formerly-licensed MMGOs under the Marihuana Medical Access Program (MMAP) shall be decommissioned by the current property owner and the structure/site remediated in accordance with City of Kamloops Controlled Substances Property Remediation Bylaw, as amended.
- MMGOs will require a municipal Business Licence before operation may begin.

District of Maple Ridge Zoning Bylaw (No. 3510-1985)

- MMPF are only permitted in Agricultural, Intensive Greenhouse District, Residential, and Agriculture-Only Zones
- Buildings and structures for Medical Marihuana, Commercial Production as authorized under Federal legislation shall be sited not less than:
 - 60 metres from front and exterior side lot lines;
 - 30 metres from rear and interior side lot lines;
 - 30 metres from all wells and streams;
 - 30 metres from all buildings used for one family residential use, accessory employee residential use or temporary residential use.
- Shall be located not less than 200 metres from an elementary or secondary school, measured from the nearest point of the lot line of the Medical Marihuana, Commercial Production use to the nearest point of the lot line of the elementary or secondary school.
- Shall be located not less than 1000 metres from the nearest point of any lot on which another Medical Marihuana, Commercial Production use is occurring, or on which such a use has been authorized under Federal legislation.

City of Armstrong Zoning Bylaw (No. 1268)

- Medical Marihuana Production Facilities shall be located only on properties with a minimum parcel size of one (1) hectare, within the Agricultural Land Reserve.
- Buildings used for the production of Medical Marihuana shall be sited not less than:
 - 60 metres from lot lines abutting a residential zone;
 - 30 metres from lot lines abutting a zone other than residential;
 - 15 metres from all wells and streams;
- All activities associated with Medical Marihuana Production Facilities shall be housed completely within an enclosed building and there shall be no outdoor storage or display.
- Nothing shall be done which is or will become an annoyance or nuisance to the surrounding areas by reason of unsightliness, the emission of odours, liquid effluence, dust, fumes, smoke, vibration, noise or glare, nor shall anything be done which creates or causes a health, fire, or explosion hazard, electrical interference or undue traffic congestion.
- The height of buildings and structures shall not exceed the lesser of 12 metres (39.37 feet) or three (3) storeys for Medical Marihuana Production Facilities.
- Lot coverage shall be not greater than thirty five percent (35%) for all other uses including Medical Marihuana Production Facilities.

3.6 Regulations in other jurisdictions

BC is different from many other Canadian provinces in its regulatory landscape for farmland due to its ALR. Other Provinces and their local governments however are also experiencing medical marihuana regulatory adjustments as a result of Health Canada's new MMPR framework. The Province of Ontario appears to hold the majority of licensed operators; however regulatory changes in Manitoba, Saskatchewan, Alberta and New Brunswick have initiated regulatory changes. In the United States, Colorado and Washington are also involved in recent medical marihuana regulatory changes. The following provides a summary to provide context for BC and assist in the discussion.

Canada

Currently there are eight licensed MMPFs in the rest of Canada outside of BC. They include five in Ontario, one each in Saskatchewan, Manitoba, and New Brunswick. Local governments in other Provinces have also introduced regulations. Most bylaw amendments adopted or discussed are related to distance setbacks for the production facilities from residential areas, schools, parks and/or restrict operations to industrial zones. The following provides several local government examples for review. Details from the City of Toronto and Alberta are provided.

The City of Toronto, Ontario

Requirements for medical marihuana operations include that they:

- take place within an enclosed building;
- require a 70m setback from residential, commercial, institutional and open space zones; and
- require a 70m setback as well as from schools, day nurseries, and places of worship.

Willow Creek Municipal District, Alberta

- Medical Marihuana Production Facilities are a discretionary use within Rural Commercial Zones.
- Development Permit conditions for MM facilities are:
 - ... The development...must be done in a manner where all of the processes and functions are fully enclosed within a stand-alone building including all loading stalls and docks, and garbage containers and waste material
 - The development shall not operate in conjunction with another approved use
 - The development shall not include an outdoor area for storage of goods, materials or supplies
 - The development must include equipment designed and intended to remove odours from the air where it is discharged from the building as part of a ventilation system
 - The development must not be within 246 feet (75.0 m) of a residential or a public institutional district, measured from the building foundation containing the use to the nearest property line of a parcel designated as a residential or a public institutional district
- The Municipal Planning Commission may require, as a condition of a development permit, a public utility waste management plan, completed by a qualified professional, that includes detail on:
 - the incineration of waste products and airborne emissions, including smell;
 - the quantity and characteristics of liquid and waste material discharged by the facility; and
 - the method and location of collection and disposal of liquid and waste material.
- The minimum number of motor vehicle parking stalls shall be based on the parking requirements found in Schedule 9.

Washington State

U.S. Federal and State medical marihuana laws differ significantly from Canada, but can provide context. Under the U.S. Controlled Substances Act (CSA), with certain exceptions, manufacturing, distributing, dispensing or possessing a 'controlled substance' including marihuana is unlawful. Among other things, the Act establishes penalties for distributing or manufacturing controlled substances within 1,000 feet of areas where there are young people.

In 2013, Washington State passed a law called Initiative 502 (I-502) which directs responsibility to the Washington State Liquor Control Board (WSLCB) for the licensure and regulation of producing, distributing and possessing medical and recreational marihuana. The law removes certain criminal and civil penalties and incorporates the CSA 1,000 foot setback distance.

Marijuana production must take place within a fully enclosed secure indoor facility or greenhouse with rigid walls, a roof, and doors. Outdoor production may take place in nonrigid greenhouses, other structures, or an expanse of open or cleared ground fully enclosed by a physical barrier. To obscure public view of the premises, outdoor production must be enclosed by a sight obscure wall or fence at least eight feet high. – Washington State Legislature

For local governments in Washington, the regulatory landscape for medical marihuana production can be described as evolving. Options for communities appear to include: ignoring the activity; allowing it under their existing bylaws; attempting to delay it; adopting temporary amendments; and, adopting amendments to permit it or prohibit it.

Colorado State

In 2000, Colorado State passed a law allowing people access to small amounts of medical marihuana. In 2010, the Colorado Medical Marijuana Code was passed to direct the State Licensing Authority and the State's Department of Revenue to regulate Medical Marijuana production. Medical marihuana production requires both State and local government approval.

The State Licensing Authority references local licensing authority regulations for medical marihuana production. A number of local governments have initiated regulations including both the County and City of Boulder.

City of Boulder

Requirements for medical marihuana operations include that the business:

- is permitted only in a specific zone
- operate inside of an enclosed building
- not be located in a building with residences or in a residential zone
- have a lighting plan
- have a plan for ventilation
- have a statement on the anticipated electric load and certification from the landlord and utility provider
- have a zoning confirmation form from the city regarding the proximity of the property to any school or state licensed child care centers, to any other medical marijuana business, or to any residential zone district within a radius of one-quarter mile
- A description of all toxic, flammable, or other materials regulated by a federal, state, or local government that would have authority over the business if it was not a marijuana business
- not have retail sales in cultivation facilities or manufacturing of medical marijuana-infused products

4.0 Part four – Proposed Set of Criteria

This section of the discussion paper introduces a number of topics for consideration regarding local government bylaw standards for medical marihuana production in the ALR, provides a rationale for why certain provisions should be introduced as criteria, and summarizes a proposed list of criteria and definitions.

4.1 Discussion

The following questions are intended to provoke further discussion:

- Should additional bylaw criteria that do not already exist in the Bylaw Guide be required?
- Would a local government want to enforce elements of MMPR themselves? What are the risks and benefits? Which ones should they consider including in their bylaws?
- More specifically, what are the risks and benefits of proposing bylaw standards that reflect the security and construction expectations that are within Federal jurisdiction? Should the set of criteria refer to specific Federal documentation or particular regulations within the MMPR? What are the consequences of repeating Federal information verbatim and potentially interpreting it incorrectly? Could this potentially generate confusion among producers and possibly incur liability?
- If a licensed operator follows the MMPR, there should be no odour or dust escaping from the MMPF. This may be the first farm use in BC where no level of odour is acceptable. Should the proposed set of criteria include provisions to require minimal odour or dust escape as well? This is a Federal requirement, not a Provincial one.
- What are the risks and benefits of proposing criteria for vegetative buffers around an MMPF? What consequences would arise in this subsequent interaction with the required Federal security regulations?
- Some local governments have specified setback distances from particular land uses, such as schools, or places of worship, or other MMPFs. What are the risks and benefits of proposing criteria that include these types of setbacks?

4.2 Rationale for Bylaw Guide criteria

Existing Bylaw Standard criteria

There are five criteria identified in the Ministry's current Bylaw Guide that align with medical marihuana production. These include minimum lot size, lot coverage, stormwater and agricultural liquid waste management plans, height limitations, and setbacks. Applying these five criteria to medical marihuana production will assist in bringing this type of farm use into a well established framework of existing standards.

Minimum Lot Size – Bylaw Guide *Section 2.4.4.2 Minimum Lot Size for Specific Commodity Use* emphasizes that a minimum lot size should not be required as concerns regarding specific commodities as they "...can be addressed by the existing lot size and by meeting criteria such as adequate setbacks,

maximum lot coverage, and adherence to normal farm practices and environmental standards established through legislation such as the Environmental Management Act, Integrated Pest Management Act, and Public Health Act.” As a specific commodity use, minimum lot sizes should not be applied to medical marihuana production.

Lot Coverage and Stormwater and Agricultural Liquid Waste Management Plans – similar to Minimum Lot Size, Bylaw Guide *Section 2.4.5 Lot Coverage* provides existing guidance that aligns in accordance with medical marihuana production. Providing a maximum 35% lot coverage for buildings involved in medical marihuana production positions this use with already existing farm uses. Furthermore, including the related criteria found in *Section 2.4.5.2* requiring Stormwater and Agricultural Liquid Waste Management Plans can also address important environmental and public infrastructure concerns.

Height Limitations and Setbacks – Bylaw Guide *Section 2.4.7 Height Limitations* recommends a maximum height of 15 metres for all agricultural buildings other than grain bins, silos, combination silo and grain storages and principal livestock buildings. Adding medical marihuana production facilities to this list will help provide consistency and standardization for local government integrating this new farm use with other agricultural activities. Similarly, maximum building setbacks from property lines and minimum watercourse setbacks (*Section 2.4.8*) can do the same.

New Bylaw Standard criteria

Local government business licenses – Municipalities have historically not required business licences for traditional farming operations in BC. As agricultural activity on ALR land continues to develop, with on-farm processing, product preparation, and cidery and winery operations becoming more prominent, local government involvement through authority provided under the Community Charter⁴ can be expected. Given the relatively atypical history and hesitancy by many communities to embrace this sector, establishing a municipal business license requirement bylaw standard for medical marihuana production could assist in easing these concerns and provide greater confidence for local governments in accepting them into their communities.

Existing Farm Bylaw Standard criteria

Farm-Side Edge Planning – BC’s Local Government Act provides the ability for local governments to make special bylaws, or Farm Bylaws, in relation to farming areas with the Minister of Agriculture’s approval. The Act also allows for the Minister to establish Farm Bylaw standards for the guidance of local governments. One of these Farm Bylaws standards can be found in the publication “Guide to Edge Planning” and recommends setback distances for buildings on the farm-side of the ALR/urban boundary. Farm uses currently identified in the 100 metre setback distance with comparable nuisance concerns to medical marihuana production include manure storage, incinerators, and composting storage. Adding medical marihuana production facility to this list makes available another option for communities looking to implement greater restrictive authority regarding this use.

4.3 Proposed provisions and definitions

Local government zoning bylaws should permit medical marihuana production facilities in the ALR. The proposed provisions and definitions listed below include nine provisions already found in the Ministry’s Bylaw Guide and one new one. These provisions form the basis for further discussion, and as the process

⁴ Part 2 Division 1 Section 8(6)

continues, they will potentially become, with Minister’s approval, the bylaw standard provisions and be integrated into the Bylaw Guide. Initially, the proposed criteria could include:

Proposed provisions for MMPFs on ALR land

Subject	Proposed provision
Local Government Bylaw Standard	
Minimum Lot Size	No minimum lot size
Lot Coverage	35% lot coverage maximum
Stormwater and Agricultural Liquid Waste management Plans	If the total impervious area of farm buildings and structures exceed 3700 m2 (appr. 40,000 ft) or covers more than 10% of lot a plan is required
Height Limitations	15 metre maximum building height
Building Setbacks	15 to 30 metre maximum building setbacks from property lot lines for MMPFs
Setbacks from Watercourses	30 metre setback from any watercourse
Business license	Required to operate
'Farm Bylaw' Standard	
Farm-side 'Edge Planning'	100 metre maximum building setback from urban/ALR boundary

Proposed definitions

Subject	Proposed definition
Marihuana for Medical Purposes Regulations	Means the same as found in the MMPR.
Medical Marihuana Production Facilities	Means "Site" as defined in the MMPR.

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Note: Consumption is estimated between 1--3 grams per day, thus 2 grams was taken to be the average.

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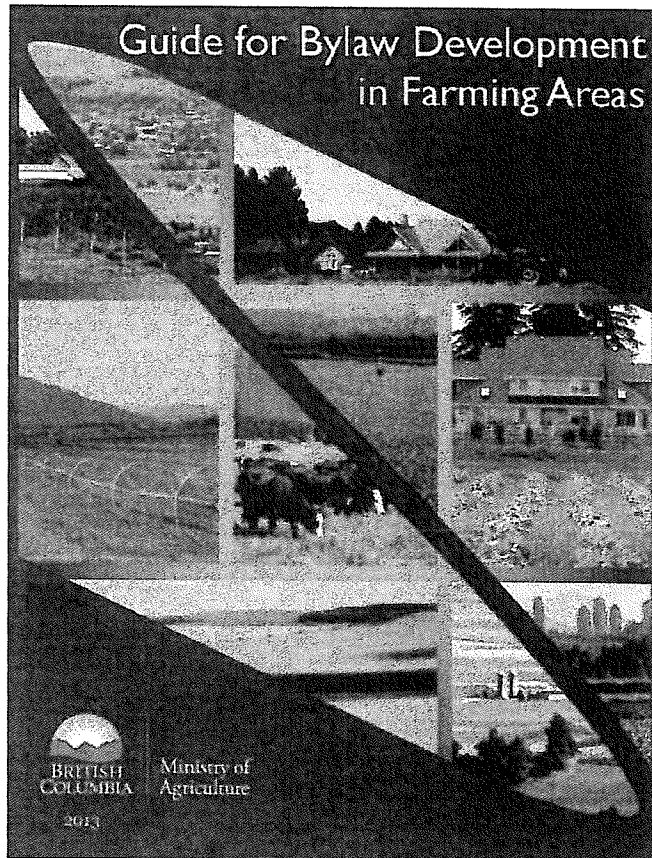
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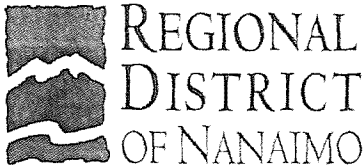
**Attachment 4
Ministry of Agriculture (2013) Guide for Bylaw Development in Farming Areas.**

Attachment 4

[http://www.al.gov.bc.ca/resmgmt/sf/guide to bylaw development/Guide to ByLaw Dev index.htm](http://www.al.gov.bc.ca/resmgmt/sf/guide%20to%20bylaw%20development/Guide%20to%20ByLaw%20Dev%20index.htm)



**Attachment 5
Report to November 2013 EAPC Regarding Draft Regulatory Amendments to Address Marihuana for
Medical Purposes Regulations.**



RDN REPORT		[Signature]
CAO APPROVAL		
EAP		
COW		
NOV 04 2013		
RFD		
BOARD		

MEMORANDUM

TO: Jeremy Holm
Manager of Current Planning

DATE: October 31, 2013

FROM: Robert Stover
Planning Technician

FILES: 3900-20-500.387
3900-20-1285.18

SUBJECT: Regulatory Amendments to Address Marihuana for Medical Purposes Regulations

PURPOSE

To present to the Regional District of Nanaimo (RDN) Board a number of proposed zoning bylaw amendments to address the Marihuana for Medical Purposes Regulations (MMPR).

BACKGROUND

In response to concerns raised by a delegation regarding odour created by licensed medical marihuana grow operations at its June 25, 2013 meeting, the Board approved the following motion:

“MOVED Director Veenhof, SECONDED Director Young, that staff be directed to prepare a report on the zoning implications as it relates to the new regulations on the licensed production of medical marihuana for the Board’s consideration.”

Following Board direction, staff prepared a background report which detailed the specifics of the Marihuana for Medical Purposes Regulations and included a number of proposed zoning bylaw amendments to accommodate medical marihuana production under the new MMPR. The report recommended amendments to Bylaws 500 and 1285 to permit medical marihuana production on lands within the Agricultural Land Reserve (ALR), to prohibit medical marihuana production as a home based business, and recommended 30.0 metre setbacks from property lines for structures used for medical marihuana production under MMPR. These proposed amendments were intended to provide immediate and clear land use regulatory direction with regard to medical marihuana production facilities operating under the new MMPR.

The Board considered the proposed zoning bylaw amendments at its meeting of September 24, 2013 and provided the following direction:

“MOVED Director Fell, SECONDED Director Young, that the regulatory amendments to address Marihuana for Medical Purposes Regulations – Bylaw No. 500.387, 2013 and Bylaw 1285.18, 2013 be referred back to staff, and that staff be directed to organize a seminar discussion for the Board on the topic.”

Following a Board seminar, which was held on October 22, 2013, staff have evaluated options for permitting medical marihuana production under the MMPR on industrial zoned properties. Options for increasing the minimum setback requirements for medical marihuana production facilities on ALR lands have also been examined.

ALTERNATIVES

1. To give first and second reading to the amendment Bylaws 500.387 and 1285.18 as presented.
2. To provide staff with alternative direction to prepare land use regulation amendments to Bylaws 500 and 1285 to address MMPR.

LAND USE IMPLICATIONS

While the new Marihuana for Medical Purposes Regulations do not permit the production of medical marihuana within residential dwellings, there are no specific provisions within the MMPR with respect to regulating the siting or scale of medical marihuana production facilities. As such, if a local government has concerns regarding the siting, scale, or location of medical marihuana production facilities, it is incumbent upon the local government to establish provisions within their respective zoning bylaws to regulate the use.

As the Agricultural Land Commission and the Provincial Ministry of Agriculture view the production of medical marihuana as being consistent with the definition of “farm use” as outlined in the *Agricultural Land Commission Act*, local government bylaws cannot prohibit medical marihuana production use on lands within the ALR. Notwithstanding this, local government bylaws may regulate the use on ALR land by establishing siting requirements for structures associated with the production of medical marihuana. However, a local government cannot regulate the use to the point of prohibition on ALR lands. Following discussion at the October 22, 2013 Board seminar, staff investigated the possibility of applying setbacks of greater than 30.0 metres for structures used for medical marihuana production on ALR lands.

After consulting with the Ministry of Agriculture regarding establishing setbacks of greater than 30.0 metres, Ministry staff indicated that they would not likely support establishment of setbacks that further restricts a farm use on ALR lands. The Ministry of Agriculture ‘Guide for Bylaw Development in Farm Areas’ establishes a range of property line setback options for a variety of farm activities. Medical marihuana production facilities are not explicitly detailed in this guide; however, none of the established setbacks for intensive agriculture uses exceed 30.0 metres with the exception of some forms of confined livestock operations. As the Ministry of Agriculture has indicated that it is not supportive of establishing setback restrictions of greater than 30.0 metres, staff are recommending a 30.0 metre setback requirement for medical marihuana production facilities on ALR lands as previously proposed.

Following discussion from the Board seminar held on October 22, 2013, staff have also evaluated options for including medical marihuana production use on industrial zoned properties. The MMPR requires the cultivation, processing, packaging and shipping associated with medical marihuana production to occur wholly indoors within secure production facilities. Given the potential scope and scale of these activities, staff have determined that lands zoned for medium and heavy industrial uses are most appropriate for medical marihuana production. Medium and heavy industrial lands are intended to accommodate more intensive forms of industrial use such as processing and manufacturing of goods.

Based on Director feedback staff propose to accommodate medical marihuana production on lands zoned Industrial 2 (I-2) in Bylaw 1285, as the majority of these properties are well situated for access along the Alberni Highway, and are located away from residentially zoned lands. The I-2 zone currently accommodates manufacturing and processing uses, which are consistent with the uses associated with medical marihuana production facilities. Staff are not recommending zoning amendments to Bylaw 500

to permit medical marihuana production on industrial lands at this time. The distribution of medium and heavy industrial lands within the scope of Bylaw 500 is less concentrated than those in Bylaw 1285, with some of the parcels abutting residentially zoned lands. Additionally, the medium and heavy industrial zoned parcels in Bylaw 500 vary widely by parcel size and are not equally well served by highway access.

Regardless of the land use regulatory direction chosen by the Board to address the use at this time, interested parties will still have the option to apply to rezone individual properties to accommodate medical marihuana production. Zoning amendment applications can be assessed on a case by case basis, and would allow for a clear evaluation of community interests when considering new proposed production facilities. The rezoning process would also allow the Board to consider factors such as the potential impacts on surrounding properties, servicing implications, and the form and character of these facilities through the course of the application. This would give the Board opportunity to assess each application to rezone on its individual merits.

In light of the recent influx in notices of intent to the RDN to pursue a Producer's License under MMPR, and the lack of clear regulation currently in place to accommodate the use, staff are proposing a series of amendments to RDN Zoning Bylaws to regulate the siting of medical marihuana production facilities ahead of the full implementation of MMPR in April of 2014.

Zoning Considerations

The new MMPR is intended to treat medical marihuana production in a similar manner to the manufacture of prescription drugs and prohibit the production of medical marihuana within residential dwellings. In order to be consistent with both the intent of the new MMPR and recognize the authority of the *Agricultural Land Commission Act*, staff are recommending the Board consider the following amendments to "Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987" and "Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285, 2002":

Bylaw 500 (see Attachment 1 for draft Bylaw 500.387):

- Define **Medical Marihuana Production**: *means the cultivation and production of medicinal marihuana wholly within a facility as permitted under the **Marihuana for Medical Purposes Regulations (MMPR)**, and any subsequent regulations or acts which may be enacted henceforth;*
- Amend the Home Based Business Guidelines to clarify that medical marihuana production is prohibited as a home based business use;
- Amend the definition of "Agriculture" to exclude medical marihuana production on lands not within the Agricultural Land Reserve;
- Amend Section 14 of the General Regulations to include medical marihuana production under farm use regulations;
- Establish a 30.0 metre setback from property lines for structures used for medical marihuana production use to be consistent with the Ministry of Agriculture's guide for bylaw development in farming areas with regard to intensive agriculture.

Bylaw 1285 (see Attachment 2 for draft Bylaw 1285.18):

- Define **Medical Marihuana Production**; *means the cultivation and production of medicinal marihuana wholly within a facility as permitted under the **Marihuana for Medical Purposes Regulations (MMPR)**, and any subsequent regulations or acts which may be enacted henceforth;*
- Amend the definition of “Farm Use” to exclude medical marihuana production;
- Amend the Home Based Business Guidelines to clarify that medical marihuana production is prohibited as a home based business use;
- Amend the General Regulations of Bylaw 1285 to prohibit medical marihuana production use on all lands except where expressly permitted;
- Amend the General Regulations of Bylaw 1285 to establish a 30.0 metre setback from property lines for structures associated with medical marihuana production use in the A-1 zone (existing setbacks within the I-2 zone would apply);
- Amend the A-1 zone to permit medical marihuana production use;
- Amend the I-2 zone to permit medical marihuana production use.

In order to ensure RDN regulations address the MMPR in a timely manner that will be clear to those interested in applying for production licenses under MMPR, staff have prepared draft amendment bylaws for the Board’s consideration.

Policy Implications

While medical marihuana production as proposed under the MMPR does not fit the traditional idea of agriculture, it is acknowledged by the ALC as a “Farm Use” and serves to meet a legitimate commercial demand for a Federally recognized controlled substance. The Regional District of Nanaimo Agricultural Area Plan, Regional Growth Strategy, and Board Strategic Plans all support the creation of a diverse and vibrant economy and include specific policy support for the agricultural economy of the region.

Public Consultation Implications

Should the Board approve first and second reading of the proposed amendment bylaws a public hearing will be scheduled prior to the Board’s consideration of third reading.

Inter-Governmental Implications

As noted previously the Ministry of Agriculture has advised that it is not supportive of establishing setbacks of greater than 30.0 metres for ‘farm uses’ as outlined in the Ministry’s guidelines.

SUMMARY/CONCLUSIONS

Recent changes to Federal legislation surrounding the production and distribution of medical marihuana will have implications for local government from a land use perspective. The new regulation, Marihuana for Medical Purposes Regulations (MMPR), aims to address public health and safety concerns by moving medical marihuana production out of private dwellings and into more secure production facilities.

Following Board direction, staff held an information seminar on the new Marihuana for Medical Purposes Regulations on October 22, 2013. Following the seminar, staff reviewed options for increasing the minimum required setback for structures used for medical marihuana production on ALR lands, and considered options for accommodating the use on lands zoned for medium and heavy industrial uses.

With respect to setbacks, Ministry of Agriculture staff have indicated that they would not likely support the establishment of setbacks of greater than 30.0 metres for medical marihuana production facilities. As such, staff are recommending zoning bylaw amendments that will define medical marihuana production, prohibit the use as a home based business, and permit it as a use exclusively on lands within the Agricultural Land Reserve with Bylaw 500 and on lands zoned A-1 and I-2 within Bylaw 1285. Structures necessary for medicinal marihuana production would be subject to a 30.0 metre setback which is consistent with Ministry of Agriculture guidelines for establishment of bylaws for intensive agriculture.

With respect to permitting medical marihuana production on industrial zoned lands, staff are proposing amendments to Bylaw 1285 to permit medical marihuana production on Industrial 2 (I-2) zoned lands. The majority of I-2 zoned lands are situated away from residential properties and have good access to the Alberni Highway. The I-2 zoning currently permits product manufacturing and processing uses, which are generally consistent with the activities associated with medical marihuana production facilities under the MMPR. Staff are not recommending amendments to Bylaw 500 to permit medical marihuana production facilities on industrial lands at this time, as the distribution of these lands potentially places them within close proximity to developed residentially zoned properties. Additionally, the medium and heavy industrial zoned parcels in Bylaw 500 vary widely by parcel size and are not equally well served by highway access.

Interested parties that wish to establish a medical marihuana production facility on lands not zoned for the use can pursue a zoning amendment application. Zoning amendment applications would provide the Board and community with an opportunity to consider the individual merits of each proposal through public consultation and impact assessments.

In reviewing the proposed bylaw amendments, staff have determined that the recommended amendments are consistent with RDN policy. As such, staff support the proposed bylaw amendments as presented. Staff recommend the Board support the proposed bylaw amendments in order to address the MMPR in a timely manner which will provide clarity and certainty where medical marihuana production facilities are permitted. Should the Board choose to adopt zoning regulations related to MMPR, staff further recommend that a review be undertaken one year following the adoption of the regulation to allow the Board to consider whether further regulatory amendments are required following full transition to the MMPR from the current regime after March 31, 2014.

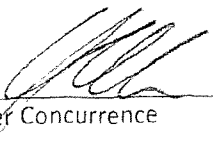
RECOMMENDATIONS

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

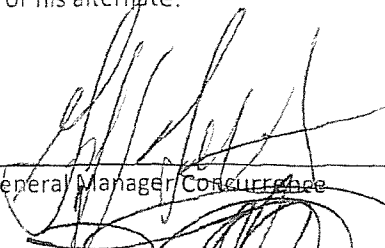
5. That "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285.18, 2013", be introduced and read two times.
6. That the Public Hearing on "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285.18, 2013", be chaired by Director Fell or his alternate.



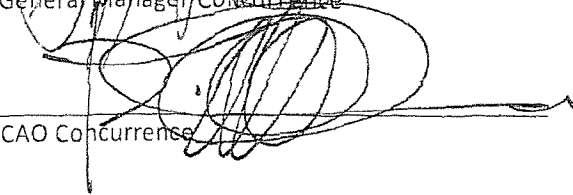
Report Writer



Manager Concurrence



General Manager Concurrence



CAO Concurrence

Attachment 1

REGIONAL DISTRICT OF NANAIMO
BYLAW NO. 500.387

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

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

A. This Bylaw may be cited as "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.387, 2013".

B. The "Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987", is hereby amended as follows:

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

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

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

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

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

"xxix) medical marihuana production"

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

"14) Farm Use Regulations

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

c) Medical Marihuana Production

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

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

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

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

Public Hearing held this ___ day of _____ 20XX.

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

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

Adopted this ___ day of _____ 20XX.

Chairperson

Corporate Officer

Attachment 2

REGIONAL DISTRICT OF NANAIMO
BYLAW NO. 1285.18

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

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

- A. This Bylaw may be cited as "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Amendment Bylaw No. 1285.18, 2013".
- B. The "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285, 2002", is hereby amended as follows:
 1. Under **SECTION 2, GENERAL REGULATIONS, 2.4 Prohibited Uses** by adding the following text after Section 2.4 s):

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

"d) All buildings and structures used for medical marihuana production on lands within the A-1 zone shall be setback a minimum of 30 metres from all lot lines."
 3. Under **SECTION 2, GENERAL REGULATIONS, 2.15 Home Based Business – Regulations** by adding the following text after Section 5 p):

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

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

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

"p) Medical Marihuana Production"

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

“and excludes medical marihuana production;”

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

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

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

Public Hearing held this ___ day of _____ 20XX.

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

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

Adopted this ___ day of _____ 20XX.

Chairperson

Corporate Officer

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE ELECTORAL AREA 'A' PARKS, RECREATION AND
CULTURE COMMISSION REGULAR MEETING
HELD WEDNESDAY, SEPTEMBER 17, 2014
7:00PM
(CEDAR HERITAGE CENTRE)

Attendance: Alec McPherson, RDN Director, Chair
Jim Fiddick
Patti Grand
Bernard White
Angela Vincent
Carolyn Mead
Andrew Thornton
Kerri-Lynne Wilson

Staff: Hannah King, Superintendent of Recreation Program Services
Elaine McCulloch, Parks Planner
Ann-Marie Harvey, Recording Secretary

Regrets: Eike Jordan

CALL TO ORDER

Chair McPherson called the meeting to order at 7:08 PM.

DELEGATIONS

As there were no specific delegations, Chair McPherson opted to have a question and answer time at the end of the meeting so that any questions the patrons in the gallery may still have could be answered.

MINUTES

MOVED Commissioner Grand, SECONDED Commissioner White that the minutes of the Regular Electoral Area 'A' Parks, Recreation and Culture Commission meeting held June 18, 2014 be received.

CARRIED

COMMUNICATIONS/CORRESPONDENCE

MOVED Commissioner Vincent, SECONDED Commissioner Fiddick that the following Communications/ Correspondence be received:

L. Ebert, Cedar Resident to E. McCulloch, RDN, **RE: Skateboard Lessons**

CARRIED

REPORTS

Monthly Update of Regional and Community Parks and Trail Projects—June-August (handout)

Ms. McCulloch reviewed the report for Area 'A' items.

Commissioner Grand asked if a letter could be sent from the Director to the North Cedar Fire Department thanking them for the watering the grass at the Cedar Skate Park to get it established.

Commissioner Fiddick mentioned that during the Sunday event at the skate park, it was very difficult to get through on Walsh from cars parking on both sides of the road. Ms. McCulloch said she has discussed playground signs with MOTi for that area.

Commissioner Fiddick asked Ms. McCulloch about the Horse Courtesy Sign at Morden Colliery and 49th Parallel trailhead going up. Is it there? Ms. McCulloch will follow up.

MOVED Commissioner Grand, SECONDED Commissioner Mead that the Monthly Update of Regional and Community Parks and Trail Projects--June-August be received.

CARRIED

Walsh/McMillan Road Parkland Dedication Report *(For Information)*

Ms. McCulloch gave a brief update of the Walsh/McMillan Rd. parkland dedication. This report went through the Board in August. Chair McPherson noted this land provides a chance for a boardwalk along York Lake.

MOVED Commissioner Wilson, SECONDED Commissioner Vincent that the Walsh/McMillan Road Parkland Dedication Report be received.

CARRIED

Water Access Report *(Commission)*

Ms. McCulloch handed out a printed version of the Water Access Report draft that was compiled by the Commission. There are still some photos and information missing which the Commission will compile for the next meeting. The Commission decided to add an extra hour to the Recreation Planning Session in November to review changes, additions and priorities to the Water Access Report. Ms. McCulloch offered her assistance if needed (e.g. printing).

MOVED Commissioner Vincent, SECONDED Commissioner Mead that the Water Access Report be received.

CARRIED

NEW BUSINESS

Cedar School – Field, Play Surfacing, Play Equipment and Safe Walk Routes Update

Ms. McCulloch met with the school district to discuss the field, play surfacing, and play equipment. They walked through the plans and she summarized that the playfield base is sand and is intended mainly for playing soccer. Field booking will likely be through the school coordinators or through SD facilities. The portables will not be moved. A gravel path will connect the school to the skate park.

Cedar School - Safer Walk Routes

Ms. McCulloch met with MoTI staff, the school principal and the school district facility supervisor. They looked at how they could make a safer walk routes leading to the school. The School District has recently constructed a new path that connects Holden Corso Rd. to the school through the school fields.

Monitoring will be done to make note if the path most taken is through the Cedar Skate Park and if the skate park becomes a drop off point. How can we use our trails to tweak them so that we can get more students on the trails, is what Ms. McCulloch will further discuss with the sub-committee for the safer walk routes.

Financial Update - Recreation & Parks Reserve Funds

- Cash in Lieu account for Park Acquisition = **\$350,321**
- General EA A Community Parks = **\$288,221**
- EA A Community Parks designated for Cedar Plaza = **\$22,656**
- EA A Recreation = **\$273,589**

Chair McPherson explained what the reserve fund usage and cash in lieu accounts can be used for and this summary is for the Commission's information.

Recreation Programming and Service Delivery

Ms. King gave a brief summary of the Electoral Area 'A' timeline of Programming and Services and provided examples of other communities' recreation delivery models.

Recreation Planning Session – Date

The date of November 1st from 10-2 was decided on. An additional hour to 3:00pm was suggested so that the Beach access report can be discussed and reviewed for input and changes.

Grants Deadline

Ms. King noted the deadline for Grant submission is September 26th and has been advertised in Take 5 and Harbour City Star. There has been one submission to date.

QUESTION AND ANSWER

Debbie Bloom – Pace Rd.

Headland Rd-Pace Rd to the water, a group of community members made a path. Is there a public access to Hemer Park? Jim and Ms. Bloom will be in contact to discuss.

Ms. McCulloch explained the mechanism of a Trail license that can be entered into with a land owner to alleviate the liability to the land owner. The advantage of having these official trail licences is that the trail routes can then be put on Regional District maps and guides.

James Bennett – Ravenhill Rd.

What can we do to make a trail?

Chair McPherson noted that if you walk a certain way enough times, it makes a trail but it must be on the MoTI right of way.

Ms. McCulloch explained that you cannot take down trees, and that the RDN must take out a "permission to construct works" permit from MoTI permit for any structure (e.g. culvert, bridge, sign) installed on MoTI property.

Debbie Bloom – Pace Road

With the interest of the Shasta Rd. connector, would it be possible to discuss the right of way through the back of the property?

Chair McPherson said that when that area comes up for development that is a discussion we can have at the time.

COMMISSIONER ROUND TABLE

Commissioner Vincent noted her intrigue of pulling together of the community history which isn't usually recognized and hopes to see the Boat Harbour book out in the community. Sees lots of opportunities for history.

Commissioner Mead had a great time at Village Square Days with her daughters, the event had more things than last year. She told the Commission she will be moving when her house sells as her husband has accepted a job out of town. In the house selling process it reminded her that there is no place here to grab something published to represent Cedar.

Commissioner Grand let the Commission know that the URL www.icedar.ca is available for sale if that is important to somebody in the community. It is \$140/year to maintain and about \$400 to purchase from Bonnie Stevens.

Commissioner Thornton shared that it is 5 years to the day when he moved to South Wellington. Mid-Island Taichi.org is the only club run by donation and he just set up the website for it.

Commissioner McPherson summarized the funding for the Morden Mine Engineering report - Regional Parks and trails budget committed \$15,000, the City of Nanaimo committed \$7,500, Friends of Morden Mine committed \$23,500 and EA 'A' Parks committed up to \$6500. \$20,800 plus some contingency was the cost that came in and Eric Rich of the Friends of Morden Mine wanted to pass along his thanks to the Commission for the additional funding. Chair McPherson gave an update of the Morden Colliery (Nanaimo River) Bridge study and it will come to this committee for consideration and comment.

IN CAMERA

MOVED Commissioner Wilson, SECONDED Commissioner Grand that pursuant to Section 90(1) (e) of the Community Charter the Commission proceed to an In Camera Commission meeting to consider items related to land issues.

TIME: 8:45pm

CARRIED

ADJOURNMENT

MOVED Commissioner Thornton SECONDED Commissioner Jordan that the meeting be adjourned at 9:10pm.

CARRIED

Chair

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE ELECTORAL AREA 'H' PARKS AND OPEN SPACE ADVISORY
REGULAR COMMITTEE MEETING
WEDNESDAY, October 15, 2014**

10:00 AM

(Lighthouse Community Centre, Qualicum Bay)

ATTENDANCE: Bill Veenhof, Chair, Director, RDN Board
Richard Leontowich
David Wiwchar
Dagmar Sedel

STAFF: Wendy Marshall, Manager of Park Services
Elaine McCulloch, Parks Planner

REGRETS: Valerie Weismiller
Nancy Robertson
Barry Ellis

CALL TO ORDER

Chair Veenhof called the meeting to order at 10:00am.

MINUTES

MOVED Leontowich, SECONDED D. Wiwchar that the minutes of the regular Electoral Area 'H' Parks and Open Space Advisory Committee meeting held June 25th, 2014 be approved.

CARRIED

REPORTS

Monthly Update Regional and Community Parks and Trail Projects – June - August 2014
Monthly Update Regional and Community Parks and Trail Projects – September 2014

Ms. McCulloch gave a summary of the Regional and Community Parks and Trail Projects reports.

Henry Morgan Community Park – Phase 2 install update

E. McCulloch provided a verbal report on the progress on the Henry Morgan Community Park phase 2 install. The site has been prepared and the swings have been ordered. The swing and porta potty install will be completed by the end of October.

MOVED D. Sedel, SECONDED D. Wiwchar that the reports be received.

CARRIED

BOARD AND COMMITTEE UPDATES

Director Veenhof provided the following updates:

Director Veenhof continues to work with RDN and Ministry of Transportation and Infrastructure staff on a number of items including: improving wayfinding signage; investigating the possibility of developing a road side trail from Qualicum Bay to Bowser; and supporting the idea of a potential rest stop at Horne Lake Rd. and Hwy 19. It was noted in the discussion with the Committee that Dagmar would support the idea of a roadside trail but not the idea that improvements to the Lighthouse Regional Trail to connect Qualicum Bay and Bowser could serve as this link (instead of a road side trail). She has observed that many people do not feel comfortable using forested trails due to a perceived danger from cougars and bears that are frequently seen in the area. She also noted that any further improvements to the Lighthouse Regional Trail should allow for equestrian use.

Director Veenhof is planning to initiate a trails group that can work towards creating a trails map which will show all the official and unofficial trails and parks in the area. The RDN and VIU have agreed to provide some mapping assistance to the trails group (e.g. gps units for capturing trail location data). The Lighthouse Community Hall has agreed to host a community trail map webpage from their website and the RDN has agreed to provide a link to this webpage from the RDN Community Parks webpage.

NEW BUSINESS

B. Veenhof noted that signage currently installed at H-25 (RDN map ID) identifies that park as Deep Bay Community Park. As the park is a linear park the committee requested that the sign be changed to read Deep Bay Community Trail.

COMMITTEE ROUND TABLE

D. **Sedel** has had some positive feedback from community members regarding the new playground at Henry Morgan Community Park.

R. **Leontowich** told the Committee that a local group has expressed interest in starting a slow pitch league at the Lions Community Park. Chair Veenhof informed the Committee that the Slow Pitch League has received RDN recreation grant funding this year. R. Leontowich also mentioned that the Community Hall signage/message board located at Lions Way and Highway 19A is going to be improved so it will be more legible.

D. **Wiwchar** noted that the new gravel ramp which replaced the broken stairs at the Shoreline Dr. water access is hazardous due to the loose gravel and the stones slide as you go down the ramp.

ADJOURNMENT

MOVED D. **Wiwchar** that the meeting be adjourned at 10:50 am.

CARRIED

Chair

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE AGRICULTURAL ADVISORY COMMITTEE
MEETING HELD ON FRIDAY, OCTOBER 17, 2014 AT 2:00 PM
IN THE RDN COMMITTEE ROOM**

Present:

Director J. Fell	Chairperson
Director H. Houle	Electoral Area B
K. Wilson	Representative (South)
M. Ryn	Representative (South)
C. Watson	Representative (North)
J. McLeod	Regional Agricultural Organization

Also in Attendance:

G. Garbutt	General Manager of Strategic and Community Development
P. Thompson	Manager of Long Range Planning
J. Holm	Manager of Current Planning
G. Keller	Senior Planner
N. Hewitt	Recording Secretary
B. Rogers	Electoral Area 'E' Candidate

Regrets:

Director D. Johnstone	Chairperson
R. Thompson	Representative (North)
C. Springford	Regional Agricultural Organization
K. Reid	Regional Aquaculture Organization
W. Haddow	Regional Agrologist, Ministry of Agriculture

CALL TO ORDER

Chairperson Fell called the meeting to order at 2:10 p.m.

REVISED AGENDA

MOVED H. Houle, SECONDED M. Ryn, that the Agricultural Advisory Committee agenda revise the order of reports.

CARRIED

MINUTES

MOVED H. Houle, SECONDED K. Wilson, that the minutes of the Agricultural Advisory Committee meeting held Friday July 11, 2014.

CARRIED

REPORTS

Process for bringing forward items for the AAC Agenda (Verbal).

MOVED H. Houle, SECONDED M. Ryn, that verbal overview regarding the Process for bringing forward items for the AAC Agenda be received.

CARRIED

ALC Consultation – Proposed Amendments to the Agricultural Land Reserve Use, Subdivision, and Procedure Regulation.

MOVED H. Houle, SECONDED K. Wilson, that the receive Committee ALC Consult – Staff Comments.

CARRIED

MOVED H. Houle, SECONDED K. Wilson, that the report that Mayta Ryn provided be received.

CARRIED

Food Security Workshop/Policy and Bylaw Update Project – Status Update.

MOVED H. Houle, SECONDED C. Watson, that Food Security Workshop/Policy and Bylaw Update Project Status Update be received.

CARRIED

Role of AAC in the review of Applications to the ALC (Verbal).

MOVED H. Houle, SECONDED M. Ryn, that the verbal report regarding the Role of AAC in the Review of Applications to the ALC be received.

CARRIED

NEW BUSINESS

AAC Terms 2014.

J. McLeod, C. Springford, K. Reid thank you for serving on the Committee.

ADJOURNMENT

MOVED H. Houle, SECONDED J. McLeod, that this meeting be adjourned.

CARRIED

Time: 2:55 pm

CHAIRPERSON

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE GRANTS-IN-AID ADVISORY COMMITTEE MEETING
HELD ON WEDNESDAY, OCTOBER 22, 2014 AT 1:11 PM IN THE
COMMITTEE ROOM

Present:	M. Young	Chairperson
	B. Erickson	Citizen Advisory Member
	M. Patterson	Citizen Advisory Member
	B. Rogers	Citizen Advisory Member
	G. Wiebe	Citizen Advisory Member
Regrets:	D. Willie	Director, District 69
Staff:	J. Hill	Manager, Administrative Services
	C. Golding	Recording Secretary

CALL TO ORDER

The Chairperson called the meeting to order.

MINUTES

MOVED G. Wiebe, SECONDED B. Rogers, that the minutes of the Grants-in-Aid meeting held Monday, May 5, 2014, be adopted.

CARRIED

DISTRICT 68

Funds available: \$2,966.00

MOVED B. Rogers, SECONDED B. Erickson, that the grant request from the Gabriola Performing Arts Foundation be denied.

CARRIED

MOVED M. Patterson, SECONDED B. Erickson, that Grant-in-Aid funds for District 68 be awarded to the following applicant:

Gabriola Arts Council – Materials for the Fifth Annual Isle of the Arts Festival	\$ 2,000.00
Total	\$ 2,000.00

MOVED R. Rogers, SECONDED B. Erickson, that the remaining District 68 funds in the amount of \$966.00 be carried forward to the 2015 Spring Grants-in-Aid budget.

CARRIED

DISTRICT 69

Funds available: \$ 11,240.80

MOVED G. Wiebe, SECONDED M. Patterson, that Grant-in-Aid funds for District 69 be awarded to the following applicants:

BC SPCA Parksville / Qualicum Beach Branch – Spay / Neuter Program	\$ 1,000.00
Lighthouse Community Centre – Chair Replacement for Hall	2,814.40
Lighthouse Country Marine Rescue Society – 2 Day on the Water SARex Exercise Training	4,926.40
North Island Wildlife Recovery Association – Signage and Display Boards for a Mobile Display Trailer and / or Upgrades to Eagle Flight Cage	2,500.00
Total	\$ 11,240.80

CARRIED

ADJOURNMENT

MOVED G. Wiebe, SECONDED B. Rogers, that this meeting adjourn.

CARRIED

TIME: 1:47 PM

CHAIRPERSON

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE EMERGENCY MANAGEMENT SELECT COMMITTEE
MEETING HELD ON TUESDAY, OCTOBER 28, 2014 AT 5:00 PM
IN THE RDN COMMITTEE ROOM

Present:

Director M. Young	Chairperson
Director H. Houle	Electoral Area B
Director G. Holme	Electoral Area E
Director J. Fell	Electoral Area F
Director J. Stanhope	Electoral Area G
Director B. Veenhof	Electoral Area H
Director J. de Jong	District of Lantzville

Regrets:

Director A. McPherson	Electoral Area A
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Also in Attendance:

G. Garbutt	General Manager Strategic & Community Development
T. Armet	Manager Building, Bylaw & Emergency Planning
J. Drew	Emergency Coordinator
J. Brand	Recording Secretary

CALL TO ORDER

The meeting was called to order at 4:59 pm by the Chair.

DELEGATIONS

MINUTES

MOVED Director Holme, SECONDED Director de Jong, that the minutes of the Emergency Management Select Committee meeting held on Friday, January 24, 2014, be adopted.

CARRIED

REPORTS

Overview of the Emergency Table Top Exercise Held April 25, 2014

Report was introduced by T. Armet. General discussion took place around the process of including elected officials in EOC exercises and future training that will be undertaken by elected officials.

MOVED Director Houle, SECONDED Director Veenhof, that the *Overview of the Emergency Table Top Exercise Held April 25, 2014* report be received for information.

CARRIED

Emergency Operations Center Notification and Activation System

Report was introduced by T. Armet.

MOVED Director Houle, SECONDED Director Veenhof, that the report on the *Emergency Operations Center Notification and Activation System* be received and that staff be directed to investigate the feasibility of implementing an automated mass notification system in the RDN and report back on available options for the Board's Consideration.

CARRIED

Emergency Program Update Power Point (Verbal)

Verbal presentation was given by J. Drew, Emergency Coordinator.

MOVED Director Stanhope, SECONDED Director Houle, that the verbal Emergency Program Update report be received.

CARRIED

NEW BUSINESS

None

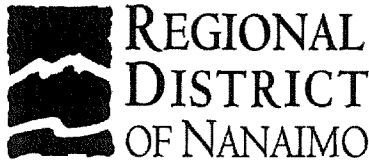
ADJOURNMENT

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

CARRIED

TIME: 6:01 PM

CHAIRPERSON



RDN REPORT		
CAO APPROVAL		
EAP		
COW		
OCT 22 2014		
RHD		
BOARD		

MEMORANDUM

TO: Geoff Garbutt, General Manager
Strategic & Community Development

DATE: October 21, 2014

FROM: Tom Armet, Manager
Building, Bylaw and Emergency Planning Services

FILE:

SUBJECT: Overview of the Emergency Table Top Exercise Held April 25, 2014

PURPOSE

To provide an overview of the Emergency Table Top Exercise held on April 25, 2014.

BACKGROUND

Exercise Scope and Objectives

On April 25, 2014, the RDN hosted a Table Top Exercise involving senior Emergency Operations Center (EOC) staff and elected officials from the RDN, City of Parksville, Town of Qualicum Beach and the District of Lantzville. The purpose of the Exercise was to bring together senior level multi-jurisdictional EOC staff and elected officials in an applied learning environment. This Exercise was the first of its kind held by the RDN involving only the Management and Policy Groups.

The BC Emergency Response Management System (BCERMS) provides a framework for a standardized process of organizing and managing a response to emergencies and disasters in BC. The RDN and partner local governments subscribe to this framework and the structure, activities and operation of an EOC is defined and organized in accordance with the BCERMS.

Prior to commencing the Exercise, participants were provided with an overview of their roles. The Exercise involved only the local government Management Group, consisting of Management (EOC Director), Operations Chief, Planning Chief, Logistics Chief and Finance/Admin Chief, being responsible for the overall management functions within the EOC. The Exercise did not include and utilize participants who would normally fill operational functions in a full EOC activation. The Policy Group, comprised of elected officials, being responsible for guidance, establishing priorities and parameters for expenditures, direction on public information and approval of declarations and extraordinary powers, was included in the Exercise however they were not provided with specific information and training prior to the Exercise.

The scenario (Exercise "Fire Storm") focused on the development and initiation of plans and operational procedures by senior staff in response to an escalating urban interface fire impacting a large area in the RDN. The Exercise objectives were to:

- Demonstrate the need for a multi-faceted cooperative emergency management leadership response, drawing from EOC trained personnel resources from *Emergency Management Agreement* partners;
- Practice resource and information management and sharing amongst the involved local authorities in the Regional Emergency Management Agreement.
- Allow key participants to experience different leadership positions in an activated EOC roll over several different “operational periods.”
- Evaluate the EOC set up, equipment and functionality. Prior to the Exercise an Emergency Plan Review presentation was provided to all EOC responders.

Exercise “Fire Storm” was planned and facilitated with the assistance of K.R. Neilson & Associates, a consulting firm specializing in emergency management training for local authorities.

During the Exercise

A Wildland Urban Interface (WUI) fire scenario was selected as it had the potential to impact Electoral Areas ‘F’, ‘G’, Parksville and Qualicum Beach. At the beginning of the Exercise, there was a review of the five EOC management staff roles and functions of an EOC Management Team. Different operational periods allowed key participants to experience various leadership positions in an activated EOC. The scenario was input driven to Exercise the decision making process and ability of the EOC members to prioritize supportive responses to the various Incident Command Posts throughout the impacted areas. Participants were asked to respond to the events as they progressively unfolded using the principles of Incident Command. The second half of the Exercise shifted the focus from response to business resumption and recovery.

Exercise Feedback and Learning Outcomes

The Exercise concluded with a verbal round table debrief by all participants, as well as written comments from participants. Below are general categories of feedback and a brief description of how processes have been modified as a result.

EOC Set Up

Feedback included placing Section signage higher for optimal viewing and map placement, purchasing a 24 hour digital clock and that meetings in the horseshoe area were too noisy to be fully efficient. Since the Exercise, the EOC Set-up Guide has been changed to ensure signage is placed higher where all can see it. A new clock has been purchased and will be used for activations and Exercises. Scheduled briefings or meetings will take place in meeting rooms in order to reduce the noise level in the EOC as much as possible. Other feedback included improving communications capacity in the EOC as well.

Policy Group

Involvement of the Policy Group at the Table Top Exercise was a first at the RDN and it was recognized that given the previous history it was important to insert this group into the scenario both as a training opportunity for members of this group as well as an important component for the operation of the scenario. As above, the Policy Group did not receive specific training/instruction on the scenario, roles and responsibilities or BCERMS orientation prior to involvement in the Exercise. In hindsight, greater education on roles and the Exercise parameters would have enhanced the experience of the Policy

Group during this Table Top Exercise. Training for Policy Group members will be a focus during the next Board orientation sessions.

Feedback from elected officials in the Policy Group was generally focused on EOC procedures, roles of Directors, and overall Exercise conduct. It's important to note that this Exercise was not intended to illustrate the operations of a full-scale EOC activation and that many of the specific issues raised by elected officials were clarified by Staff following the Exercise. These issues included roles of Directors, communications, training and First Nations involvement.

Several Directors felt they could offer valuable local context about an emergency in their jurisdiction as it was occurring and could benefit from having more frequent communication with EOC staff. The current practice is for the EOC Director to phone or email updates to elected officials however video conferencing may be a consideration if elected officials cannot attend an EOC briefing. As identified above, training in the BCERMS model as well as information on how local government information is managed during a full-scale EOC activation will assist in addressing this concern.

EOC Forms and Training

Participants from each jurisdiction and every section commented that they would like to have more practice filling out the required forms. Since the Exercise, RDN, Parksville and Qualicum Beach Emergency Coordinators have collaborated to provide several 90 minute EOC section training sessions to combined EOC staff. The training focused on adding local context to function duties, discussion periods, practice filling out key forms and interactive short Exercises.

Information Flow

The Public Information team highlighted the need to manage social media as it can either quickly become a source of misinformation or can be managed to maximize clear emergency communication to the public. Since the Exercise, steps have been taken internally to clarify communications policies. Further work will be undertaken in 2015 on integrating a social media role in the EOC plan.

Applied Knowledge

Interactive learning and working with our regional partners was seen by participants as being very beneficial, with requests to do more Exercises. This feedback was instrumental in EOC Section training design that includes using regional context and works toward building interoperability with *Emergency Management Agreement* partners.

Consultant Recommendations

The Consultant provided an After Action Report (attached) following Exercise "Fire Storm" that includes the following set of recommendations with follow up comments by staff:

That the Parties continue to train their staff in the roles and functions needed in an EOC.

This is a general recommendation that requires no additional follow-up as the RDN Emergency Program annual work plans include a high level of continuous training for existing and new staff.

That the addition of more laptops be considered for positions in the Public Information and Planning Sections.

While only a few laptops were set-up for the purpose of this Exercise, the RDN has a sufficient supply of computers, laptops and mobile devices to adequately serve an EOC activation for an extended duration.

That the next Exercise be initiated as a "cold start" set-up of the EOC, such as would happen in a real life event. The EOC was set up by the Emergency Coordinator the day before the Exercise. A "cold Start" would add realism to and create efficiencies in the EOC set-up.

The next Exercise will be initiated as a "cold start" set-up.

That the provision of a satellite phone for the EOC be considered as a back-up piece of equipment in the event of a catastrophic infrastructure failure, in addition to the existing amateur radio base located in the EOC.

Several years ago the RDN acquired a satellite phone for the EOC however, with changes in hardware and satellite technology, the equipment is no longer functional. While it's recognized that cell phone service and amateur radio systems may be affected by a major infrastructure failure, it's important to note that satellite phone technology also has limitations as a back-up communication system. Should the Board wish to pursue this recommendation, further research with regards to back-up communication technology and cost implications will be necessary.

That a regional debris disposal plan be created and implemented.

The development of a regional debris disposal plan is a substantial undertaking with significant financial, inter-jurisdictional and environmental implications that cannot be adequately addressed in this report.

ALTERNATIVES

1. That this report be received for information.
2. That the report be received for information and further direction provided to staff.

FINANCIAL IMPLICATIONS

There are no financial implications to receiving this report.

SUMMARY

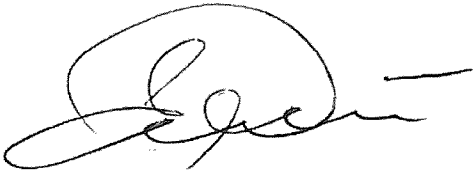
On April 25, 2014, the RDN hosted a Table Top Exercise involving senior Emergency Operations Center (EOC) staff and elected officials from the RDN, City of Parksville, Town of Qualicum Beach and the District of Lantzville. The purpose of the Exercise was to bring together senior level multi-jurisdictional EOC staff and elected officials in an applied learning environment. The scenario (Exercise "Fire Storm") focused on the development and initiation of plans and operational procedures by senior staff in response to an escalating urban interface fire impacting a large area in the RDN.

Valuable feedback was received from those participating in the Exercise, much of which has been clarified by Staff and/or incorporated into EOC practices to improve efficiencies. Some of the key points for future consideration include additional emergency management orientation and training for new and returning elected officials as well as enhanced communication with Area Directors during an EOC activation. The Consultant hired to assist with the Exercise also provided recommendations as outlined in the report.

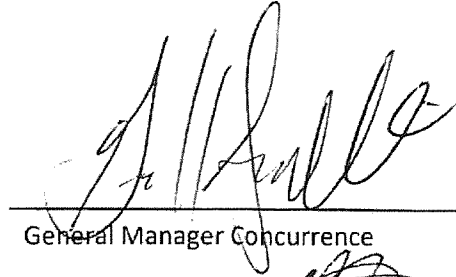
Overall, the Table Top Emergency Exercise provided an excellent learning opportunity and will build upon the skills needed for more complex or functional Exercises in the future.

RECOMMENDATION

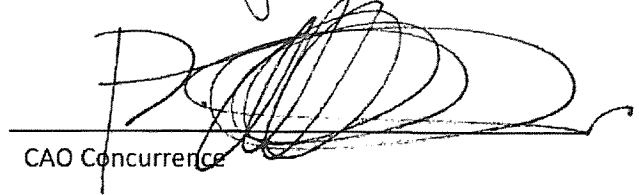
That the report on the overview of the emergency Table Top Exercise held on April 25, 2014 be received for information.



Report Writer



General Manager Concurrence



CAO Concurrence

APPENDIX "A" - After Action Report

EXERCISE FIRESTORM | 2014

Background:

On April 25th, 2014, the RDN hosted a Senior Level Table Top Exercise, focusing on senior EOC staff (Section Chiefs/Management Group) and Elected Officials. While the exercise was the initiative of the RDN, its scope was determined by collaboration with the Regional Emergency Program Committee (REPC) members (RDN/Lantzville, Parksville and Qualicum Beach). The exercise was intended to ensure ongoing compliance with the Emergency Program Act 1996 and 2004 with respect to Local Authority and Regional District Emergency Management Training. Planning meetings were attended by the REPC Emergency Coordinators Jani Drew (RDN/Lantzville), Aaron Dawson (Parksville), Rob Damon (Qualicum Beach) and the consultant, K.R. Neilson & Associates.

It was understood that the purpose of this exercise was to bring together multi-jurisdictional senior staff and Elected Officials in an applied learning environment. The scenario was intended to involve all jurisdictions in the Oceanside area. Since the RDN's Community Wildfire Protection Plan for Area "F" ranks Wildland Urban Interface fire as 'High' to 'Extreme' in many areas of the scenario geography, and many recreational users during the summer months, the location represented an existing hazard and a likely risk. It was further understood that this exercise should:

- Demonstrate the need for a multi-faceted cooperative emergency management leadership response, drawing from EOC trained personnel resources within the entire Regional District.
- Demonstrate resource sharing amongst the involved local authorities identified in the document Emergency Management Agreement.
- Allow key participants to experience different leadership positions in an activated EOC role, over several different "operational periods".
- Reinforce the need for robust, capable and strategic Emergency Planning and Response Programs in the D69/Oceanside area. This table top exercise will train personnel to function capably in a properly equipped and activated Emergency Operations Centre.

Upon agreement for K. R. Neilson & Associates to provide these services to the RDN, an exercise design team was created. Over a 2 month series of e-mail exchanges and face to face meetings, a suitable exercise was agreed upon. The required table top exercise was to take place April 25th, 2014 in the RDN's EOC, located within the RDN Board Chambers of RDN headquarters at 6300 Hammond Road.

EXERCISE FIRESTORM | 2014

Exercise Objectives

Exercise Fire Storm was to focus on the development and initiation of plans and operational procedures, including relevant documentation, by senior staff the RDN in response to an escalating urban interface forest fire impacting a large area of the Nanaimo Regional District. It was also to be an opportunity to apply previously learned skills effecting procedures, documentation and application of the policies of the Regional Emergency Response Plan.

At the beginning of the exercise, there would be a brief review of the five EOC Management Staff roles and functions of an EOC Management Team via a power point presentation. The input driven scenario is to exercise the decision making process and ability of the EOC members to prioritize supportive responses to various Incident Command Posts scattered throughout the impacted areas of the District and Electoral area "F".

This exercise was also designed to evaluate the Emergency Operations Centre's setup, equipment and functionality.

Exercise facilitators would be present during the exercise and, but only permitted to provide limited guidance where needed for the success of this learning experience.

At the conclusion of the exercise, there was to be an exercise end de-brief (hot wash up) with all of the players. Comments generated from this de-brief would be used to compile a written after action report (AAR) that shall identify and recommend methods to address concerns and findings of any issues brought forward.

This report may also be used to identify and recommend any relevant updating changes to the regional emergency plan, and additional needs of the EOC.

During the Exercise:

Players were requested by a separately distributed document prior to the exercise to:

- Respond to the exercise events and information as if the emergency was real, unless otherwise directed. For the purpose of the exercise, some artificialities were effected, especially timelines. Parts of the scenario may have seemed implausible. Recognition that the exercise had objectives to satisfy, and may incorporate seemingly unrealistic aspects to do so was explained (transition to Recovery from Response). However, every effort was made to balance realism and artificiality.
- At the end of the exercise, participate in an exercise de-brief and "hot wash up". They were also asked to help with the EOC "de-mobilization" and clean-up.

EXERCISE FIRESTORM | 2014

- Provide any notes or documents to an evaluator for completion of the After Action Report (AAR). The AAR is essential for outlining the strengths and recommended areas for changes or improvement to the Emergency Response Plan and EOC facility realized during the exercise.

Exercise Conduct:

The exercise convened at 08:30 in the Directors Chambers. There was a mix of participants from the Regional District of Nanaimo, District of Lantzville, City of Parksville, and Town of Qualicum Beach. There were 6 members of the RDN Board of Directors also present.

The participants were initially assigned to functional positions, which would rotate with each shift change in order to provide different functional role experiences. After a brief introduction and power point review of EOC operational roles, the exercise began.

The initial scenario itself (appendix "D") was introduced, and the Teams were asked to begin to respond to the events as they progressively unfolded. Using the principles of Incident Command, scenario updates were submitted sequentially as the situation escalated, accompanied by the presentation of specific written functional position tasking injects relating to certain scenario update(s). This process took up most of the morning, but was suspended for a generous (and much appreciated) lunch provided by the RDN.

At the conclusion of the lunch, the final scenario updates were issued, lastly shifting the focus from to events that also could potentially be encountered as the RDN transitioned from response to business resumption / recovery.

The exercise inject portion was completed by 15:00. Immediately following that, a person to person de-brief was then conducted with all of the participants invited to comment on the day's proceedings, either pro or con. This was followed up by having the participants complete a brief written exercise de-brief questionnaire prior to their departure.

EXERCISE PARTICIPANTS' COMMENTS:

The following points are the direct comments received by the exercise participants themselves, and are un- edited in order to reflect realism.

- EOC Set up: put the Section Banners up higher near Planning and Ops – they moved them in order to tape maps up on the wall
- Meeting in the horseshoe area too crowded, disruptive to other groups
- Good interaction between Planning and Ops
- The various jurisdictional staff had a good knowledge base for evac planning
- Fin/Admin – activated fire mutual aid, proactively checked that \$2.0 million in reserve funds were available and that purchasing cards had been set up if needed

EXERCISE FIRESTORM | 2014

- Excellent collaboration with the Public Info team – media releases produced in a timely fashion, approvals sought and received.
- Not immediately understood by one EOCD that a Declaration is not required for an Evac Alert
- Good Policy Group briefing by EOCDs (geographic overview of evac area, fire path, actions taken, Declaration and media release coming at next briefing.
- Good comment about Ops – took a while to get used to not being such ‘Doers’ and take direct action. They eventually utilized the Liaison Officer more – better information flow for others to keep current on operations on the ground.
- digital clock would be useful
- Legal Documentation requires a Corporate Officer. When these staff are not busy they can join the Public Info team as they are the staff that approve media releases in day to day operations

Debrief Notes as recorded from verbal feedback requests of some Functional Section participants:

POLICY GROUP:

- RDN Director Veenhoff: inquired about improving communications capacity in EOC.
- Director Fell: he lived in evac area – what is his role? He could provide local context,
- T of QB Councillor Bill Lockmeyer – do media briefings off site.
- Director McPherson: have set media briefing times, don’t have them hanging around
- Director Young – thought a good practice for a real situation, ensure EOC secured and entrance restricted. Conduct media activity off site.

LEGAL & DOCUMENTATION:

- not that busy, could augment PIO team
- During quiet times, review process binders to pre-plan and prepare (forms, processes, etc.)
- Each time a meeting is held it should be announced as to time and location
- A connection needs to be established for this group to Chair/Deputy Chair

PUBLIC INFORMATION TEAM:

- Could have used faster clearance on release approval.
- Need a dedicated social media monitor.

EXERCISE FIRESTORM | 2014

- Have Island Health PIO involved.
- Automatically have PIO at Mgmt Group meetings.
- Appoint a Deputy PIO and have a dedicated person to maintain the position log
- Need process to get clearance to release info to media
- Keep media away from all active players at EOC (RC and at-site)
- Use of Twitter and Facebook need to be built into the plan – once posted, a copy of the message needs to be posted in EOC somewhere for public and media viewing
- Island Health representation needed
- Could use a second computer
- This function felt the need to be invited to the Management team meeting
- One person should be designated to keep the position log
- The Director involved should be included in review and revision of media release before released
- Social media can be a help or a nightmare – have to be on top of situational awareness

MANAGEMENT GROUP:

- Fast pace hard for learning (Twyla). Learning curve for Geoff who had to go from being Planning Section Chief to EOCD with no notice.
- Should have Deputy EOCD for all shifts – have L.O (Jani/EC) do this as there are 2 other L.Os (Jack and Brian).
- Do cross-training
- Don't do exercise in 'real time' – go slower for learning to happen

FINANCE & ADMINISTRATION:

- Paper flow not consistent with all sections. Finance needs all info. How to track time of multi-jurisdictional staff?
- How to track time of people in field?
- Need to understand paper flow and information requirements from each function
- Documents which would have flowed between function teams did not because of short time frame
- Perhaps in future have 'mock' forms completed to illustrate movement of paperwork
- How do we track staff/volunteer's time?

LOGISTICS:

- Hard to keep on top of paper flow. Last to get info of purchases. Need tabs in binders. Paperwork and paper trail not clear
- What to fill out?

EXERCISE FIRESTORM | 2014

- Where does it go?
- Need Purchase Orders as well as Finance team – perhaps Purchase Order stapled to Authorization to Purchase
- Who does authorization to Purchase form?

OPERATIONS:

- In reality, would need agency reps.
- Good info in binders.
- Felt training gave confidence.
- They 'got the job' done by working as a team.
- Important to liaise with LO and other Sections
- Calm environment, staff from different jurisdictions offered a multi-faceted perspective. Utilize 'local area experts'
- Remember to liaison with other functions before making things happen
- Use the screen to project Current Situation Report Update
- Review of paperwork needed

PLANNING:

- Need better inter-section communications (ie: staff an Planning-Ops Liaison position).
- Have a 'Forms Only' workshop.
- Boxes well organized and helpful – should be standardized amongst jurisdictions
- This function is to maintain Current Situation Status Board
- Hindered by lack of current status of situation
- Needed better data in order to interconnect with other functions
- Design a course on forms and how to use them in each function
- Planning and operations liaised continuously

COMMENTS FROM THE EXERCISE PLANNING TEAM (JANI, RDN, AARON, PARKSVILLE, ROB, TOWN OF QUALICUM BEACH)

- Communication started out bumpy and in silos but which was quickly resolved.
- The Public Information Team was very busy and needs many people. If there is an error here, it gets huge public scrutiny due to the visibility and limited filters!
- Planning found maps very useful – GIS staff would also be necessary
- Finance/Administration kept a very good handle on expenses
- There was good interaction by the time the Second Section of the exercise began
- It was evident that many questions were being asked between function teams
- Today 4 local governments came together and acted as 1 group
- Reality is that staff WILL be manning each function from different region

EXERCISE FIRESTORM | 2014

- More practice in the future is recommended

GENERAL COMMENTS FROM THE CITY OF PARKSVILLE PARTICIPANTS

- Everyone was happy with the exercise. They appreciated how it was set up to allow them to better understand their role in the EOC without the complication of focusing on forms.
- Now that they have a better understanding of their roles, they would like to have another exercise including forms.
- No one attending thought there was a problem with the existing plan and no changes were suggested.
- For the next exercise, they would like what they referred to as more realistic injects more often.
- Many explained they were making up materials during the protracted meetings in order for them to have something to do and allow for them to fill in any blanks to determine how to solve the matter at hand.

GENERAL COMMENTS FROM THE TOWN OF QUALICUM BEACH PARTICIPANTS

- Some felt having the policy group there was not necessary
- More training on forms used in the EOC
- Very pleased with the overall participation
- Sections focusing on the "what ifs"
- Good conversation/communication in the sections, briefings, and across sections.
- More input from I.C. to drive the exercise
- It was a huge success and I look forward to working on another for the near future

EXERCISE FIRESTORM | 2014

CONSULTANTS OBSERVATIONS & RECOMMENDATIONS:

This exercise opened with the provision of an EOC functional position overview, followed by the assignment and exercising Team position assignments covering 4 operational period shift changes. The focus of the exercise injects was to provide a realistic scenario that was representative of a real life wild land urban interface fire event occurring in the geography of the communities involved. The time frame of the exercise, although compacted from a real life event, succeeded in demonstrating the needs and benefits for inter- operability. It also succeeded in identifying some operational and administrative differences between the City of Parkville and the Town of Qualicum Beach. These were positive outcomes that will permit future collaborative discussions for joint emergency and mutual aid responses.

The exercise was very well accepted by the participants, with many expressed desires for more of them in the future. Suggestions of further training and some specific targets were also offered. Perhaps the best outcome of this exercise was that the two communities proved that they can work effectively together, and that there are positive benefits in doing so. The value of the RDN Emergency Management Agreement currently being re-negotiated by the Parties was also validated.

The following recommendations are forwarded for consideration:

- That the Parties continue to train their staff in the roles and functions needed in an EOC. Migration of trained employees in Emergency Management is a reality of life, and staying abreast of these migrations is essential in being able to field a cohesive and interactive Team. Continued training is a key to the success and ability to do so.
- That the addition of more laptops be considered for positions in the Public Information and Planning Sections.
- That the next exercise be initiated as a “cold start” set up of the EOC, such as would happen in a real life event. This exercise saw the EOC set up by the Emergency Coordinator and I T section during the afternoon before the exercise. A “cold start” by some key Logistics Support Unit members would add realism and ultimately create efficiencies to the EOC set up.
- That the provision of a “Satellite phone” for the EOC be considered as a backup piece of equipment in the event of a catastrophic communications infrastructure failure, in addition to the existing amateur radio base station located in the EOC. The total reliance of hard wired and cellular phones during a major event can be risky.
- That a District debris disposal plan for the participating Emergency Agreement signatories be created and implemented.

It was a pleasure to be a part of this exercise inception, design and successful execution.

Respectfully submitted,

EXERCISE FIRESTORM | 2014

K. R. Neilson,
CEC, cd, CEM

Appendix 1 – Exercise Scenarios presented:**Exercise Opening Scenario**

- A resident has contacted 911 (passed to Fire Dispatch), advising of smoke from what now appears to be a forest fire caused by a lightning strike. The Errington Fire Dept. Duty Chief was dispatched at 08:15 and attended the area. Upon arriving in the vicinity, he observed that wind driven fires, approaching rank 3 in magnitude, are travelling in a north-westerly direction. There are now concerns for structures and occupants in the general area bounded by Bellevue Rd to the north, Middlegate Rd to the west, Evergreen Rd to the south, and Allsbrook Rd. itself to the east. The Errington Fire Dept. Duty Chief has determined that the Ministry of Forests and Range must be involved, and he has also contacted the RDN Emergency Coordinator to provide a situation report. The situation appears to exceed local fire department and mutual aid capacity. The Regional District of Nanaimo's Emergency Coordinator, having also been contacted via Fire Dispatch, has initiated the RDN'S EOC Emergency Activation and Notification fan out. The recommendation is to set up the primary EOC, located at the RDN's Board Chambers, with a complement of senior RDN staff to coordinate management of this situation.

Scenario Update; Operational Period #1 – Activation of the EOC

- MoFR, the lead agency, has expressed concern for the safety of the Island Highway 19, as it is near the impacted area. Fire Dispatch is suggesting that mutual aid activation from neighbouring fire stations should be considered. MoFR is also requesting confirmation of the activation of the Regional District of Nanaimo Emergency Operations centre, as the fire has the potential going to get big, and fast. The RDN EOC formally requests assistance, per the *Emergency Management Agreement*, from Parksville, Qualicum Beach and Lantzville to assist in the response efforts. Senior staffs from these jurisdictions are able to travel safely to the RDN's EOC located at 6300 Hammond Bay Rd.
- Parksville has issues as well, as the fire encroaching over Highway 19 has the potential to impact the southern portion of Parksville. The Parksville Emergency Coordinator realizes that this is a potentially life threatening situation - if the fire continues to travel at its current rate of advance, it could involve local subdivisions. The weather forecast is for sustained N.W. winds at 45 kmh for this morning, and shifting to Easterly 60 kmh later in the morning and early afternoon. Cooler temperatures are not expected for the next 72 hours. Skies are becoming overcast with smoke. Occasional thunder and lightning is expected over the next 48 hours.

EXERCISE FIRESTORM | 2014

Scenario Update; Operational Period #2 – Shift Change

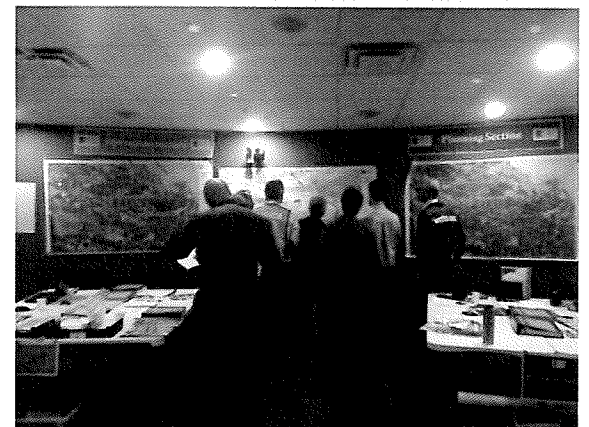
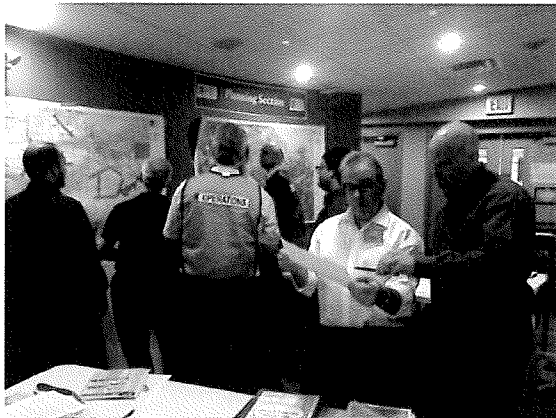
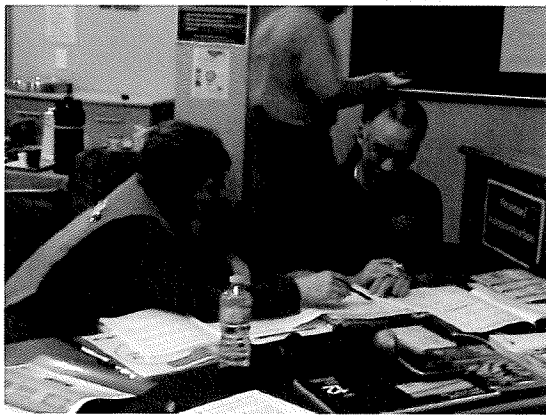
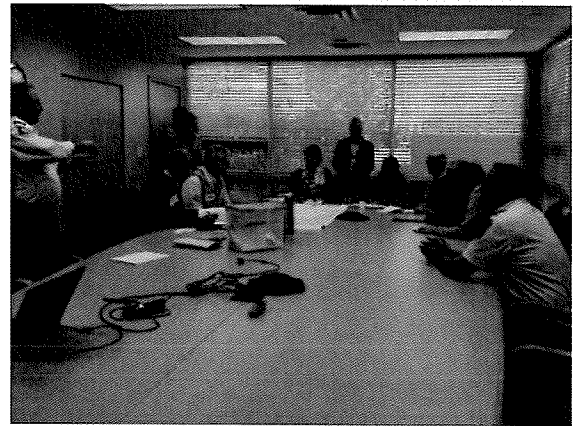
- The forest fire is continuing to increase in size, and now has the Oceanside area very alarmed. Smoke from the fire has reached Qualicum Beach and the airport now has restricted use and air quality may potentially be a concern for vulnerable persons (seniors, various disabilities/conditions etc). There is evidence that panic is beginning to occur, and many residents are beginning to “freelance. There is a strong need for enhanced communications to the population at risk.
- The tourism sector is wondering what to advise their guests to do as the fire has jumped Highway 19.
- Local first responders have been working for a long time in the intense efforts to get the situation under control. They are beginning to tire significantly. The fire shows no sign of slowing down.

Scenario Update; Operational Period #3 – Shift Change

- The fire is now threatening the southern portions of Parksville. Winds are now swinging to a north westerly direction, which could cause impacts into the town centre.
- Rath Trevor Park is now on the danger list, as are tourist accommodation /resorts in the vicinity
- There is a gas station present at Hwy 19A and Englishman River
- There is a major bridge at Hwy 19A and Englishman River

Scenario Update; Operational Period #4 – Shift Change and Transition to Recovery Phase

- The fire is now under control in the southern portions of Parksville and south western parts of Errington.
- Winds are continuing to swing in a north westerly direction, and away from both Parksville and Town of Qualicum Beach’s town centres.
- Rath Trevor Park is now also off the danger list, as are tourist accommodation /resorts in the vicinity.
- Area residents who have evacuated are anxious to return to their homes.
- Priority planning for business resumption and community normalcy are quickly needed.



ATTACHMENT "B" - Exercise Photos



RDN REPORT	
CAO APPROVAL	
EAP	
COW	
OCT 22 2014	
RHD	
BOARD	

MEMORANDUM

TO: Tom Armet, Manager
Building, Bylaw and Emergency Planning Services

DATE: October 21, 2014

FROM: Jani M. Drew, Emergency Coordinator

FILE:

SUBJECT: Emergency Operations Center Notification and Activation System

PURPOSE

To provide an update on the Regional District of Nanaimo Emergency Operations Center (EOC) Notification and Activation Protocol and to seek direction on the implementation of an automated mass notification system.

BACKGROUND

The RDN held an EOC notification and activation protocol drill during Emergency Preparedness week on May 6th, 2014. The purpose of the drill was to practice the fan out system to test our EOC responder capacity, taking into account the availability of staff during normal work hours. This method has been tested several times over the years with fairly good success in terms of the overall protocol and turn out rates.

In practicing any protocol or drill, learning from what worked and what didn't work as well, is critical to ongoing success. For several reasons, this particular notification drill had some challenges. In particular, contact with EOC staff and response to the notification using the existing method was less than satisfactory. Some very useful feedback was provided by EOC staff and Directors and based on that feedback the following modifications have been made to the EOC notification and activation protocol:

- The primary call out is now done by only 4 individuals: the EOC Director, Liaison Officer and Deputy Liaison Officers.
- The number of staff on the primary call out list has been reduced to Section Chiefs and a few key roles. Upon notification, these individuals will report to the EOC, attend the initial briefing and then determine staffing needs (secondary call outs).
- Call back confirmation requirements have been removed from the protocol which makes the process faster, simpler and more streamlined.
- Laminated wallet sized cards have been issued to those on the primary call out list for ease of contacting the secondary call outs from any location.

In addition to the foregoing, it was suggested through an RDN Director, that staff explore the feasibility of implementing an automated mass notification system. These systems are in use by some local

government agencies for a variety of purposes, including EOC activations. Based on preliminary inquiries into the various systems on the market, it has been determined that an objective analysis will be necessary to provide an accurate assessment of compatibility with our existing systems and the financial impacts.

ALTERNATIVES

1. Direct staff to investigate the feasibility of implementing an automated mass notification system.
2. Receive this report for information and provide further direction to staff.

FINANCIAL IMPLICATIONS


There are several types of automated mass notification systems on the market which vary in complexity and cost, typically in the range of \$5,000 to \$30,000. A full assessment of these systems will be necessary to determine if an automated system would be cost effective and create efficiencies within or as a replacement for the current RDN notification system. Other considerations would be technical compatibility with existing systems, reliability and the potential for broader uses within the organization.

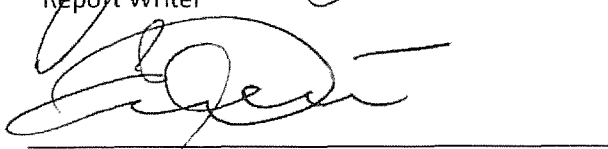
SUMMARY

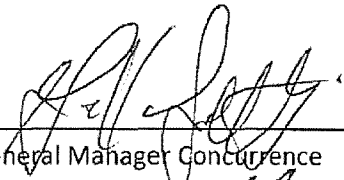
The RDN held an EOC notification and activation protocol drill during Emergency Preparedness week on May 6th, 2014. The purpose of the drill was to practice the fan out system to test our EOC responder capacity, taking into account the availability of staff during normal work hours. EOC staff and Area Directors provided critical feedback resulting in several changes being made to our existing notification and activation system. The potential for using an automated mass notification system for EOC activation was also proposed. Staff is recommending that the feasibility of implementing such a system be investigated and that options be provided for the Board's consideration in 2015.

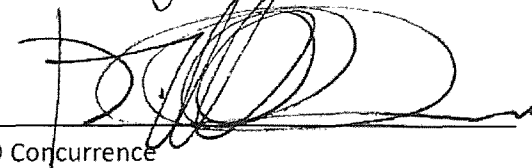
RECOMMENDATION

That staff be directed to investigate the feasibility of implementing an automated mass notification system in the RDN and report back on available options for the Board's consideration.


Report Writer


Manager Concurrence


General Manager Concurrence


CAO Concurrence

COMMENTS:



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

MEMORANDUM

TO: Wendy Idema
Director of Finance

DATE: November 13, 2014

FROM: Laina Fearn
Financial Analyst

FILE:

SUBJECT: Operating Results for the Period Ending September 30, 2014

PURPOSE:

To present a summary of the operating results for the period ending September 30, 2014.

BACKGROUND:

The Regional Board reviews quarterly financial progress statements in order to identify both positive and negative budget trends as they occur. This report provides information on the operating results for the period January 1 to September 30, 2014.

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

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

Attached as appendices to this report are the following:

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

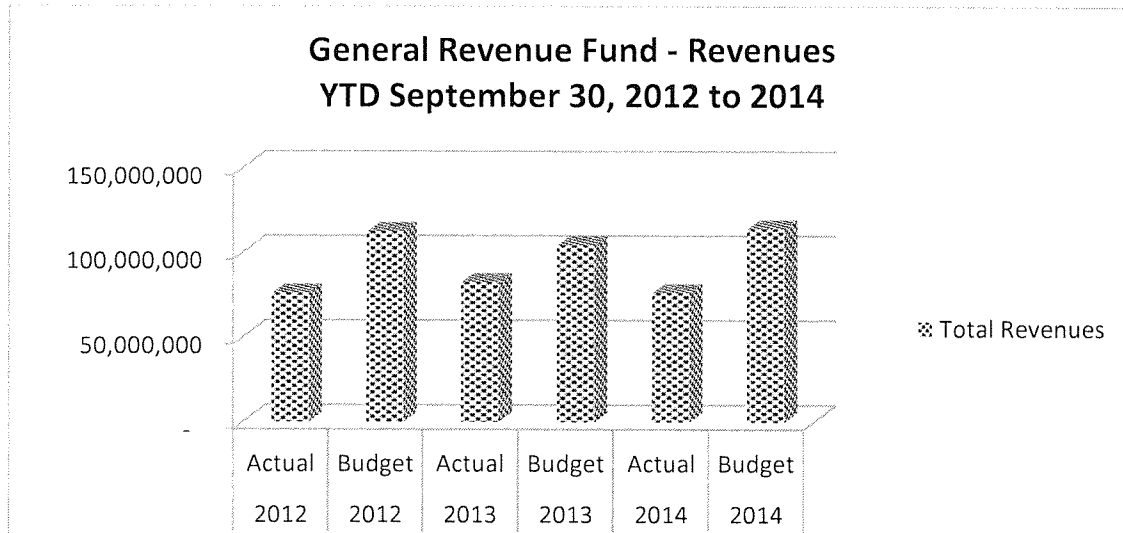
Overall Summary by Division (Appendix 1)

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

Revenues

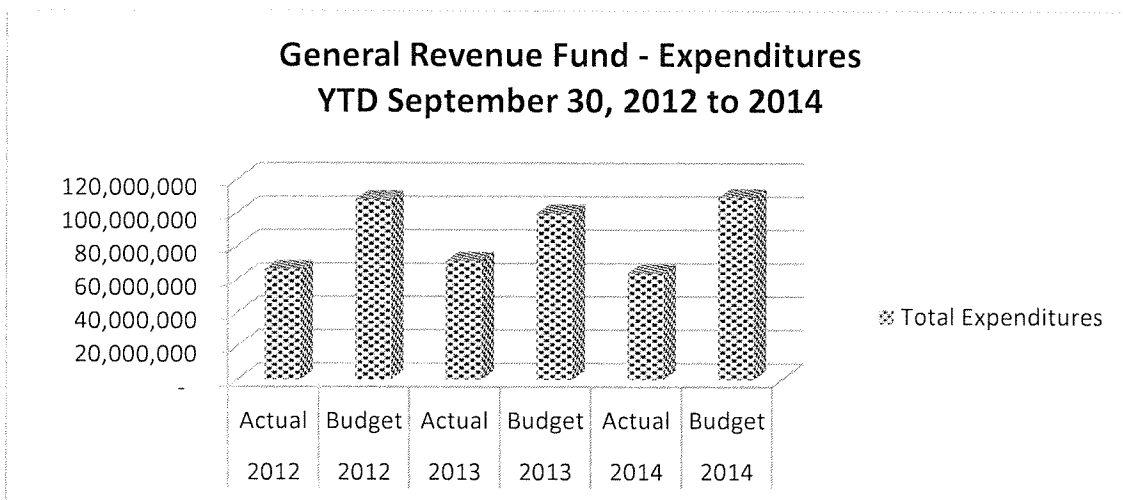
Total revenues are at 67% of budget with property tax revenues at the expected 75%. Grant Revenues are at 61%, due mainly to timing of grants not yet received for several Recreation and Parks projects and Emergency Planning projects. Other Revenues are at 37% (includes transfers from reserves for capital projects) and is mainly due to timing of large projects. Capital projects use a drawdown accounting approach where revenues are recorded as project expenses are incurred.

Operating revenues are at 78% of the budget as they reflect both of the water utility services billings which occur in May and September. The charts below show the 3 year trend for revenues and expenses at September 30. The higher trend in 2013 is due to the borrowing and flow through transfer to the Vancouver Island Regional Library (VIRL) which was approved after the budget was completed.



Expenditures

Overall 2014 expenditures are at 58% of budget. Comparative amounts in 2013 were higher due to the flow through VIRL transaction. Expenditure items noticeably under budget include Community Grants (8%), Professional fees (33%) and Capital Expenditures (22%). The Community Grants budget includes the transfer to the Island Corridor Foundation for \$472,000 which will only occur later in the year when the agreement requirements are confirmed. Capital Expenditures and Professional fees are directly related to the timing of payments for projects. Wages & Benefits are at the expected 73%. Expenditures for Debt Interest (73%) and Debt Principal (69%) vary from budget at this time because of the timing of debt payments made on behalf of municipalities. Further details are provided below under Operating Results by Department.



Summary of Operating Results by Department (Appendix 2)

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

Corporate Services

The Corporate Services division of Appendix 2 is slightly lower than budget with revenues at 68% and expenditures at 67%. This is due mainly to the Fire Protection Service Areas as well as the fact that debt financing costs incurred on behalf of VIRL are recorded evenly over the year while the income from rebilling VIRL for these costs occurs in March, April, September and October each year.

Under Fire Services, the Coombs Hilliers (37% revenue/47% expenditures) and Nanoose Bay (53% revenue/28% expenditures) fire service areas are low to budget due to the purchase of two new pumper trucks which have not yet been expensed and their funding from reserves not yet recorded. Dashwood (64% revenue/82% expenditures) fire service is showing revenues less than budgeted due to unrecorded transfers from reserves. Bow Horn Bay (35% revenue/43% expenditures) fire service area is showing less than budget because some costs for a satellite hall and related transfers from reserves have not yet been recorded. As well, some fire departments pay out clothing and gas allowances to volunteers at year end which also impacts expenditures.

Wellington Fire Service (104% of expenditures) and the District 69 E911 Service (100% of expenditures) reflect that the transfers to the City of Nanaimo and to the North Island 911 Corporation have already been made per our agreements with them.

Feasibility Studies shows revenues and expenditures of 178% of budget due to the 2014 IPSOS Reid Citizen Survey for the Operational and Efficiency Review.

Development Services

The Development Services division of Appendix 2 shows year to date total revenues at 80% and expenditures at 69%. The service areas showing variances in revenue and expenditures are as follows:

- Economic Development South (75% revenue/100% expenditures) reflects that the transfer of funds to the Nanaimo Economic Development Corporation has occurred.
- Economic Development North (75% revenue/32% expenditures) shows a variance in expenses because fewer grants have been approved and disbursed to date than what the budget would indicate.
- VIHA Homelessness Grants (100% revenue/67% expenditures) is because additional grants will be issued at a later date as new initiatives are funded.
- Emergency Planning (55% revenue/59% expenditures) reflects outstanding grant revenues that have been claimed but not received. For expenditures, it reflects the timing of the reserve funded project for the emergency generator at Coombs Fairground which will complete in November.
- Unsightly Premises (18% revenue/20% expenditures) and Hazardous Properties (39% revenue/29% expenditures) are low compared to budget because there have been no incidents requiring clean up so far this year.

Regional and Community Utilities

The Regional and Community Utilities division of Appendix 2 shows year to date total revenues at 58% and expenditures at 46%. The service areas with variances at September 30 are as follows:

- Liquid Waste Management Planning (49% revenues/22% expenditures) reflects Gas Tax Grant funds not yet received for the Rural Village Sewer Servicing project (\$350,000) as well as unspent program costs associated with this project.
- Wastewater Northern Community (75% revenue/46% expenditures), Wastewater Southern Community (45% revenue/39% expenditures) and Wastewater Duke Point (85% revenue/60% expenditures) are a result of the timing of capital projects for expenses and reflect that transfers from reserves and grant revenues are accrued as the expenses are incurred. Projects in this area that will complete later this year or be deferred in part to 2015 include the marine portion of the GNPCC Outfall (\$7 million); Secondary Treatment at GNPCC detailed design (\$500,000); Departure Bay Pump Station Upgrade (\$500,000); Trickling Filter Upgrade at FCPCC (\$600,000); Effluent Turbine Pump and ATAD at FCPCC (\$300,000).
- Under the Water Supply service areas, several water services show lower than budget expenditures such as French Creek (50%), Decourcey (33%), Englishman River (40%), Melrose Place (48%) and Nanoose Peninsula (40%). These reflect the timing of capital and underground maintenance projects. Revenues for water services are over 75% for the most part because both the spring and fall billings have been completed. Those areas with less than 75% are the result of transfers from reserves which will be accrued when the projects are complete.
- The Nanoose Bay Bulk Water (46% revenue/42% expenditures) budget includes transfers to the Englishman River Water Service Joint Venture capital work for \$636,380 funded by DCC's and reserves which have not been completed. The remainder of the funds will be transferred when the costs are incurred by the Joint Venture and billed back to the RDN.
- French Creek Bulk Water (38% revenue/58% expenditures) shows lower than budget because the transfers from reserve and payments to the City of Parksville for the Arrowsmith Joint Venture project do not occur until October.

Recreation and Parks Services

The Recreation and Parks division of Appendix 2 shows year to date total revenues at 75% and expenditures at 72%. The service areas with variances at September 30 are as follows:

- All of the Community Parks Service areas have projects and reserve transfers where the timing is impacting variances. This is particularly evident in Area C (East Wellington) (82% revenue/54% expenditures related to Anders & Dorritt's), Area E (52% revenue/43% expenditures related to Blueback) and Area G (62% revenue/47% expenditures related to Dashwood Community Hall) which have capital projects underway, the timing of which will affect both the revenues and expenditures.
- Area A Recreation & Culture (79% revenue/57% expenditures) also reflects unused contingency funds and unspent capital funds related to renovations at the Cedar Heritage Centre.
- Southern Community Recreation & Culture at 100% for expenditures reflects that the transfers of funds to the recipients of these services were made in August.
- Community Works Fund Projects (16% revenue/16% expenditures) are less than budgeted reflecting the receipt of grant funds and related expenses which have not yet occurred.

Transportation and Solid Waste Services

The Transportation and Solid Waste division of Appendix 2 shows year to date total revenues at 69% and expenditures at 59%. The service areas with variances at September 30 are as follows:

- Solid Waste Management (66% revenue/53% expenditures) reflects lower than budgeted operating revenues (69%) and reduced transfers in from reserves/lower capital expenditures due to the deferral of large projects such as the redevelopment of the closed portion of the landfill, the North Berm Phase 2 and new operations building and maintenance shop design costs at the Cedar landfill. These projects or portions of them are on hold while a review is completed on the impacts of the reduced commercial tipping fee revenues over the longer term financial plan.
- Solid Waste Collection and Recycling is at 86% of its revenue budget vs 65% of expenses because the annual utility billing is largely completed in May each year generating significant revenues at that time. The expenditure side will catch up later in the year as billings from haulers tend to lag behind a month or two.

SUMMARY:

The attached appendices reflect the operating activities of the Regional District recorded up to September 30, 2014. Appendix 1 summarizes the overall results across the organization while Appendix 2 breaks down the total year to date revenues and expenditures for functions within each organizational division. To date 67% of budgeted revenues and 58% of budgeted expenditures have been recorded. Grants (61%) and Other Revenue (37%) are below the benchmark for seasonal and other timing reasons noted above.

Expenditures for professional fees (33%) and capital projects (22%) are lower overall due to the summer time commencement for many capital projects as well as deferral of some large wastewater and solid waste projects to 2015. Community Grants (8%) are lower because several of the grant transfers will occur later in the year only after grant criteria requirements are completed by recipients. Across all services, wages and benefits are in line with expectations at 73% of the budget.

RECOMMENDATION:

That the summary report of financial results from operations to September 30, 2014 be received for information.



Report Writer



Director of Finance Concurrence



C.A.O. Concurrence



GENERAL REVENUE FUND
As of September 30, 2014

	CORPORATE			SERVICES			DEVELOPMENT			SERVICES			REGIONAL & COMM UTILITIES		
	Actual 2014	Budget 2014	% Var	Actual 2014	Budget 2014	% Var	Actual 2014	Budget 2014	% Var	Actual 2014	Budget 2014	% Var	Actual 2014	Budget 2014	% Var
REVENUES															
TAX REQUISITION	5,358,168	7,144,226	75%	1,899,603	2,532,803	75%	1,899,603	2,532,803	75%	10,203,450	13,608,945	75%	10,203,450	13,608,945	75%
GRANTS	98,799	149,090	66%	(33,733)	30,135	(112%)	(33,733)	30,135	(112%)	2,507,655	3,000,985	84%	2,507,655	3,000,985	84%
OPERATING REVENUE	29,714	22,283	133%	917,184	1,135,581	81%	917,184	1,135,581	81%	1,884,942	1,680,293	112%	1,884,942	1,680,293	112%
OTHER REVENUE	7,247,628	12,195,389	59%	365,926	508,141	72%	365,926	508,141	72%	1,814,122	11,875,441	15%	1,814,122	11,875,441	15%
PRIOR YEARS SURPLUS (DEFICI)	1,584,001	1,584,001	100%	1,184,742	1,184,742	100%	1,184,742	1,184,742	100%	2,975,142	2,975,144	100%	2,975,142	2,975,144	100%
TOTAL REVENUES	14,318,310	21,094,989	68%	4,333,722	5,391,402	80%	4,333,722	5,391,402	80%	19,385,311	33,140,808	58%	19,385,311	33,140,808	58%
EXPENSES															
OFFICE OPERATING	121,231	264,349	46%	295,017	416,443	71%	295,017	416,443	71%	590,759	809,466	73%	590,759	809,466	73%
COMMUNITY GRANTS	42,791	529,498	8%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
LEGISLATIVE	284,039	490,785	58%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
PROFESSIONAL FEES	238,682	362,860	66%	66,824	213,435	31%	66,824	213,435	31%	266,672	1,234,743	22%	266,672	1,234,743	22%
BUILDING - OPER & MAINT	391,911	490,228	80%	48,841	71,213	69%	48,841	71,213	69%	770,291	1,158,001	67%	770,291	1,158,001	67%
VEH & EQUIP - OPER & MAINT	279,101	390,659	71%	67,748	87,624	77%	67,748	87,624	77%	670,950	1,005,879	67%	670,950	1,005,879	67%
OTHER OPERATING COSTS	529,929	1,079,090	49%	470,752	724,207	65%	470,752	724,207	65%	2,266,992	3,875,114	59%	2,266,992	3,875,114	59%
WAGES & BENEFITS	2,798,034	3,642,678	77%	1,765,562	2,385,758	74%	1,765,562	2,385,758	74%	3,092,895	4,195,111	74%	3,092,895	4,195,111	74%
PROGRAM COSTS	731	1,000	73%	23,861	169,273	14%	23,861	169,273	14%	40,339	156,050	26%	40,339	156,050	26%
CAPITAL EXPENDITURES	368,797	2,016,725	18%	9,057	77,975	12%	9,057	77,975	12%	3,759,306	16,123,553	23%	3,759,306	16,123,553	23%
DEBT - FINANCING - INTEREST	2,472,319	3,399,958	73%	0	0	0%	0	0	0%	212,691	303,050	70%	212,691	303,050	70%
DEBT - FINANCING - PRINCIPAL	1,669,053	2,708,311	62%	0	0	0%	0	0	0%	180,557	275,735	65%	180,557	275,735	65%
CONTINGENCY	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
TRSF TO RESERVE FUND	600,231	585,228	103%	174,543	140,490	124%	174,543	140,490	124%	2,634,719	2,680,712	98%	2,634,719	2,680,712	98%
TRSF TO OTHER GOV'T/AGENCIE	3,790,814	4,311,823	88%	304,300	366,300	83%	304,300	366,300	83%	0	0	0%	0	0	0%
TOTAL EXPENDITURES	13,587,663	20,273,192	67%	3,226,505	4,652,718	69%	3,226,505	4,652,718	69%	14,486,171	31,817,414	46%	14,486,171	31,817,414	46%
OPERATING SURPLUS (DEFICIT)	730,647	821,797		1,107,217	738,684		1,107,217	738,684		4,899,140	1,323,394		4,899,140	1,323,394	

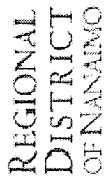
GENERAL REVENUE FUND
As of September 30, 2014

	RECREATION & PARKS SERVICES		TRANSPORTATION & SOLID WASTE		TOTAL		REVENUE		FUND	
	Actual 2014	Budget 2014	% Var	Actual 2014	Budget 2014	% Var	Actual 2014	Budget 2014	% Var	
REVENUES										
TAX REQUISITION	7,386,483	9,848,646	75%	6,807,988	9,077,317	75%	31,655,692	42,211,937	75%	
GRANTS	323,744	875,157	37%	4,454,479	8,021,894	56%	7,350,944	12,077,261	61%	
OPERATING REVENUE	1,203,784	1,416,215	85%	12,526,248	16,971,837	74%	16,561,872	21,226,209	78%	
OTHER REVENUE	163,765	450,133	36%	1,026,243	3,455,040	30%	10,617,684	28,484,144	37%	
PRIOR YEARS SURPLUS (DEFICIT)	1,209,489	1,209,488	100%	2,963,016	2,963,015	100%	9,916,390	9,916,390	100%	
TOTAL REVENUES	10,287,265	13,799,639	75%	27,777,974	40,489,103	69%	76,102,582	113,915,941	67%	
EXPENSES										
OFFICE OPERATING	405,491	553,449	73%	1,514,482	2,065,110	73%	2,926,980	4,108,817	71%	
COMMUNITY GRANTS	0	0	0%	0	0	0%	42,791	529,498	8%	
LEGISLATIVE	0	1,600	0%	0	0	0%	284,039	492,385	58%	
PROFESSIONAL FEES	83,982	200,900	42%	276,167	853,083	32%	932,327	2,865,021	33%	
BUILDING - OPER & MAINT	504,270	804,193	63%	352,682	529,225	67%	2,067,995	3,052,860	68%	
VEH & EQUIP - OPER & MAINT	123,261	215,985	57%	3,563,606	6,171,863	58%	4,704,666	7,872,010	60%	
OTHER OPERATING COSTS	466,073	889,398	52%	5,544,092	9,143,719	61%	9,277,838	15,711,528	59%	
WAGES & BENEFITS	3,055,321	4,165,247	73%	10,138,075	14,170,526	72%	20,849,887	28,559,320	73%	
PROGRAM COSTS	304,522	418,261	73%	0	0	0%	369,453	744,584	50%	
CAPITAL EXPENDITURES	757,747	1,899,079	40%	563,189	4,842,122	12%	5,458,096	24,959,454	22%	
DEBT - FINANCING - INTEREST	528,972	708,993	75%	0	0	0%	3,213,982	4,412,001	73%	
DEBT - FINANCING - PRINCIPAL	1,007,378	1,128,135	89%	0	0	0%	2,856,988	4,112,181	69%	
CONTINGENCY	0	35,000	0%	0	276,831	0%	0	311,831	0%	
TRSF TO RESERVE FUND	790,557	780,776	101%	893,725	898,070	100%	5,093,775	5,085,276	100%	
TRSF TO OTHER GOV'T/AGENCIES	1,562,322	1,587,241	98%	9,032	0	0%	5,666,468	6,265,364	90%	
TOTAL EXPENDITURES	9,589,896	13,388,257	72%	22,855,050	38,950,549	59%	63,745,285	109,082,130	58%	
OPERATING SURPLUS (DEFICIT)	697,369	411,382		4,922,924	1,538,554		12,357,297	4,833,811		



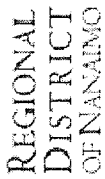
SUMMARY OF OPERATING RESULTS
For period ending September 30, 2014

	Revenues		Expenditures		Variance		Expenditures		Variance		Surplus	
	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget
CORPORATE SERVICES												
Administration	5,195,455	6,759,101	77%		4,141,677	6,302,088	66%		1,053,778	457,013		
Electoral Area Administration	651,729	813,802	80%		474,191	709,270	67%		177,538	104,532		
Public Safety												
D68 E911	97,640	133,257	73%		72,831	131,762	55%		24,809	1,495		
D69 E911	489,819	636,747	77%		571,391	572,797	100%		(81,572)	63,950		
Community Justice	89,613	119,335	75%		119,300	119,300	100%		(29,687)	35		
Fire Protection												
Fire - Meadowood	104,521	139,360	75%		104,518	139,360	75%		3	0		
Fire - Nanaimo River	13,352	17,801	75%		17,388	17,795	98%		(4,036)	6		
Fire - Coombs Hilliers	290,658	791,837	37%		368,915	791,837	47%		(78,257)	0		
Fire - Errington	365,057	480,372	76%		446,658	480,372	93%		(81,601)	0		
Fire - French Creek	381,468	485,556	79%		343,570	428,701	80%		37,898	56,855		
Fire - Nanoose Bay	597,260	1,120,120	53%		299,622	1,072,490	28%		297,638	47,630		
Fire - Wellington	57,556	72,856	79%		63,685	61,183	104%		(6,129)	11,673		
Fire - Cassidy Waterloo	165,372	211,340	78%		189,789	211,340	90%		(24,417)	0		
Fire - Dashwood	413,330	646,234	64%		526,878	646,234	82%		(113,548)	0		
Fire - Extension	150,164	185,988	81%		107,679	185,988	58%		42,485	0		
Fire - Parksville Local	144,341	168,365	86%		89,627	89,758	100%		54,714	78,607		
Fire - Bow Horn Bay	259,545	749,994	35%		320,455	749,994	43%		(60,910)	0		
Regional Library	1,912,641	2,793,282	68%		2,390,700	2,793,282	86%		(478,059)	0		
Feasibility Studies	53,433	30,000	178%		53,433	30,000	178%		0	0		
Municipal Debt Transfers	2,869,231	4,718,141	61%		2,869,231	4,718,141	61%		0	0		
House Numbering	16,125	21,500	75%		16,125	21,500	75%		0	0		
TOTAL	14,318,310	21,094,988	68%		13,587,663	20,273,192	67%		730,647	821,796		
STRATEGIC & COMMUNITY DEVELOPMENT												
EA Community Planning	1,540,645	1,895,246	81%		1,166,382	1,663,476	70%		374,263	231,770		
Economic Development South	114,000	152,000	75%		152,000	152,000	100%		(38,000)	0		
Economic Development North	38,167	50,623	75%		16,071	50,623	32%		22,096	0		
VIHA Homelessness Grants	188,000	188,000	100%		126,000	188,000	67%		62,000	0		
Regional Growth Strategy	559,821	687,312	81%		331,759	522,295	64%		228,062	165,017		
Emergency Planning	217,985	398,297	55%		223,692	376,096	59%		(5,707)	22,201		
D68 Search & Rescue	31,393	41,577	76%		33,300	41,300	81%		(1,907)	277		



SUMMARY OF OPERATING RESULTS
For period ending September 30, 2014

	Revenues		Expenditures		Variance	Expenditures		Variance	Surplus	
	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget		2014 Actuals	2014 Budget			
Building Inspection	1,254,659	1,406,062	825,388	1,123,245	89%	825,388	1,123,245	73%	429,271	282,817
Bylaw Enforcement	177,788	245,222	177,788	245,222	73%	177,788	245,222	73%	0	0
Animal Control EA A,B,C,LANTZ	55,567	71,782	48,480	66,906	77%	48,480	66,906	72%	7,087	4,876
Animal Control E,G & H	72,287	94,257	66,058	89,956	77%	66,058	89,956	73%	6,229	4,301
Animal Control EA F	28,782	33,375	15,261	19,876	86%	15,261	19,876	77%	13,521	13,499
Unsanitary Premises	11,696	63,424	11,401	58,161	18%	11,401	58,161	20%	295	5,263
Hazardous Properties	7,731	19,585	5,019	17,526	39%	5,019	17,526	29%	2,712	2,059
Noise Control	35,202	44,640	27,906	38,035	79%	27,906	38,035	73%	7,296	6,605
TOTAL	4,333,723	5,391,402	3,226,505	4,652,717	80%	3,226,505	4,652,717	69%	1,107,218	738,685
REGIONAL & COMMUNITY UTILITIES										
RCU - Administration	270,197	356,104	270,197	356,104	76%	270,197	356,104	76%	0	0
Wastewater Management										
Liquid Waste Management Planning	359,514	730,970	131,432	604,361	49%	131,432	604,361	22%	228,082	126,609
Wastewater Southern Community	7,472,969	16,701,370	6,421,442	16,558,783	45%	6,421,442	16,558,783	39%	1,051,527	147,587
Wastewater Northern Community	4,149,251	5,565,463	2,446,915	5,282,934	75%	2,446,915	5,282,934	46%	1,702,336	282,529
Wastewater Duke Point	307,926	361,568	175,825	293,605	85%	175,825	293,605	60%	132,101	67,963
Water Supply										
Water - Surfside	40,486	41,905	18,109	28,803	97%	18,109	28,803	63%	22,377	13,102
Water - French Creek	138,947	191,450	85,071	169,367	73%	85,071	169,367	50%	53,876	22,083
Water - Whiskey Creek	87,279	133,691	71,459	119,857	65%	71,459	119,857	60%	15,820	13,834
Water - Decourcey	13,707	15,653	3,674	11,044	88%	3,674	11,044	33%	10,033	4,609
Water - San Pareil	171,672	193,775	125,191	184,165	89%	125,191	184,165	68%	46,481	9,610
Water - Driftwood	4,244	5,460	4,093	5,460	78%	4,093	5,460	75%	151	0
Water - Englishman River	179,064	183,175	57,180	141,516	98%	57,180	141,516	40%	121,884	41,659
Water - Melrose Place	26,372	32,351	15,127	31,288	82%	15,127	31,288	48%	11,245	1,063
Water - Nanoose Peninsula	1,563,599	2,398,112	921,299	2,294,728	65%	921,299	2,294,728	40%	642,300	103,384
Water - Bulk Water Nanoose Bay	733,958	1,606,905	618,406	1,480,160	46%	618,406	1,480,160	42%	115,552	126,745
Water - Bulk Water French Creek	35,997	94,885	50,073	85,889	38%	50,073	85,889	58%	(14,076)	8,996
Water - San Pareil Fire	937,194	1,057,200	965,001	1,057,200	89%	965,001	1,057,200	91%	(27,807)	0
Water - Westerne Heights	0	0	1,373	0	0%	1,373	0	0%	(1,373)	0
Drinking Water/Watershed Protection	554,775	665,328	347,948	568,656	83%	347,948	568,656	61%	206,827	96,672
Streetlighting	100,545	120,451	66,649	98,034	83%	66,649	98,034	68%	33,896	22,417



SUMMARY OF OPERATING RESULTS
For period ending September 30, 2014

	Revenues		Expenditures		Expenditures		Expenditures		Variance	Surplus	
	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget		2014 Actuals	2014 Budget
Sewer Collection											
Sewer - French Creek	733,547	929,823	79%		662,065	924,228	72%		71,482	5,595	
7551 / 2851 Sewer/Fairwinds / Wastewater Nanoose	782,849	943,918	83%		433,443	787,418	55%		349,406	156,500	
Sewer - Pacific Shores	67,242	81,697	82%		52,065	68,466	76%		15,177	13,231	
Sewer - Surfside	23,842	29,046	82%		20,424	27,929	73%		3,418	1,117	
Sewer - Cedar	162,456	192,028	85%		123,219	163,163	76%		39,237	28,865	
Sewer - Barclay	194,724	224,976	87%		143,845	201,449	71%		50,879	23,527	
Sewer - Hawthorne Rise Debt	225,294	258,833	87%		220,028	258,833	85%		5,266	0	
Englishman River Stormwater	12,015	13,220	91%		4,013	6,350	63%		8,002	6,870	
Cedar Estates Stormwater	7,869	9,050	87%		2,919	5,225	56%		4,950	3,825	
Pump & Haul	1,950	2,400	81%		1,861	2,400	78%		89	0	
Community Works Fund Projects - Regional & Community Utilit	25,830	0	0%		25,830	0	0%		0	0	
TOTAL	19,385,314	33,140,807	58%		14,486,176	31,817,415	46%		4,899,138	1,323,392	
RECREATION & PARKS SERVICES											
Regional Parks	1,961,076	2,678,581	73%		1,668,197	2,639,786	63%		292,879	38,795	
Community Parks											
Community Parks - Area A	264,825	331,352	80%		251,359	315,791	80%		13,466	15,561	
Community Parks - Area B	202,614	247,296	82%		147,001	213,724	69%		55,613	33,572	
Community Parks - Area C (Extension)	69,229	83,558	83%		38,794	57,610	67%		30,435	25,948	
Community Parks - Area C (East Wellington)	84,381	102,482	82%		47,340	87,160	54%		37,041	15,322	
Community Parks - Area E	99,817	190,341	52%		76,105	176,816	43%		23,712	13,525	
Community Parks - Area F	226,927	270,660	84%		192,588	257,661	75%		34,339	12,999	
Community Parks - Area G	114,824	184,766	62%		81,751	174,256	47%		33,073	10,510	
Community Parks - Area H	121,982	153,097	80%		86,000	143,866	60%		35,982	9,231	
Area A Recreation & Culture	169,348	213,690	79%		107,746	190,553	57%		61,602	23,137	
Northern Community Recreation	1,300,883	1,587,602	82%		1,239,049	1,570,258	79%		61,834	17,344	
Oceanside Place	1,969,204	2,614,837	75%		1,881,616	2,562,225	73%		87,588	52,612	
Ravensong Aquatic Centre	2,671,504	3,351,596	80%		2,443,689	3,208,771	76%		227,815	142,825	
Gabriola Island Recreation	76,289	100,216	76%		89,384	100,217	89%		(13,095)	(1)	
Southern Community Recreation & Culture	868,036	1,157,314	75%		1,152,953	1,157,314	100%		(284,917)	0	
Community Works Fund Projects - Parks & Recreation Services	86,325	532,250	16%		86,325	532,250	16%		0	0	
TOTAL	10,287,264	13,799,638	75%		9,589,897	13,388,258	72%		697,367	411,380	



SUMMARY OF OPERATING RESULTS
For period ending September 30, 2014

	Revenues		Expenditures		Surplus	
	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget	2014 Actuals	2014 Budget
TRANSPORTATION & SOLID WASTE SERVICES						
Transit						
Transit Southern Community	15,468,247	23,628,122	13,545,863	22,901,153	1,922,384	726,969
Transit Northern Community	1,614,180	2,036,214	1,242,828	1,792,011	371,352	244,203
Gabriola Island Emergency Wharf	12,744	14,165	5,502	9,150	7,242	5,015
Community Works Fund Projects - Transit	9,032	0	9,032	0	0	0
Transit - EA H (Capital Levy)	9,375	12,500	9,375	12,500	0	0
Solid Waste						
Solid Waste Management	6,962,148	10,472,279	5,288,255	10,001,427	1,673,893	470,852
Solid Waste Collection & Recycling	3,702,246	4,325,823	2,754,195	4,234,308	948,051	91,515
TOTAL	27,777,972	40,489,103	22,855,050	38,950,549	4,922,922	1,538,554
TOTAL ALL SERVICES	76,102,583	113,915,938	63,745,291	109,082,131	12,357,292	4,833,807
					58%	



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

MEMORANDUM

TO: Paul Thorkelsson
Chief Administrative Officer

DATE: November 4, 2014

FROM: Tom Osborne
General Manager of Recreation and Parks

FILE:

SUBJECT: Electoral Area 'F' Community Parks Bylaw Amendment 804.07

PURPOSE

To review and consider for approval Bylaw Amendment 804.07 to allow for the Regional District the ability to enter into agreements to provide Community Park funds in Electoral Area 'F' to a society operating a building on lands not owned by the RDN or a Society.

BACKGROUND

At present the Community Park Bylaws for the seven Electoral Areas have the ability to provide funding assistance for operations and improvements of land and buildings owned by incorporated non-profit organizations and for society owned facilities that are situated on RDN owned community parkland.

During the development of the Licence of Use Agreement with School District 69 for the Meadowood Way site, the Regional District solicitor recommended that the Community Parks Bylaw for Electoral Area 'F' be amended to allow the RDN to have the ability to provide assistance to societies operating buildings on land they do not own or not owned by the Regional District.

On October 28, 2014 the Regional Board approved the Licence of Use Agreement with School District No. 69 (Qualicum) School District Lands to manage the lands on Meadowood Way as an Electoral Area 'F' Community Park and for siting of a community recreation centre facility. As part of this Licence of Use, the RDN now has the ability to enter into an agreement with the Corcan-Meadowood Residents Association to manage a community centre that is under consideration for the site.

A separate report is being provided on costs, funding sources, and the potential schedule of the siting of proposed community facility. Should the Regional Board proceed with community centre proposal, staff will develop a facility management agreement with the Corcan-Meadowood Residents Association for the Board's consideration in the New Year.

ALTERNATIVES

1. That "Electoral Area 'F' Community Parks Local Service Amendment Bylaw No. 804.07, 2014" be introduced, read three times and adopted as attached on Appendix I.
2. The "Electoral Area 'F' Community Parks Local Service Amendment Bylaw No. 804.07, 2014" not be adopted and alternative direction be provided.

FINANCIAL IMPLICATIONS

Approving the Bylaw has no direct financial impact but will provide the Regional District with the ability in Electoral Area 'F' to provide community parks funding to societies operating buildings on land that they do not own or not owned by the Regional District. The actual allocation and provision of funds will be decided by the Regional Board on a case by case level.

SUMMARY

At present the Community Park Bylaws for the seven Electoral Areas have the ability to provide funding assistance for operations and improvements of land and buildings owned by incorporated non-profit organizations and for society owned facilities that are situated on RDN owned community parkland.

During the development of the Licence of Use Agreement with School District 69 for the Meadowood Way site, the Regional District solicitor recommended that the Community Parks Bylaw for Electoral Area 'F' be amended to allow the RDN to have the ability to provide funding to societies operating buildings on land they do not own or not owned by the Regional District.

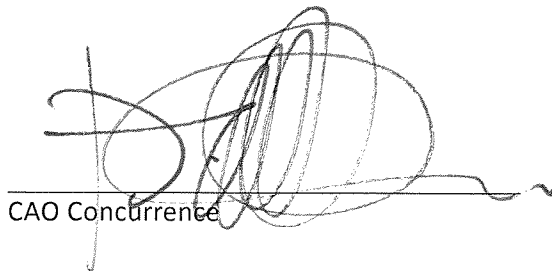
In order to capture the intent of the agreements under consideration and to reflect that funding may be provided to a society operating a building on lands not owned by the RDN or a Society, it is recommended that Bylaw No. 804.07 be adopted as attached as Appendix I.

RECOMMENDATIONS

1. That the Bylaw to amend the purpose of the Electoral Area 'F' Community Parks Local Service "No. 804.07, 2014" be introduced and read three times as attached on Appendix I.
2. That "Bylaw No. 804.07, 2014" be adopted.



Report Writer



CAO Concurrence

Appendix I

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 804.07

**A BYLAW TO AMEND THE PURPOSE OF THE
ELECTORAL AREA 'F' COMMUNITY PARKS LOCAL SERVICE**

WHEREAS, the Regional District established a service to provide assistance for the operations and improvement of buildings owned and operated by incorporated non-profit organizations for the purpose of providing recreation and cultural opportunities to residents within Electoral Area 'F';

AND WHEREAS the Regional District wishes to provide additional assistance for the operations and improvement of land owned or operated by incorporated non-profit organizations for the purpose of providing recreation and cultural opportunities to residents within Electoral Area 'F';

AND WHEREAS it is necessary to amend the purpose for which the Community Parks service was established to acknowledge the intent to provide the additional assistance;

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

1. Citation

This bylaw may be cited as "Electoral Area 'F' Community Parks Local Service Amendment Bylaw No. 804.07, 2014".

2. Amendment

"Electoral Area 'F' Community Parks Local Service Establishment Bylaw No. 804, 1990" is amended by deleting section 1 and replacing it with the following:

1. Community Parks is established as a service for the purpose of acquiring, developing, operating and maintaining land and facilities on land acquired by the Regional District of Nanaimo and designated as community park land and to provide assistance for the operations and improvements of land or buildings owned or operated by incorporated non-profit organizations for the purpose of providing recreation and cultural opportunities to residents within Electoral Area 'F'.

Introduced and read three times this day of , 2014.

Approved by the Inspector of Municipalities this day of , 2014.

Adopted this day of , 2014.

CHAIRPERSON

CORPORATE OFFICER



RDN REPORT		
CAO APPROVAL		
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BOARD		

MEMORANDUM

TO: Paul Thorkelsson
Chief Administrative Officer

DATE: November 13, 2014

FROM: Tom Osborne
General Manager of Recreation and Parks

SUBJECT: Community Parks and Trails Select Committee – Terms of Reference

PURPOSE

To establish a new select committee to provide the Regional District of Nanaimo Board with recommendations on Community Parks and Trails matters that are considered at a regional level.

BACKGROUND

Currently the Board receives recommendations on local community parks and trails matters from the Electoral Area A Parks, Recreation and Culture Commission and the Electoral Area B, East Wellington Pleasant Valley, Nanoose Bay, Electoral Area F, Electoral Area G and Electoral Area H Parks and Open Spaces Advisory Committees.

Comprised of all electoral area directors, the mandate of the proposed Community Parks and Trails Select Committee is to provide political oversight for community parks and trails system as a whole in the Electoral Areas.

The Committee will be a forum to which staff will report on community parks and trails initiatives that are being contemplated, planned or being implemented that require prioritization and sharing of community parks staff and resources. Local feedback from Electoral Area Parks and Open Space Advisory Committees and the Electoral Area 'A' Parks, Recreation and Culture Commission on community parks and trails matters will be integrated into the Committee's review and recommendations to the RDN Board.

The committee would also consider and recommend to the Board on items that have been referred to the committee by the Board.

ALTERNATIVES

1. That the Board approve the establishment of the Community Parks and Trails Select Committee as per the attached Terms of Reference.
2. That the Board approve the establishment of the Community Parks and Trails Select Committee as per a revised Terms of Reference.
3. That the Board not approve the establishment of the Community Parks and Trails Select Committee.

FINANCIAL IMPLICATIONS

An increased level of coordination between the areas in determining projects and assigning resources could result in reduced costs through efficiencies. It is anticipated that the meetings would be held during the day, in which case there would be no additional overtime costs for staff.

SUSTAINABILITY IMPLICATIONS

There are no sustainability implications.

SUMMARY

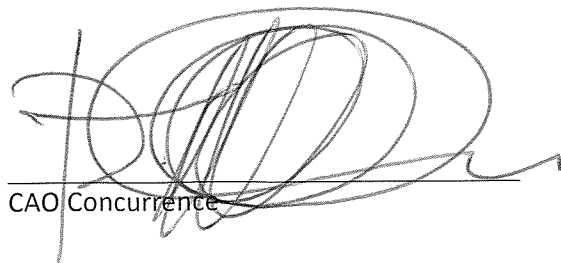
In order to achieve a greater level of coordination within the Community Parks function of the RDN, staff are recommending that a Community Parks and Trails Select Committee be established, comprised of all electoral area directors. The Committee will be a forum to which staff will report on community parks and trails initiatives that are being contemplated, planned or being implemented that require prioritization and sharing of community parks staff and resources.

RECOMMENDATION

That the Board approve the establishment of the Community Parks and Trails Select Committee and the attached Terms of Reference.



Report Writer


CAO Concurrence

REGIONAL DISTRICT OF NANAIMO

ELECTORAL AREAS COMMUNITY PARKS AND TRAILS SELECT COMMITTEE TERMS OF REFERENCE November 2014

PURPOSE

The Electoral Area Community Parks and Trails Committee is a Select Committee of the Regional District of Nanaimo (RDN) Board which provides advice and recommendations to the RDN Board on issues connected to the Community Parks and Trail System in the Electoral Areas.

MEMBERSHIP

- The Committee is comprised of the RDN directors from the Electoral Areas.
- The Committee Chair will be appointed annually by the RDN Board Chair.

MEETINGS

- The Committee will meet at intervals it determines to be appropriate, in consultation with the General Manager of Recreation and Parks, but will structure its activities to meet approximately three times per year.
- The General Manager of Recreation and Parks will be responsible for assigning staff to support the Committee including the coordination of agendas, minutes and staff contacts for Committee members.

COMMITTEE ROLES AND RESPONSIBILITIES

The Community Parks and Trails Committee mandate is to provide political oversight for community parks and trail system as a whole in the Electoral Areas. The Committee is the forum to which staff will report on community parks and trails initiatives that are being contemplated, planned or being implemented that require prioritization and sharing of community parks staff and resources. Local feedback from Electoral Area Parks and Open Space Advisory Committees and the Electoral Area 'A' Parks, Recreation and Culture Commission on community parks and trails matters will be integrated into the Committee's review and recommendations to the RDN Board.

The Committee's responsibilities are:

1. Consider staff reports on the Community Parks and Trails System and make recommendations to the RDN Board including:
 - the prioritization, development and review of new or updated Community Park Management Plans and Community Park Development Plans;
 - review and prioritization of capital project development and the maintenance levels of community parks and trail sites ; and

- planning and implementation of recommendations set forth in Regional District planning documents pertaining to Electoral Area community parks and trails.
2. Consider comments and recommendations from other Advisory Committees as appropriate and make recommendations to the RDN Board;
 3. At its discretion, hear and consider public delegations on matters within the scope of its purview and, where appropriate, make recommendations to the RDN Board arising out of such delegations.
 4. Pursue matters referred to the Committee by the RDN Board and report back to the Board expeditiously, as required.



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MEMORANDUM

TO: Geoff Garbutt, General Manager
Strategic and Community Development

DATE: November 6, 2014

FROM: Tom Armet, Manager
Building, Bylaw & Emergency Planning Services

FILE: 0470 20 LANT

SUBJECT: District of Lantzville Service Agreements 2015/2016

PURPOSE

To consider the 2015/2016 service agreements between the Regional District of Nanaimo (RDN) and the District of Lantzville as requested by the District of Lantzville.

BACKGROUND

Section 176(1)(b) and 837 of the *Local Government Act* allows a Regional District to enter into an agreement with a municipality to provide a work or a service that is within the powers of a municipality. The Regional District has been providing contract services to Lantzville in a number of areas since the incorporation of the municipality in 2003. The District of Lantzville has requested that the Regional District continue to provide contract services in support of the functions listed below for a further two year period.

- Animal Control Services
- Building Inspection
- Bylaw Enforcement
- GIS and Mapping Services
- House Numbering
- Noise Regulation
- Nuisance Control
- Unsightly Premises
- Emergency Planning

Pursuant to the service agreements, staff resources will be allocated to administer and enforce the designated bylaws and provide the specified services to the District of Lantzville. To continue providing these services, it is proposed that the service agreements, as attached to this report, be approved for a period of two years beginning January 1, 2015 and ending December 31, 2016:

ALTERNATIVES

1. Approve the service agreements between the Regional District of Nanaimo and the District of Lantzville.
2. Not enter into service agreements with the District of Lantzville.

FINANCIAL IMPLICATIONS

Service agreements are being proposed that will maintain a contractual relationship between the RDN and District of Lantzville to provide specific services and enforce designated bylaws within the incorporated boundaries of the District of Lantzville until the end of 2016. Each service agreement provides a cost recovery mechanism consistent with the assessed value (property) formulas used in establishing the cost of delivering the services in the Electoral Areas. Current RDN resource levels are sufficient to deliver the services and the related costs and revenues are factored into the 2015 budget.

CONCLUSION

As permitted by the *Local Government Act*, the District of Lantzville is requesting that the Regional District of Nanaimo continue to provide Animal Control, Building Inspection, Bylaw Enforcement, Emergency Planning and GIS/Mapping services on behalf of the municipality. Staff is recommending that the Board approve the attached agreements for the delivery of these services for a 2 year term.

RECOMMENDATIONS

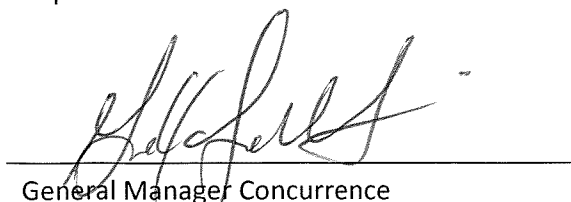
1. That the Service Agreement between the Regional District of Nanaimo and the District of Lantzville for Animal Control beginning January 1, 2015 and ending December 31, 2016, be approved.
2. That the Service Agreement between the Regional District of Nanaimo and the District of Lantzville for Building Inspection beginning January 1, 2015 and ending December 31, 2016, be approved.
3. That the Service Agreement between the Regional District of Nanaimo and the District of Lantzville for Bylaw Enforcement beginning January 1, 2015 and ending December 31, 2016, be approved.
4. That the Service Agreement between the Regional District of Nanaimo and the District of Lantzville for Emergency Planning beginning January 1, 2015 and ending December 31, 2016, be approved.
5. That the Service Agreement between the Regional District of Nanaimo and the District of Lantzville for GIS and Mapping Services beginning January 1, 2015 and ending December 31, 2016, be approved.



Report Writer

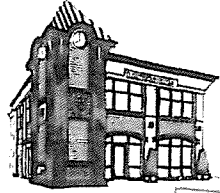


CAO Concurrency



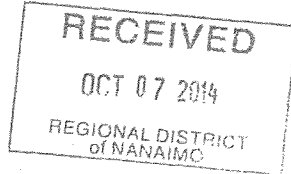
General Manager Concurrency

Attachment 1



District of Lantzville

Incorporated June 2003



October 2, 2014

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

Attention: Joan Harrison, Director of Corporate Services

Dear Joan

Re: Request to Renew Service Agreements

Pursuant to 'Part 2 - Renewal' of the service agreements identified below, please accept this correspondence as the District of Lantzville's formal request to renew the agreements between the Regional District of Nanaimo and the District of Lantzville for an additional two year term commencing January 1, 2015 and terminating December 31, 2016 as follows.

- Animal Control Services
- Building Inspection
- Bylaw Enforcement
- House Numbering
- GIS/Mapping
- Noise Regulation
- Nuisance Control
- Unsightly Premises; and
- Emergency Planning Services

Staff would like to meet with the appropriate RDN representatives to discuss the aforementioned renewals and would request that you contact me, at your convenience, to make the appropriate meeting arrangements. I look forward to hearing from you at your earliest opportunity.

Yours truly

Twyla Graff
Chief Administrative Officer
District of Lantzville

File: 2240-20-01

C: Corr/14/RDN_Agreement Renewals

C: T. Coates, Director of Corporate Administration

G. Garbutt, General Manager Strategic & Community Development, RDN

T. Armet, Manager, Building, Bylaw and Emergency Planning Services, RDN

Phone: (250) 390-4006 • Fax: (250) 390-5188

Email: district@lantzville.ca • Website: www.lantzville.ca

P.O. Box 100, 7192 Lantzville Road, Lantzville, B.C. V0R 2H0

Attachment 2

ANIMAL CONTROL SERVICES

THIS AGREEMENT made as at the _____ day of _____ 2014.

BETWEEN:

REGIONAL DISTRICT OF NANAIMO
of 6300 Hammond Bay Road
in the City of Nanaimo
Province of British Columbia V9T 6N2

(hereinafter called "RDN")

OF THE FIRST PART

AND:

DISTRICT OF LANTZVILLE
of 7192 Lantzville Road
in the District of Lantzville
Province of British Columbia VOR 2H0

(hereinafter called "Lantzville")

OF THE SECOND PART

WHEREAS:

- A. RDN, under Section 176(1)(b) and 837 of the *Local Government Act*, may enter into an Agreement with a Municipality to provide to the Municipality a service that is a work or service within the powers of the Municipality;
- B. Letters Patent incorporating Lantzville and Supplementary Letters patent issued to RDN, both under Order in Council No. 0369, 3rd of April, 2003, establish a contract between Lantzville and RDN whereby RDN will administer regulatory bylaw listed in Schedule 'A' attached to this Agreement (the "Bylaw") in force and effect at the time of incorporation of Lantzville, within and on behalf of Lantzville, as described in Section 14.2 of the Lantzville Letters Patent and the parties wish to continue this contract; and,
- C. The Bylaws are within the powers of Lantzville;

NOW THEREFORE the parties hereto in consideration of the performance of the covenants hereinafter contained and for other valuable consideration, the sufficiency and receipt of which is hereby acknowledged, covenant and agree with the other as follows:

1. Term

This Agreement is for a term commencing on the 1st day of January 2015 and terminating the 31st day of December 2016.

2. Renewal

Lantzville shall notify RDN in writing on or before the 31st day of October 2016 if it wishes to renew this Agreement for a further period and shall propose terms to be included in the renewal. The renewal shall be conditional upon agreement by RDN to all of the terms and conditions of the renewal.

3. Termination

If Lantzville does not give notice to RDN of renewal pursuant to Section 2 of this Agreement the services provided under it shall terminate on December 31st, 2016.

4. RDN Covenants

RDN shall:

- (a) provide all Services from its offices at 6300 Hammond Bay Road, Nanaimo;
- (b) administer and enforce the Bylaws shown on Schedule 'A' attached hereto, and shall exercise the powers contained within the Bylaws for and on behalf of Lantzville;
- (c) administer any animal control agreement or service contract related to animal control services;
- (d) provide all Services to Lantzville in a competent, careful and professional manner equivalent to the standard of Services provided by RDN within Electoral Areas;
- (e) designate the General Manager, Strategic and Community Development, subject to direction by RDN Board, as the primary contact with the District of Lantzville, with respect to the Services.

5. Lantzville Covenants

Lantzville shall:

- (a) pay to RDN in consideration of the performance by RDN of the Services, the pro rata share of the cost of the service based on the converted assessments as shared among Regional District of Nanaimo Electoral Areas 'A', 'B', 'C' and the District of Lantzville.
- (b) pay to RDN the specified amount calculated under clause (a) at the same time as it remits the Regional District's annual requisition;
- (c) where Lantzville Council passes a resolution authorizing that legal action be commenced, Lantzville shall retain legal counsel to undertake the work to a standard set out in the resolution and the RDN will give support to the action by conducting investigations, providing evidence and reviewing documents as required by legal counsel for Lantzville;

- (d) pay to the RDN any costs incurred by the RDN as result of direction given by legal counsel for Lantzville, including costs for appearances and expenses, or incidental costs related to the gathering of evidence or to defend the actions of the RDN, and;
- (e) appoint those persons designated by the RDN to enforce the Bylaws as authorized officers.

6. Indemnity

Lantzville shall release, discharge, indemnify and save harmless RDN from and against any claims, cause of action, suits, demands, expenses, costs and legal fees whatsoever which may arise out of:

- (a) the provision of the Services by RDN; and,
- (b) failure by Lantzville to enforce the provisions of the Bylaws or any one of them.

7. Insurance

Lantzville shall:

- (a) take out and maintain, during the term of this Agreement, liability insurance to cover the indemnity given to RDN in Section 6 of this Agreement, in the amount of not less than 5 million dollars per single occurrence, naming RDN as an insured party thereto, and shall provide RDN with a certified copy of the policy;
- (b) the policy of insurance under sub-clause (a) shall contain a waiver of subrogation clause in favour of RDN and shall also contain a clause requiring the insurer not to cancel or change the insurance without first giving RDN thirty (30) days prior written notice; and,
- (c) if both Lantzville and RDN have claims to be indemnified under any insurance required by this Agreement, shall apply the indemnity first to the settlement of the claim of RDN and the balance, if any, to the settlement of the claim of Lantzville.

8. Limits on Liability

Lantzville and RDN acknowledge and agree that:

- (a) RDN is liable only for Services rendered by RDN in a negligent manner or for advice negligently given; and,
- (b) Lantzville is liable only for failure to enforce any of the Bylaws or for matters arising out of the amendment of any of the Bylaws or the enactment of any replacement Bylaw for which Services are provided by RDN.

9. Binding Effect

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

Schedule 'A'

Bylaw No.	Date of Adoption	Citation
1066	March 11, 1997	Animal Control Regulatory Bylaw No. 1066, 1996
1418	May 24, 2005	RDN Bylaw Enforcement Ticket Regulation Bylaw No. 1418, 2005
100	February 25, 2013	District of Lantzville Municipal Ticket Information Bylaw No. 100, 2012".

BUILDING INSPECTION

THIS AGREEMENT made as at the _____ day of _____ 2014.

BETWEEN:

REGIONAL DISTRICT OF NANAIMO
of 6300 Hammond Bay Road
in the City of Nanaimo
Province of British Columbia V9T 6N2

(hereinafter called "RDN")

OF THE FIRST PART

AND:

DISTRICT OF LANTZVILLE
of 7192 Lantzville Road
in the District of Lantzville
Province of British Columbia VOR 2H0

(hereinafter called "Lantzville")

OF THE SECOND PART

WHEREAS:

- A. RDN, under Section 176(1)(b) and 837 of the *Local Government Act*, may enter into an Agreement with a Municipality to provide to the Municipality a service that is a work or service within the powers of the Municipality;
- B. Letters Patent incorporating Lantzville and Supplementary Letters patent issued to RDN, both under Order in Council No. 0369, 3rd of April, 2003, establish a contract between Lantzville and RDN whereby RDN will administer regulatory bylaws listed in Schedule 'A' attached to this Agreement (the "Bylaws") in force and effect at the time of incorporation of Lantzville, within and on behalf of Lantzville, as described in Section 14.2 of the Lantzville Letters Patent; and
- C. The Bylaws are within the powers of Lantzville;

NOW THEREFORE the parties hereto in consideration of the performance of covenants hereinafter contained and for other valuable consideration, the sufficiency and receipt of which is hereby acknowledged, covenant and agree with the other as follows:

1. Term

This Agreement is for a term commencing on the 1st day of January 2015 and terminating the 31st day of December 2016.

2. Renewal

Lantzville shall notify RDN in writing on or before the 31st day of October 2016 if it wishes to renew this Agreement for a further period and shall propose terms to be included in the renewal. The renewal shall be conditional upon agreement by RDN to all of the terms and conditions of the renewal.

3. Termination

If Lantzville does not give notice to the RDN of renewal pursuant to Section 2 of this Agreement then the services provided under it shall terminate on December 31st, 2016. On termination of this Agreement, RDN shall turn over responsibility for the completion of all active building permit files ("active permits") to Lantzville on the following terms and conditions:

- (a) Lantzville shall cause its Building Inspector to review all applications in respect of active permits to confirm that the plans comply with the Building Code and shall not rely upon the issuance of a building permit by the RDN as representation of such compliance;
- (b) RDN shall deliver to Lantzville 40% of the permit fee where the permit has been issued but no inspections have yet been carried out; and
- (c) RDN shall deliver to Lantzville 20% of the permit fee where framing inspections have been completed; and,
- (d) Lantzville shall release and save harmless the RDN, its agents and employees from and against any claims, causes of action, suits, demands, expenses, costs and legal fees whatsoever which may arise out of any claim in relation to any Active Permit.

4. RDN Covenants

RDN shall:

- (a) provide all Services from its offices at 6300 Hammond Bay Road, Nanaimo;
- (b) administer and enforce the Bylaws as shown on Schedule 'A' attached hereto, and shall exercise the powers contained within the Bylaws for and on behalf of Lantzville;
- (c) provide all Services to Lantzville in a competent, careful and professional manner equivalent to the standard of Services provided by the RDN within the Electoral Areas;
- (d) designate the General Manager, Strategic and Community Development, subject to direction by the RDN Board, as the primary contact with the District of Lantzville, with respect to the Services;

5. Lantzville Covenants

Lantzville shall:

- (a) pay to the RDN in consideration of the performance by RDN of the Services, the cost of the Services in an amount calculated by multiplying the rate per thousand payable by the

Electoral Areas for Building Policy and Advice Administration times the converted values of the District of Lantzville reported to the RDN on the BC Assessment Statutory Report RG734.

- (b) pay to the RDN the specified amount under clause (a) at the same time as it remits the Regional District's annual requisition.
- (c) where Lantzville Council passes a resolution authorizing that legal action be commenced, Lantzville shall retain legal counsel to undertake the work to a standard set out in the resolution and the RDN will give support to the action by conducting investigations, providing evidence and reviewing documents as required by legal counsel for Lantzville;
- (d) pay to the RDN any costs incurred by the RDN as result of direction given by legal counsel for Lantzville, including costs for appearances and expenses, or incidental costs related to the gathering of evidence or to defend the actions of the RDN;
- (e) appoint those persons designated by the RDN to enforce the Bylaws as authorized officers.

6. Indemnity

Lantzville shall release, discharge, indemnify and save harmless RDN from and against any claims, cause of action, suits, demands, expenses, costs and legal fees whatsoever which may arise out of:

- (a) the provision of the Services by RDN;
- (b) the provision of the Building Inspection Services by the RDN when interpreting and administering the bylaws, and exercise the powers contained within the bylaws for and on behalf of Lantzville as it relates to Building Inspection; and,
- (c) failure by Lantzville to enforce the provisions of the Bylaws or any one of them.

7. Insurance

Lantzville shall:

- (a) take out and maintain, during the term of this Agreement, liability insurance to cover the indemnity given to RDN in Section 6 of this Agreement, in the amount of not less than 5 million dollars per single occurrence, naming RDN as an insured party thereto, and shall provide RDN with a certified copy of the policy;
- (b) the policy of insurance under sub-clause (a) shall contain a waiver of subrogation clause in favour of RDN and shall also contain a clause requiring the insurer not to cancel or change the insurance without first giving RDN thirty (30) days prior written notice; and,
- (c) if both Lantzville and RDN have claims to be indemnified under any insurance required by this Agreement, shall apply the indemnity first to the settlement of the claim of RDN and the balance, if any, to the settlement of the claim of Lantzville.

8. Limits on Liability

Lantzville and RDN acknowledge and agree that:

- (a) RDN is liable only for Services rendered by the RDN in a negligent manner or for advice negligently given; and,

(b) Lantzville is liable only for failure to enforce any of the Bylaws or for matters arising out of the amendment of any of the Bylaws or the enactment of any replacement Bylaw for which Services are provided by RDN.

9. Binding Effect

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their seals on the day and year first above written.

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

Chairperson)
)
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_____)

Corporate Officer

The Corporate Seal of)
THE DISTRICT OF LANTZVILLE)
was hereunto affixed in the)
presence of:)
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_____)

Mayor)
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_____)

Chief Administrative Officer

Schedule 'A'

Bylaw No.	Date of Adoption	Citation
1250	June 22, 2010	RDN Building Regulations Bylaw No. 1250, 2010
1595	June 22, 2010	RDN Building Regulations Fees and Charges Bylaw No. 1595, 2010
1469	March 28, 2006	RDN Floodplain Management Bylaw No. 1469, 2006
1418	May 24, 2005	RDN Bylaw Enforcement Ticket Regulation Bylaw No. 1418, 2005
100	February 25, 2013	District of Lantzville Municipal Ticket Information Bylaw No. 100, 2012".

BYLAW ENFORCEMENT

THIS AGREEMENT made as at the _____ day of _____ 2014.

BETWEEN:

REGIONAL DISTRICT OF NANAIMO
of 6300 Hammond Bay Road
in the City of Nanaimo
Province of British Columbia V9T 6N2

(hereinafter called "RDN")

OF THE FIRST PART

AND:

DISTRICT OF LANTZVILLE
of 7192 Lantzville Road
in the District of Lantzville
Province of British Columbia V0R 2H0

(hereinafter called "Lantzville")

OF THE SECOND PART

WHEREAS:

- A. RDN, under Section 176(1)(b) and 837 of the *Local Government Act*, may enter into an Agreement with a Municipality to provide to the Municipality a service that is a work or service within the powers of the Municipality;
- B. Letters Patent incorporating Lantzville and Supplementary Letters patent issued to RDN, both under Order in Council No. 0369, 3rd of April, 2003, establish a contract between Lantzville and RDN whereby RDN will administer the regulatory bylaw listed in Schedule 'A' to this Agreement (the "Bylaws") in force and effect at the time of incorporation of Lantzville, within and on behalf of Lantzville, as described in Section 14.2 of the Lantzville Letters Patent; and
- C. The Bylaws are within the powers of Lantzville;

NOW THEREFORE the parties hereto in consideration of the performance of the covenants hereinafter contained and for other valuable consideration, the sufficiency and receipt of which is hereby acknowledged, covenant and agree with the other as follows:

1. Term

This Agreement is for a term commencing on the 1st day of January 2015 and terminating the 31st day of December 2016.

2. Renewal

Lantzville shall notify RDN in writing on or before the 31st day of October 2016 if it wishes to renew this Agreement for a further period and shall propose terms to be included in the renewal. The renewal shall be conditional upon agreement by RDN to all of the terms and conditions of the renewal.

3. Termination

If Lantzville does not give notice to the RDN of renewal pursuant to Section 2 of this Agreement, the services provided under it shall terminate on December 31st, 2016.

4. RDN Covenants

RDN shall:

- (a) provide all Services from its offices at 6300 Hammond Bay Road, Nanaimo;
- (b) administer and enforce the Bylaws shown on Schedule 'A' attached hereto, and shall exercise the powers contained within the Bylaws for and on behalf of Lantzville;
- (c) provide all Services to Lantzville in a competent, careful and professional manner;
- (d) designate the General Manager, Strategic and Community Development, subject to direction by the RDN Board, as the primary contact with Lantzville, with respect to the Services.

5. Lantzville Covenants

Lantzville shall:

- (a) pay to RDN in consideration of the performance by RDN of the Services, amounts calculated in accordance with Schedule 'B' attached hereto;
- (b) pay to RDN the specified amount calculated under clause (a) at the same time as it remits the Regional District's annual requisition;
- (c) where Lantzville Council passes a resolution authorizing that legal action be commenced, Lantzville shall retain legal counsel to undertake the work to a standard set out in the resolution and the RDN will give support to the action by conducting investigations, providing evidence and reviewing documents as required by legal counsel for Lantzville;
- (d) pay to the RDN any costs incurred by the RDN as result of direction given by legal counsel for Lantzville, including costs for appearances and expenses, or incidental costs related to the gathering of evidence or to defend the actions of the RDN, and;
- (e) appoint those persons designated by RDN to enforce the Bylaws as authorized officers.

6. Indemnity

Lantzville shall release, discharge, indemnify and save harmless RDN from and against any claims, cause of action, suits, demands, expenses, costs and legal fees whatsoever which may arise out of:

- (a) the provision of the Services by RDN; and
- (b) failure by Lantzville to enforce the provisions of the Bylaws or any one of them.

7. Insurance

Lantzville shall:

- (a) take out and maintain, during the term of this Agreement, liability insurance to cover the indemnity given to RDN in Section 6 of this Agreement, in the amount of not less than 5 million dollars per single occurrence, naming RDN as an insured party thereto, and shall provide RDN with a certified copy of the policy;
- (b) the policy of insurance under sub-clause (a) shall contain a waiver of subrogation clause in favour of RDN and shall also contain a clause requiring the insurer not to cancel or change the insurance without first giving RDN thirty (30) days prior written notice; and,
- (c) if both Lantzville and RDN have claims to be indemnified under any insurance required by this Agreement, shall apply the indemnity first to the settlement of the claim of RDN and the balance, if any, to the settlement of the claim of Lantzville.

8. Limits on Liability

Lantzville and RDN acknowledge and agree that:

- (a) RDN is liable only for Services rendered by the RDN in a negligent manner or for advice negligently given; and
- (b) Lantzville is liable only for failure to enforce any of the Bylaws or for matters arising out of the amendment of any of the Bylaws or the enactment of any replacement Bylaw for which Services are provided by RDN.

9. Binding Effect

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their seals on the day and year first above written.

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

_____)
_____)

Chairperson)
_____)

Corporate Officer)

The Corporate Seal of)
THE DISTRICT OF LANTZVILLE)
was hereunto affixed in the presence of:)
presence of:)

_____)
_____)

Mayor)
_____)

Chief Administrative Officer)

Schedule 'A'

Bylaw No.	Date of Adoption	Citation
972	December 12, 1995	RDN Nuisance Control Extended Service Establishment Bylaw No. 972, 1995
1073	March 11, 1997	Unsightly Premises Regulatory Bylaw No. 1073, 1996
1265	May 14, 2002	RDN Electoral Area D Noise Control Regulatory Bylaw No. 1265, 2002
60	November 14, 2005	District of Lantzville Zoning Bylaw No. 60, 2005
28	October 25, 2004	District of Lantzville Traffic and Parking Regulations Bylaw No. 28, 2004
1418	May 24, 2005	RDN Bylaw Enforcement Ticket Regulation Bylaw No. 1418, 2005
100	February 25, 2013	District of Lantzville Municipal Ticket Information Bylaw No. 100, 2012"

Schedule 'B'

With respect to the Bylaws listed in Schedule 'A', the amount payable by the District of Lantzville shall be calculated as follows:

3% (3 percent) of the total budgeted cost of Bylaw Enforcement for the year

The amount calculated above is estimated at \$7,298 for 2015. The amount payable in 2016 will be the amount calculated in accordance with the formula set out in (2) above.

EMERGENCY PLANNING SERVICES

THIS AGREEMENT is dated for reference on the ____ day of _____, 2014.

BETWEEN:

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

(hereinafter called "RDN")

OF THE FIRST PART

AND:

DISTRICT OF LANTZVILLE
7192 Lantzville Road
Lantzville, B.C. V0R 2H0

(hereinafter called "Lantzville")

OF THE SECOND PART

WHEREAS

- A. The Lantzville Letters Patent and the RDN Supplementary Letters Patent, referred to the transferred jurisdiction for management of development within Lantzville from RDN to Lantzville;
- B. RDN, under Section 176(1)(b) and 837 of the *Local Government Act*, may enter into an Agreement with a Municipality to provide to the Municipality a service that is a work or service within the powers of the Municipality; and
- C. Letters Patent incorporating Lantzville and Supplementary Letters patent issued to RDN, both under Order in Council No. 0369, 3rd of April, 2003, established a contract between Lantzville and RDN whereby RDN administers Bylaws and services outlined herein, in force and effect at the time of incorporation of Lantzville, within and on behalf of Lantzville, as described in Section 14.2 of the Lantzville Letters Patent and the parties wish to continue this contract.

NOW THEREFORE the parties hereto in consideration of the performance of the covenants hereinafter contained and for other valuable consideration, the sufficiency and receipt of which is hereby acknowledged, covenant and agree with the other as follows:

DEFINITIONS

In this Agreement the following words have the following meanings, unless the context otherwise requires:

"EOC" means the Emergency Operations Centre for Lantzville.

"Effective Date" means January 1, 2013.

"Emergency Coordinator" means the person appointed by Lantzville Council and who is coordinating Lantzville's response to an emergency.

"Emergency Coordinator Alternates" means the back-up persons appointed to replace or support the Emergency Coordinator during an emergency response.

"Emergency Plan" means the Emergency plan for the District of Lantzville.

"EP Services" means the services to be provided as set out in Schedule 'A'.

"Operational Equipment and Supplies" means those items set out in Schedule 'B'

"Service Fee" means the service fee calculation as set out in Section 6(a) of this Agreement.

1. Term

This agreement is for a two (2) year term commencing on the 1st day of January 2015 and terminating on the 31st day of December, 2016.

2. Renewal

Lantzville shall notify RDN in writing on or before the 31st day of October 2016 if it wishes to renew this Agreement for a further year and shall propose terms to be included in the renewal. The renewal shall be conditional upon agreement by the RDN to all of the terms and conditions of the renewal.

3. Termination

If Lantzville does not give notice to RDN of renewal pursuant to Section 2 of this Agreement, the services provided under it shall terminate on the 31st day of December 2016.

4. RDN Covenants

The RDN shall:

- (a) provide Emergency Planning and Response Services to Lantzville, as outlined in Section 1 of Schedule 'A' attached hereto.
- (b) comply with all enactments relating to the provision of the EP Services.

- (c) provide to Lantzville, upon request, copies of the financial records of the RDN relating to the provision of the EP Services.
- (d) permit Lantzville from time to time to enter the RDN's premises to inspect its records, premises, machinery, equipment, goods and chattels used in connection with the EP Services.
- (e) designate the General Manager, Strategic and Community Development, subject to the direction by RDN Board, as the primary contact with the District of Lantzville with respect to the services.

5. Lantzville Covenants:

Lantzville shall:

- (a) pay to the RDN in consideration of the performance by the RDN of the Services, the cost of the Services in an amount equivalent to the rate per thousand each Electoral Area is charged for the Service. For the purposes of this section, the Services are those established under 'Regional District of Nanaimo Emergency Measures Bylaw No. 1416, 2005' and the costs shall include staff salaries, operating costs and office overhead;
- (b) pay to the RDN the specified amount under clause (a) at the same time as it remits the Regional District's annual requisition.
- (c) provide emergency planning services as set out in Section 2 of Schedule 'A' attached hereto.
- (d) provide operational supplies and equipment as set out in Schedule 'B' attached hereto.
- (e) pay to the RDN any costs incurred by the RDN as a result of direction given by legal counsel for Lantzville, including costs for appearances and expenses, or incidental costs related to the gathering of evidence or to defend the actions of the RDN.

6. Indemnify

Nothing in this Agreement is intended to affect or fetter a statutory power, duty or function of Lantzville in relation to an emergency or relieve Lantzville of its responsibility to respond to an emergency or to maintain an emergency program and Emergency Coordinator. Lantzville shall release, discharge, indemnify and save harmless the RDN from and against any claims, cause of action, suits, demands, expenses, costs and legal fees whatsoever which may arise out of:

- (a) the provision of the Services by RDN;
- (b) the interpretation, administration and exercising of the powers contained within all legislation for and on behalf of Lantzville as it relates to the provision of emergency planning services.
- (c) failure by Lantzville to provide the support and resources as outlined in Schedules 'A' and 'B'.

7. Insurance

Lantzville shall:

- (a) take out and maintain, during the term of this Agreement, liability insurance to cover the indemnity given to RDN in Section 6 of this Agreement, in the amount of not less than five (5) million dollars per single occurrence, naming RDN as an insured party thereto, and shall provide RDN with a certified copy of the policy;
- (b) the policy of insurance under sub-clause (a) shall contain a waiver of subrogation clause in favour of RDN and shall also contain a clause requiring the insurer not to cancel or change the insurance without first giving the RDN thirty (30) days prior written notice; and,
- (c) in both Lantzville and RDN have claims to be indemnified under any insurance required by this Agreement, shall apply the indemnity first to the settlement of the claim of RDN and the balance, if any, to the settlement of the claim of Lantzville.

8. Limits on Liability

Lantzville and RDN acknowledge and agree that:

- a) In all respects, the RDN is an independent contractor entitled to use its own methods to carry out the EP Services to be provided to Lantzville, and;
- b) RDN is liable only for Services rendered by RDN in a negligent manner or for advice negligently given.

9. Binding Effect

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their seals on the day and year first above written

The Corporate Seal of)
REGIONAL DISTRICT OF NANAIMO)
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Chairperson)
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Corporate Officer

The Corporate Seal of)
THE DISTRICT OF LANTZVILLE)
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Mayor)
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Chief Administrative Officer)

SCHEDULE 'A'

EMERGENCY PLANNING SERVICES

1. RDN Emergency Planning Services

- (1) The RDN will make available to Lantzville the services of its Emergency Coordinator and two Alternates who will, in consultation with Lantzville, provide emergency planning services including, without limitation:
 - (a) coordination of training;
 - (b) facilitation of general emergency planning events;
 - (c) communication and public awareness activities;
 - (d) apply for and manage various related grant programs and funding initiatives
- (2) Emergency Response Services:
 - (a) in the event of a localized emergency, the services of the RDN Emergency Coordinator or Alternate(s) to work with Lantzville staff on response and short term recovery operations, in accordance with the Lantzville Emergency Plan.
 - (b) in the event of a regional emergency, Lantzville will be represented in the Regional EOC as per the Emergency Management Agreement (Regional Operations Center Structure), and the RDN will provide emergency response as set out in the Emergency Plan and the Emergency Management Agreement.

2. Lantzville Emergency Services Responsibility

- (1) Lantzville shall be responsible for its own emergency plan and emergency or disaster response and recovery to the extent these do not form part of the EP Services.
- (2) In addition to the above, Lantzville will be responsible for the following:
 - (a) Appoint the RDN Emergency Coordinator as the Emergency Coordinator for Lantzville;
 - (b) Appoint the two RDN Bylaw Enforcement Officers as Emergency Coordinator Alternates for Lantzville;
 - (c) Lantzville will provide reasonable assistance to the RDN in connection with the RDN EP Services.
 - (d) Lantzville will ensure that its staff is made available for emergency training, activation drills and exercises;
 - (e) Lantzville will ensure that its elected and appointed officials are briefed on the emergency plan and their roles and responsibilities;

- (f) Lantzville will establish and provide administrative support for the emergency management committee;
- (g) In the event of a localized emergency, the RDN Emergency Coordinator will serve as the Lantzville Emergency Coordinator to support the response and initial recovery phases in conjunction with Lantzville staff;
- (h) In the event of a regional Emergency, an RDN Emergency Coordinator Alternate will serve as the Lantzville Emergency Coordinator to support and coordinate the response and initial recovery phases in conjunction with Lantzville staff.

SCHEDULE 'B'

OPERATIONAL EQUIPMENT AND SUPPLIES

1. Emergency Operations Center

Lantzville will purchase equipment and supplies necessary to maintain operational readiness (not a full and complete list):

- (1) Information Display items
- (2) Stationery items
- (3) Storage containers
- (4) Emergency food rations and water
- (5) Additional land lines for the Council Chambers which serve as the EOC during an emergency

2. Emergency Reception Center

- (1) Stationery items
- (2) Storage Containers
- (3) Information Display
- (4) Exterior signage
- (5) Volunteer identification
- (6) Volunteer ESS responder jackets
- (7) High visibility vests
- (8) Flash lights
- (9) First aid kit
- (10) Child care items
- (11) Pet care items
- (12) Display board/easel

GIS AND MAPPING SERVICES

THIS AGREEMENT made on the _____ day of _____ 2014.

BETWEEN:

REGIONAL DISTRICT OF NANAIMO
of 6300 Hammond Bay Road
in the City of Nanaimo
Province of British Columbia V9T 6N2

(hereinafter called "RDN")

OF THE FIRST PART

AND:

DISTRICT OF LANTZVILLE
of 7192 Lantzville Road
in the District of Lantzville
Province of British Columbia V0R 2H0

(hereinafter called "Lantzville")

OF THE SECOND PART

WHEREAS:

- A. The Lantzville Letters Patent and the RDN Supplementary Letters Patent, referred to the transferred jurisdiction for management of development within Lantzville from RDN to Lantzville;
- B. RDN, under Section 176(1)(b) and 837 of the *Local Government Act*, may enter into an Agreement with a Municipality to provide to the Municipality a service that is a work or service within the powers of the Municipality; and
- C. Letters Patent incorporating Lantzville and Supplementary Letters patent issued to RDN, both under Order in Council No. 0369, 3rd of April, 2003, established a contract between Lantzville and RDN whereby RDN administers Bylaws and services outlined herein, in force and effect at the time of incorporation of Lantzville, within and on behalf of Lantzville, as described in Section 14.2 of the Lantzville Letters Patent and the parties wish to continue this contract.

NOW THEREFORE the parties hereto in consideration of the performance of the covenants hereinafter contained and for other valuable consideration, the sufficiency and receipt of which is hereby acknowledged, covenant and agree with the other as follows:

1. Term

This Agreement is for a term commencing on the 1st day of January 2015 and terminating the 31st day of December 2016.

2. Renewal

Lantzville shall notify RDN in writing on or before the 31st day of October 2016 if it wishes to renew this Agreement for a further term and shall propose terms to be included in the renewal. The renewal shall be conditional upon agreement by the RDN to all of the terms and conditions of the renewal.

3. Termination

If Lantzville does not give notice to RDN of renewal pursuant to Section 2 of this Agreement, the services provided under it shall terminate on the 31st day of December 2016.

4. RDN Covenants

RDN shall:

- (a) provide all GIS and mapping services from its offices at 6300 Hammond Bay Road, Nanaimo including:
 - Production of plot plans and location maps;
 - Production and sale of maps for the general public from the Regional District's office;
 - Production and maintenance of interactive Web Map;
 - Provision of mapping advice/information;
 - Maintenance and revisions of Legal Cadastral Base, Official Community Plan, Zoning, ALR, and House Number maps and data;
- (b) provide a reasonable number of maps to be sold to the general public from the District of Lantzville offices.
- (c) receive and retain all monies from sales of maps, photocopies and documents for the general public;
- (d) assign house numbers, maintain records and notify, British Columbia Assessment Authority, Telus Address Control Department, Lantzville emergency services and other emergency service providers of changes and additions to house numbering records;
- (e) provide all services to Lantzville in a competent, careful and professional manner equivalent to the standard of services provided by RDN within the Electoral Areas;
- (f) designate the Director of Corporate Services, subject to direction by the RDN Board, as the primary contact with Lantzville, with respect to the Services;

5. Lantzville Covenants

Lantzville shall:

- (a) pay to RDN in consideration of the performance by RDN of the Services, amounts calculated in accordance with Schedule 'A' attached hereto;
- (b) pay to RDN the specified amount calculated under clause (a) at the same time as it remits the Regional District's annual requisition;

6. Additional Services

Despite the level of service agreed to in Section 4, Lantzville may request that RDN provide additional services subject to terms, and consideration agreed to by Lantzville and RDN, including, but not limited to, custom mapping services for special projects or production of retail maps in significant quantities.

7. Indemnity

Lantzville shall release, discharge, indemnify and save harmless RDN from and against any claims, cause of action, suits, demands, expenses, costs and legal fees whatsoever which may arise out of:

- (a) the provision of the Services by RDN; and
- (b) failure by Lantzville to enforce the provisions of the Bylaws or any one of them.

8. Insurance

Lantzville shall:

- (a) take out and maintain, during the term of this Agreement, liability insurance to cover the indemnity given to RDN in Section 7 of this Agreement, in the amount of not less than 5 million dollars per single occurrence, naming RDN as an insured party thereto, and shall provide RDN with a certified copy of the policy;
- (b) the policy of insurance under clause (a) shall contain a waiver of subrogation clause in favour of RDN and shall also contain a clause requiring the insurer not to cancel or change the insurance without first giving RDN thirty (30) days prior written notice; and
- (c) if both Lantzville and RDN have claims to be indemnified under any insurance required by this Agreement, shall apply the indemnity first to the settlement of the claim of RDN and the balance, if any, to the settlement of the claim of Lantzville.

9. Limits on Liability

Lantzville and RDN acknowledge and agree that:

- (a) RDN is liable only for Services rendered by RDN in a negligent manner or for advice negligently given; and,

(b) Lantzville is liable only for failure to enforce any of the Bylaws or for matters arising out of the amendment of any of the Bylaws or the enactment of any replacement Bylaw for which Services are provided by RDN.

10. Binding Effect

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their seals on the day and year first above written.

The Corporate Seal of)
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was affixed hereto in the)
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Chairperson)
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Corporate Officer

The Corporate Seal of)
THE DISTRICT OF LANTZVILLE)
was hereunto affixed in the)
presence of:)
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)
_____)

Mayor)
)
)
_____)

Chief Administrative Officer)

Schedule 'A'

- 1) With respect to House Numbering, the amount payable by the District of Lantzville shall be calculated as if the District were a participant in the Service.
- 2) With respect to GIS/Mapping services, the amount payable by the District of Lantzville shall be calculated by applying the residential rate per thousand calculated for the participants in the service, to the converted values of land and improvements for the District of Lantzville as shown on the BC Assessment Authority Statutory Report RG734.

The residential rate for GIS/Mapping services shall be calculated as follows:

The budgeted expenditures for the year divided by the total converted values for land and improvements of all participants in the General Administration Service (including the District of Lantzville), applied to the converted values of the District of Lantzville as reported on the BC Assessment Statutory Report RG734.



RDN REPORT		[Handwritten initials]
CAO APPROVAL		
EAP		
COW		
NOV 1 / 2014		
RHD		
BOARD		

MEMORANDUM

TO: Geoff Garbutt
Gen. Mgr. of Strategic & Community Development

DATE: November 14, 2014

FROM: Paul Thompson
Manager of Long Range Planning

FILE: 1835 03 VIHA

SUBJECT: Capacity Building to End Homelessness Reserve Fund
Funding Request – Cold-wet Weather Shelter and Housing Placement Program

PURPOSE

To consider a request from the First Unitarian Fellowship of Nanaimo (FUFN) for \$43,390 from the Regional District of Nanaimo (RDN) Capacity Building to End Homelessness Reserve Fund to be used to operate a Cold-wet Weather Shelter and Housing Placement Program.

BACKGROUND

In 2011 and 2012 Island Health (VIHA) provided the RDN with two grants totalling \$470,000 “to support capacity building to end homelessness” in the region. In June 2012 the RDN Board allocated 60% (\$282,000) of this funding to the City of Nanaimo on behalf of the Nanaimo Working Group on Homelessness (NWGH) and the Society of Organized Services (SOS) on behalf of the Oceanside Task Force Homelessness. The remaining \$188,000 was placed in a reserve fund for distribution at a later date.

The \$282,000 was distributed based on school district population resulting in \$196,000 allocated to the NWGH for use in School District 68 (SD68) and \$86,000 to the City of Parksville and SOS for use in School District 69 (SD69). The decision to distribute these funds took into account that the RDN did not have a program to address homelessness and that it would be most effectively used to immediately benefit existing initiatives to address homelessness in SD68 and SD69. The reserve fund was established to provide the RDN Board with the option of supporting future worthwhile projects and/or, providing additional funds as requested by the two established programs to address homelessness in SD68 and SD69.

On February 25, 2014 the RDN Board allocated \$45,000 from the reserve fund to the Nanaimo Region John Howard Society with the support of the NWGH to continue a Rental Support Program. On March 25, 2014 the RDN Board allocated \$58,000 from the reserve fund to the SOS (on behalf of the Oceanside Task Force on Homelessness) to continue the work of a Homelessness Coordinator for one year. On April 22, 2014 the RDN Board allocated \$18,000 from the reserve fund to People for a Healthy Community (PHC) to continue a program that helps those at risk of homelessness attain and maintain safe and suitable housing. This was followed by another allocation to PHC of \$5,000 on June 24, 2014 to conduct a homelessness survey on Gabriola Island. To date this leaves \$62,000 in the reserve fund.

The First Unitarian Fellowship of Nanaimo (FUFN) is a religious organization that since 2008 has operated a “low barrier” Extreme and Cold-wet Weather Shelter in Nanaimo for people experiencing homelessness. FUFN is seeking \$43,390 to contribute towards the costs of operating a Cold-wet Weather Shelter and providing a housing placement program to support homeless clients throughout the region wishing to transition into permanent housing (see Attachment 1). The City of Nanaimo is contributing \$20,000 towards the costs, and additional funds are anticipated through BC Government’s Extreme Weather Response Program as well as other funding sources. A letter of support from the City of Nanaimo’s Social Planner has been provided as part of the application (see Attachment 2).

The RDN has also received another request for funding from the Capacity Building to End Homelessness Reserve Fund which when combined with the request from FUFN exceeds the funds available. There is \$62,000 left in the reserve fund and the two requests are for a total amount of \$67,390.

ALTERNATIVES

1. Allocate \$43,390 from the Capacity Building to End Homelessness Reserve Fund to the First Unitarian Fellowship of Nanaimo to operate a Cold-wet Weather Shelter and housing program.
2. Allocate an amount equal to the proportional share of the funds available in the Capacity Building to End Homelessness Reserve Fund and the total funding requested to the First Unitarian Fellowship of Nanaimo to operate a Cold-wet Weather Shelter and housing program.
3. Allocate an amount equal to the requested amount minus 50% of the difference between the funds available and the funds requested to the First Unitarian Fellowship of Nanaimo to operate a Cold-wet Weather Shelter and housing program.
4. Provide alternate direction on the allocation of funds from the Capacity Building to End Homelessness Reserve Fund.

FINANCIAL IMPLICATIONS

The First Unitarian Fellowship of Nanaimo is requesting \$43,390 in funding to be put towards the costs of operating a Cold-wet Weather Shelter and Housing Placement Program. The total estimated cost of operating the shelter and housing program from July 1, 2014 to June 30, 2015 is \$172,900, of which \$43,390 has been requested from the RDN (see Attachment 1). Should the RDN provide the requested \$43,390 in funding, the remaining program costs of \$129,510 will be provided by other funders including \$20,000 committed by the City of Nanaimo. As noted earlier, the Provincial Government reimburses costs associated with operating the shelter during nights that meet the criteria for “Extreme Weather”.

The request for funding to support the operation of FUFN’s Cold-wet Weather Shelter and Housing Placement Program meets the criteria of building capacity to end homelessness. The program addresses a region-wide need by servicing clients in the RDN’s rural areas as well as municipalities outside of the City of Nanaimo. It also proposes an integrated and collaborative approach with governmental and non-governmental organizations with mandates to support community members facing multiple challenges including poverty, mental health and addictions. The proposal notes that the longer term region-wide impact of enabling those who are homeless to find and maintain safe affordable housing includes “lowered hospital visits, jail time and unemployment”. This has a direct impact on the local economy.

As noted above, the RDN has received another request for funding from the Capacity Building to End Homelessness Reserve Fund that combined with the request from FUFN exceeds the amount of funding available. There is not sufficient money in the reserve fund to provide the full amounts requested for

both projects. The total amount of the two requests is \$67,390 which is \$5,390 more than the available \$62,000.

To date the full amounts of all the funding requests have been approved because there have been sufficient funds available in the Capacity Building to End Homelessness Reserve Fund. Each of the projects and programs that have received funding have only had to show that they will be addressing the issue of homelessness. No other criteria were applied to the previous requests.

As there are insufficient funds to provide the full amounts requested to both requests, an alternative amount must be determined for one or both requests. One option is for the RDN to consider a grant based on the proportional share of the funds available and the total funding requested. This means that as the FUFN's request is 64% of the total funding request they would get 64% of the funds available. This amounts to \$39,680 which is \$4,010 less than the \$43,390 they requested. A second option is to split the difference between the funding requested and the funds available. This would mean that as there is a \$5,390 shortfall in the available funds, the amount granted to each request would be reduced by \$2,695. The grant to FUFN would then be \$40,695. A third option is to give the FUFN the full amount requested and reduce the amount for the other request by \$5,390.

In the absence of an established method to allocate the remaining funds from the Capacity Building to End Homelessness Reserve Fund, staff are recommending that the funds be distributed based on the proportional share of the funds available and the total funding requested.

Should both projects receive funding that equals the amount currently available in the Capacity Building to End Homelessness Reserve Fund there will be no money left in that fund.

DISCUSSION

For the purposes of this report it is important to distinguish between the types of emergency shelters that may be available in a community. Emergency shelters provide year round access to emergency shelter for those who are homeless. In recognition of the increased need for emergency shelter during colder months, the Government of British Columbia provides funding to local communities through the Extreme Weather Response Program. The Extreme Weather Response Program funds "Extreme Weather Response Shelters" that temporarily increase emergency shelter capacity during extreme weather conditions that threaten the safety and health of those experiencing homelessness. Funding for these shelters is available based on nights where the weather meets a set of predetermined conditions (typically when temperatures drop below zero) between approximately November 1st to March 31st.

One of the identified challenges for "Extreme Weather Response Shelters" is that a small difference in temperature may determine whether or not a shelter is opened. To address this gap between funding for "Extreme Weather" periods and other cold weather that does not qualify for shelter funding, some communities choose to find additional funding sources to operate "Cold-wet Weather Shelters".

Since the winter of 2008, the First Unitarian Fellowship of Nanaimo has operated an Extreme and, when funding was available, a Cold-wet Weather Shelter in Nanaimo for men and women who are homeless.

The 24 bed shelter is “low barrier” and accommodates pets and storage for shopping carts and other personal belongings. These provisions are important to increasing the likelihood that those experiencing homelessness will make use of the shelter. The shelter meets the needs of those who “are unable or unwilling to use other shelters in the area”.

One of the challenges for the First Unitarian Fellowship since 2008 has been the ability keep the shelter open consistently when weather conditions are cold or wet and do not meet the criteria to receive Extreme Weather Response funding.

During the winter of 2011-2012 FUFN operated a Cold-Wet Weather shelter. The shelter was over capacity for many nights stretching the resources of the church and its volunteers. This resulted in a decision by the church to operate the shelter on an as needed basis during “Extreme Weather” the following winter of 2012-2013. During this period the number of people accessing the shelter dropped and this was attributed to increases in the availability of new supportive and affordable housing units.

Following the results of winter 2012-2013, it was hoped that the numbers of those needing emergency shelter was on a declining trend. However, during the summer of 2013 and winter 2013-2014 the demand for shelter beds increased at Nanaimo’s emergency shelters (Salvation Army’s New Hope Centre for men and Island Crisis Care Society’s Samaritan House for women and children) as well as for the FUFN Extreme/Cold-wet Weather Shelter.

This factor together with the overall increased numbers of shelter users last year reinforces the need for ongoing support for the operation of emergency shelters including Extreme and Cold-Wet Weather Shelters for winter 2014-2015.

The certainty of having consistent availability of shelter beds during cold wet weather beyond that of intermittent Extreme Weather shelter funded nights is key to encouraging shelter access by those who are homeless. This consistency is essential to stabilizing people experiencing homelessness and encouraging use of housing supports intended to meet longer term housing and health needs.

During the 2011-2012 Cold-Wet Weather shelter opening in Nanaimo, then FUFN Minister Karen Fraser-Gitlitz reflected on the impacts of opening consecutive nights *“People know we’re going to be open, so they’re more inclined to come. Plus, we’re attracting new people that we haven’t seen before.”* (Nanaimo Daily News, February 3, 2014).

This information reinforces the benefits of the approach proposed by the FUFN’s proposal to first focus on providing temporary Cold-wet Weather Shelter in addition to the Extreme Weather Shelter during the colder months in order to attract and then stabilize some of the region’s most vulnerable and chronically hard to house and; secondly, build on this approach to link clients to supportive housing assistance that includes finding and maintaining housing that suits their needs.

The housing program aims to work with a variety of community agencies and supports to collectively address multiple barriers that people who are homeless face when trying to find and maintain suitable housing. This includes often overlapping issues of poverty, mental health, physical disabilities and addictions.

Activities included in this proposed project include:

1. Address immediate basic needs of food and shelter on the coldest nights of the year.
2. Assist chronic shelter users in finding and maintaining safe, affordable housing and provide follow up in the form of support in the following areas:
 - Facilitate positive, sustainable relationships between tenants and landlords;
 - Provide up to date housing lists and search tools;
 - Liaise with landlords to secure appropriate housing;
 - Support for managing the activities of daily living;
 - Ongoing support with appointments, money management, tenancy issues, legal system, and personal support;
 - Provide an outreach worker to support landlords and tenants, including interviewing potential tenants and landlords, initial home inspection and meetings, post rental mediation, services, check-ins;
 - Work collaboratively with local media to continue to raise awareness on the issues of homelessness.

The funding request to operate the shelter and provide support to transition clients to permanent housing is consistent with Island Health's funding criteria to support capacity building initiatives to end homelessness and in keeping with the Government of Canada's Homelessness Partnering Strategy (HPS) which is focused on the Housing First model.

In their funding proposal, FUFN notes that over the past five years of operating Extreme Weather Shelters, they have noticed *"an increased attendance of guests from the Regional District of Nanaimo"*. Subsequently the overall objective of the proposal is to *"provide short term shelter and access and support in gaining and maintaining safe, affordable housing in the Greater Nanaimo, Cedar, Lantzville, Nanoose, Parksville, Qualicum, and Errington areas"*. This region-wide focus increases the value of the program and recognizes regional movement of those with multiple challenges who struggle to find adequate shelter and social supports.

Providing funding to FUFN will allow them to put it to immediate use where it will provide direct benefit to individuals in the region who are in need of immediate shelter during times when the weather may put their health at risk and provide longer term solutions to meet longer term housing needs.

As noted in the previous section on Financial Implications, the RDN's Capacity to End Homeless Reserve Fund is currently \$62,000. There are currently two requests for funding that together exceed the amount remaining in the Capacity Building to End Homelessness Reserve Fund. There are insufficient funds to provide the full amounts requested in the two funding requests.

STRATEGIC PLAN IMPLICATIONS

Under the action area of Strategic and Community Development, the Cold-wet Weather and Housing Program contributes to Action 3(d) that directs the RDN to work with other organizations to establish partnerships and build capacity to address homelessness in the region. The project proponents indicate that they will *"continue to work with our community partners (RCMP, Island Health, Salvation Army, John Howard Society, and Canadian Mental Health Association)"*.

SUMMARY/CONCLUSIONS

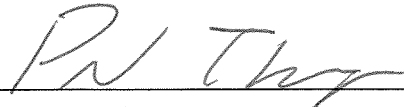
Island Health provided \$470,000 to the RDN to fund capacity building initiatives in the region to end homelessness in 2011 and 2012. The RDN distributed 60% of this funding to organizations working to end homelessness. The remaining 40% (\$188,000) of this funding was placed in a reserve fund to allow future projects to be considered for support. Following the distribution of \$126,000 to the John Howard Society, Oceanside Task Force on Homelessness and the People for a Healthy Community's Guardian Program, there is currently \$62,000 left in the reserve fund. The total amount requested from the Capacity Building to End Homelessness Reserve Fund is \$67,390.

The First Unitarian Church is seeking \$43,390 to operate a Cold-Wet Weather Shelter and Housing Placement Program that would serve those facing homelessness in the region. If granted, the funding would be used to meet the immediate shelter needs of those in the region facing homelessness this winter and provide access to a range of housing supports with the aim of helping find longer term housing solutions for some of the region's most vulnerable community members.

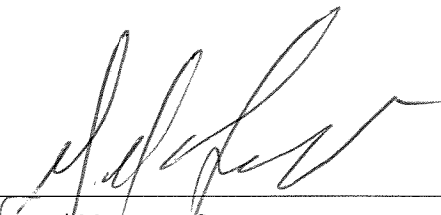
As there are insufficient funds available to accommodate the total requests for funding from the Capacity Building to End Homelessness Reserve Fund staff are recommending that the funds be distributed based on the proportional share of the funds available and the total funding requested.

RECOMMENDATIONS

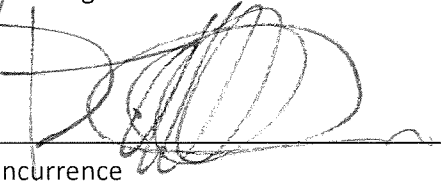
1. That the RDN Board allocate \$39,680 from the Capacity Building to End Homelessness Reserve Fund to the First Unitarian Fellowship of Nanaimo to operate a Cold-wet Weather Shelter and Housing Placement Program.
2. That the RDN write a letter of support for the First Unitarian Fellowship of Nanaimo to assist them in seeking out other sources of funding.



Report Writer



General Manager Concurrence



CAO Concurrence

Attachment 1



First Unitarian Fellowship of Nanaimo

1 – 595 Townsite Rd

Nanaimo BC V9S 1K9

Phone: 250-755-1215

www.ufon.ca

November 10, 2014

Via E-mail: LBhopalsingh@rdn.bc.ca

Lisa Bhopalsingh
Senior Planner, Long Range Planning
Regional District of Nanaimo
6300 Hammond Bay Road, Nanaimo BC, V9T 6N2

Dear Lisa:

Re: Extreme Weather Shelter Funding Application

Attached is our revised funding application for the Extreme Weather Shelter. The revisions take into account the questions you raised in your e-mail to us. Thank you for your patience as we worked through your various, very well-thought out, questions.

Respectfully,

FIRST UNITARIAN FELLOWSHIP OF NANAIMO



The Rev. Samaya Oakley, M.Div.,
Developmental Minister and EWS Executive Director

/caso
Attach. (2)



ORGANIZATION INFORMATION			
Name of Organization: First Unitarian Fellowship of Nanaimo Extreme Weather Shelter	Type of Organization: Not for Profit	CRA Registration 83023 6949	Registration Date January 1, 1967
Address: 595 Townsite Rd. Nanaimo BC V9S 1K9	Phone Number: 250-754-3720	Email: kevan.s.griffith@gmail.com	
Project Information: Extreme Weather Shelter and Housing Program	Amount Requested: \$43,390.00	Primary Contact: Kevan Griffith Shelter Coordinator	250-668-4607
		Secondary Contact: Rev. Samaya Oakley Executive Director	250-591-0410

Unitarian Extreme Weather Activities and Mandate

The purpose of the Extreme Weather Shelter is to provide:

- a) a low-barrier, harm-reduction shelter for at-risk, homeless individuals on the coldest nights of the year in Nanaimo; and
- b) supportive housing assistance for the chronically hard to house from among our guests. This assistance includes finding and maintaining housing.

The shelter provides meals, shelter, resources and support in a safe and supportive environment. We operate during the coldest months of the year and are open to all who need it from 7 pm to 7 am. We are a low/no barrier shelter and accommodate those who, for reasons of their own, are unable or unwilling to use other shelters in the area.

Project Summary:

The First Unitarian Fellowship of Nanaimo Extreme Weather Shelter program works to provide food, shelter, and resources to those suffering from poverty, mental illness, addictions or other housing barriers. We currently receive funding from BC Housing to operate on evenings when extreme weather is experienced. For the purposes of this proposal extreme weather is defined as 2 degrees with wind and rain, and 0 degrees clear. In recent years, the City of Nanaimo has provided funding to enable us to stay open on cold, wet nights when the weather less than 5 degrees with rain and wind, or 3 degrees clear. This year the City of Nanaimo has reduced its level of funding for our program.



This year we are expanding the services we offer to include housing search assistance. The expanded outreach services cover 20 hours per week from July 1st through to October 31st, and 10 hours per week from November through to the end of June. Most of our shelter guests struggle to maintain long term housing because of systemic and interconnected social issues. Many live in poverty, struggle with multiple barriers, are often unable to maintain paid work, lack of basic life skills and experience and as such can be unreliable tenants.

Over the last five years of operation, the Extreme Weather Shelter program has noticed an increased attendance of guests from the Nanaimo Regional District. We noted that there has been an increase in shelter users last year despite more supportive housing being available since 2012-2013. The majority of the new housing programs require an individual be case-managed in that they are working with Vancouver Island Health Authority, or another agency. The majority of our guests do not respond to being case managed in a systemic manner. Many of our guests from the Regional District find that the services (housing, healthcare, income assistance, etc.) they require are more available in the City of Nanaimo.

We are fortunate to have the services of Kevan Griffith for our outreach program who maintains a good relationship with many shelter users and community agencies. We are in the process of creating joint service agreements with John Howard, Salvation Army, Canadian Mental Health Association, People for Healthy Communities, Nanaimo Women's Resource Center, Nanaimo Men's Resource Center, Island Health, the Nanaimo Youth Services, and probation to collaborate and provide services jointly for our guests who seek outreach services. It is an underlying premise of our services that our guests can best be served when collaboration and partnership is modelled. As new services become available to the chronically hard to house, such as the Oceanside Extreme Weather Shelter in Parksville, we anticipate creating further partnership agreements. Please note that many of our guests are not eligible for services offered by other homeless shelters due to their addictions or other barriers.

Our program first addresses their immediate basic needs of food and shelter on the coldest nights of the year. Part of the outreach program's goal is to assist the chronic shelter users in finding and maintaining safe, affordable housing and provide follow up in the form of support in the following areas:

- Facilitate positive, sustainable relationships between tenants and landlords;
- Provide up to date housing lists and search tools;
- Liaise with landlords to secure appropriate housing;
- Support for managing the activities of daily living;
- Ongoing support with:
 - Appointments
 - Money Management
 - Tenancy issues
 - Legal system
 - Personal support



- Provide Outreach worker to support landlords and tenants, including interviewing potential tenants and landlords, initial home inspection and meetings, post rental mediation, services, check ins.
- Work collaboratively with local media to continue to raise awareness on the issues of homelessness

Being able to maintain housing is a crucial step in developing a sense of worth, and dignity as a community member. Our program starts with the basic needs with the end goal: safe affordable housing for everyone.

Project Objectives:

Our overall objective is to provide short term shelter and access and support in gaining and maintaining safe, affordable housing in the Greater Nanaimo, Cedar, Lantzville, Nanoose, Parksville, Qualicum, and Errington areas.

In the spirit of Housing First (a Federal Government initiative), we recognize that people facing multiple barriers, including addiction and mental health issues, medical issues, need ongoing support to find and maintain housing. Our outreach program is able to provide a level of support that allows our clients to navigate the challenges that stand in their way. Good relationships with both tenants and landlords help smooth the way. Ongoing support allows for longer term tenancy and supports the client in building skills and confidence to become better tenants.

At the same time, we will continue to work with our community partners (RCMP, Nanaimo Regional Hospital, Adult Probation and Forensics, John Howard Society, and Canadian Mental Health Association). This will ensure that our clients are supported both at home and in the community. Safe affordable housing ultimately results in lowered hospital visits, jail time, and unemployment.

Specific Activities

Short-Term Shelter: Provide food, shelter, laundry facilities to the homeless and those at risk.

Housing Search: The Extreme Weather Shelter will act as the office for providing access to computers, current housing lists, and assistance with the application process, both written and online. It will be open to the public Monday, Wednesday, and Friday, 9 am to 12 pm. Part of the service we offer is the ability to provide transportation to view apartments as needed.

Ongoing support with landlords: Navigating the application and move in process with people we support



Liaise with landlords to secure appropriate housing: To find and secure landlords who are willing to work with our program and understand the unique challenges that can stand in the way of safe, affordable housing. Our housing work also provides support to the landlord to deal with issues as they arise.

Support for Managing the Activities of Daily Living: Awareness of doctors who are taking patients, other health care providers in the area, i.e. dentists, denturists, audiologists, ophthalmologists and an understanding of MHSI guidelines for providing said services. Provide support for general housekeeping issues, i.e. laundry, shopping, securing free or low cost furniture, cleaning, budgeting and meal planning.

Projected Outcomes:

The outcomes of this project will be immediate and measurable. We will measure our progress by recording:

- The number of hard to house tenants who were able to find housing
- The number of hard to house tenants who were able to maintain housing
- The number of people we feed and house with our shelter services



BUDGET – July 1, 2014 – June 30, 2015

EXPENSES	TOTAL COSTS	REGIONAL DISTRICT	OTHER FUNDERS*	NOTES:
CAPITAL ASSETS				
	\$0.00	\$0.00	\$0.00	
STAFF WAGES				
Executive Director	\$12,000.00	\$12,000.00	\$0.00	
Coordinator	\$16,000.00	\$0.00	\$16,000.00	United Way funds
Shelter Staff: Four Staff per Shelter Night	\$71,700.00	\$12,900.00	\$58,800.00	\$47,800.00 (BC Housing) \$11,000.00 (City of Nanaimo)
Outreach	\$16,000.00	\$16,000.00		
GENERAL SHELTER PROJECT COSTS (based on 150 shelter nights)				
Rent	\$29,700.00	0.00	\$29,700.00	\$25,700.00 United Way \$4,000.00 City of Nanaimo
Food	\$15,800.00	\$0.00	\$15,800.00	\$10,800 BC Housing/ \$5,000 City of Nanaimo
Transportation	\$690.00	\$0.00	\$690.00	BC Housing - Staff Mileage/ Bus/Taxi
Laundry	\$4,160.00	\$1,390.00	\$2,770.00	BC Housing - Increase in dryer use to prevent/address bed bug infestations
Cleaning Supplies	\$3,300.00	\$1,100.00	\$2,200.00	BC Housing
Shelter Supplies – Bedding, First Aid, etc.	\$750.00	\$0.00	\$750.00	Other funders
Admin/Book- keeping Services	\$1,800.00	\$0.00	\$1,800.00	United Way
Training	\$1,000.00	\$0.00	\$1,000.00	United Way
TOTAL EXPENSES	\$172,900.00	\$43,390.00	\$129,510.00	

- Other funders include: City of Nanaimo, BC Housing, United Way for federal funds, and donations received from the community
- The above budget figures are based on the assumption of the shelter being open for 150 nights – November 1 through to March 31.
- It is estimated that 100 nights are funded by BC Housing for extreme weather nights, and 50 cold/wet nights will be funded by the City of Nanaimo and hopefully the Regional District.

Attachment 2



October 7, 2014

Rev. Samaya Oakley
Developmental Minister
First Unitarian Fellowship of Nanaimo
595 Townsite Road, Nanaimo BC

Re; Extreme / Cold Wet Weather Shelter for the Homeless.

Dear Samaya;

The Unitarian winter shelter has been a critical component of our community's response to the issue of homelessness for a number of years, and I wish to take this opportunity to thank you for the excellent work being done by the staff and volunteers at the shelter.

The City of Nanaimo's Mayor and Council have on a number of occasions elected to provide financial support to the Unitarian shelter, and as the City's Social Planner I would suggest it is money well invested; many people have been protected from the extremes of our winter weather who otherwise would have been outdoors, and a number of homeless people have obtained housing due to the efforts of staff at your facility.

I understand that the FUFON is applying to the Regional District of Nanaimo for funding through their capacity building to end homelessness fund; I have no hesitation in supporting that request and I would recommend that your application for funding be approved. The service provides not just a safe place to sleep on a winter night, it gives hope and real assistance to those furthest from prosperity in our region.

I would be pleased to provide further detail or respond to queries at any time.

Sincerely,

A handwritten signature in black ink, appearing to read "John Horn". The signature is written in a cursive style and is positioned above the typed name and title.

John Horn
Social Planner
Community Safety and Development
City of Nanaimo
250.755.4491



RDN REPORT		[Handwritten initials]
CAO APPROVAL		
EAP		
COW		
NOV 17 2014		
RHD		
BOARD	✓	

MEMORANDUM

TO: Paul Thompson
 Manager of Long Range Planning

DATE: November 14, 2014

FROM: Stephen Boogaards
 Planner

FILE: 1835 03 VIHA

SUBJECT: Capacity Building to End Homelessness Reserve Fund
 Funding Request – Manna Homeless Society

PURPOSE

To consider a request from the Manna Homeless Society for \$24,000 from the Regional District of Nanaimo (RDN) Capacity Building to End Homelessness Reserve Fund.

BACKGROUND

In 2011 and 2012 Island Health (VIHA) provided the RDN with two grants totalling \$470,000 “to support capacity building to end homelessness” in the region. In June 2012 the RDN Board allocated 60% (\$282,000) of this funding to the City of Nanaimo on behalf of the Nanaimo Working Group on Homelessness (NWGH) and the Society of Organized Services (SOS) on behalf of the Oceanside Task Force on Homelessness. The remaining \$188,000 was placed in a reserve fund for distribution at a later date.

The \$282,000 was distributed based on school district population resulting in \$196,000 allocated to the NWGH for use in School District 68 (SD68) and \$86,000 to Parksville and SOS for use in School District 69 (SD69). The decision to distribute these funds took into account that the RDN did not have a program to address homelessness and that it would be most effectively used to immediately benefit existing initiatives to address homelessness in SD68 and SD69. The reserve fund was established to provide the RDN Board with the option of supporting future worthwhile projects and/or, providing additional funds as requested by the two established programs to address homelessness in SD68 and SD69.

On February 25, 2014 the RDN Board allocated \$45,000 from the reserve fund to the Nanaimo Region John Howard Society with the support of the NWGH to continue a Rental Support Program. On March 25, 2014 the RDN Board allocated \$58,000 from the reserve fund to the SOS (on behalf of the Oceanside Task Force on Homelessness) to continue the work of a Homelessness Coordinator for one year. On April 22, 2014 the RDN Board allocated \$18,000 from the reserve fund to People for a Healthy Community (PHC) to continue a program that helps those at risk of homelessness attain and maintain safe and suitable housing. On June 24, 2014 the RDN Board also allocated \$5,000 from the reserve to PHC to conduct a homelessness survey on Gabriola Island. To date this leaves \$62,000 in the reserve fund.

Manna Homeless Society is a non-profit society that provides for the needs of the homeless in the Oceanside community, including Nanoose Bay, Parksville, Errington, Coombs, French Creek, Qualicum Beach and Qualicum Bay. The Society delivers food and supplies to the less fortunate, and distributes food once a week from a van on Hirst Avenue in Parksville. The society is seeking \$24,000 to cover ongoing demands for food, personal items and emergency supplies (see Attachment 1). A letter of support from the SOS has been provided as part of the application (see Attachment 2).

The RDN has also received another request for funding from the Capacity Building to End Homelessness Reserve Fund which when combined with the request from the Manna Homeless Society exceeds the funds available. There is \$62,000 left in the reserve fund and the two requests are for a total amount of \$67,390.

ALTERNATIVES

1. Allocate \$24,000 from the Capacity Building to End Homelessness Reserve Fund to the Manna Homeless Society to cover expenses for food and emergency supplies provided to the homeless of the Oceanside community.
2. Allocate an amount equal to the proportional share of the funds available in the Capacity Building to End Homelessness Reserve Fund and the total funding requested to Manna Homeless Society to cover expenses for food and emergency supplies provided to the homeless of the Oceanside community.
3. Allocate an amount equal to the requested amount minus 50% of the difference between the funds available and the funds requested to Manna Homeless Society to cover expenses for food and emergency supplies provided to the homeless of the Oceanside community.
4. Provide alternate direction on the allocation of funds from the Capacity Building to End Homelessness Reserve Fund.

FINANCIAL IMPLICATIONS

Manna Homeless Society is requesting \$24,000 in funding to cover the expenses of providing survival packs for the homeless in the Oceanside area. The Society estimates that the funding will cover approximately 1,200 survival packs which is only half of the number of survival packs they expect to distribute (see Attachment 1).

The request for funding from the Society to provide food and emergency supplies to Oceanside's homeless is consistent with VIHA criteria for building capacity to end homelessness, as the Society also refers clients to services that will assist them to transition into housing and employment.

As noted above, the RDN has received another request for funding from the Capacity Building to End Homelessness Reserve Fund that combined with the request from Manna Homeless Society exceeds the amount of funding available. There is not sufficient money in the reserve fund to provide the full amounts requested for both projects. The total of the two requests is \$67,390 which is \$5,390 more than the available \$62,000.

To date the full amounts of all the funding requests have been approved because there have been sufficient funds available in the Capacity Building to End Homelessness Reserve Fund. Each of the projects and programs that have received funding have only had to show that they will be addressing the issue of homelessness. No other criteria were applied to the previous requests.

As there are insufficient funds to provide the full amounts requested to both requests, an alternative amount must be determined for one or both requests. One option is for the RDN to consider a grant based on the proportional share of the funds available and the total funding requested. This means that as the Manna Homeless Society's request is 36% of the total funding request they would get 36% of the funds available. This amounts to \$22,320 which is \$1,680 less than the \$24,000 they requested. A second option is to split the difference between the funding requested and the funds available. This would mean that as there is a \$5,390 shortfall in the available funds, the amount granted to each request would be reduced by \$2,695. The grant to the Manna Homeless Society would then be \$21,305. A third option is to give the Manna Homeless Society the full amount requested and reduce the amount for the other request by \$5,390.

In the absence of an established method to allocate the remaining funds from the Capacity Building to End Homelessness Reserve Fund, staff are recommending that the funds be distributed based on the proportional share of the funds available and the total funding requested.

Should both projects receive funding that equals the amount currently available in the Capacity Building to End Homelessness Reserve Fund there will be no money left in that fund.

DISCUSSION

Manna Homeless Society was established in 2011 to provide supplies for the homeless in the Oceanside community. Specifically, the Society provides food, tents, sleeping bags, clothing and other emergency supplies. The Society delivers these items to the homeless and less fortunate throughout the Oceanside area, many who live in rural areas and do not have a means of transportation. The Society also distributes food and emergency supplies every Saturday from a van parked in front of the Royal Canadian Legion on Hirst Avenue in Parksville.

Manna Homeless Society delivers food as a 'survival pack', which is intended to help either an individual or a family. The Society distributed 1,396 packs in 2011, 1,700 packs in 2012, and 2,400 packs in 2013. The Society estimates that each survival pack for an individual costs between \$20 to \$25, with a total cost in 2013 of \$48,000. The funding requested by the Society would go to the purchase of the items for the survival packs distributed to the less fortunate in the Oceanside area. The Society would use the \$24,000 to cover the expenses for 1,200 survival packs.

In addition to the Society's role in providing for the immediate needs of the homeless with food and emergency provisions, the Society cooperates with other non-profit agencies to provide for the long-term needs of the homeless in the Oceanside area. After providing for clients' immediate needs, the Society connects clients with other organizations who can help them find housing and live independently without assistance. In cooperation with the SOS, the Oceanside Task Force on Homelessness, the Salvation Army, VIHA, and local churches, Manna ensures their clients receive assistance with employment training, counselling, personal finances and housing.

The Society's request is consistent with VIHA's funding criteria to support capacity building to end homelessness, as the Society provides for the immediate needs of their clients while also assisting them to find resources to sustain housing, employment, and independent living. The proposal is also in keeping with the Government of Canada's Homelessness Partnering Strategy (HPS) which focusses on the Housing First model.

Currently the RDN's Capacity to End Homelessness Reserve Fund is \$62,000. There are currently two requests for funding that together exceed the amount remaining in the Capacity to End Homelessness Reserve Fund. There are insufficient funds to provide the full amounts requested in the two funding requests.

STRATEGIC PLAN IMPLICATIONS

Under the action area of Strategic and Community Development, the Manna Homeless Society program contributes to Action 3(d) that directs the RDN to work with other organizations to establish partnerships and build capacity to address homelessness in the region. A safe, comfortable and affordable place to live for everyone is a vital part of a sustainable region.

SUMMARY/CONCLUSIONS

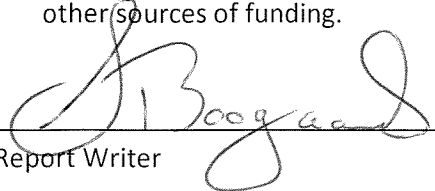
VIHA provided \$470,000 to the RDN to fund capacity building initiatives in the region to end homelessness in 2011 and 2012. The RDN distributed 60% of this funding to organizations working to end homelessness. The remaining 40% (\$188,000) of this funding was placed in a reserve fund to allow future projects to be considered for support. Following the distribution of \$126,000 to the John Howard Society, Oceanside Task Force on Homelessness, and People for a Healthy Community, there is currently \$62,000 left in the reserve fund. The total amount requested from the Capacity Building to End Homelessness Reserve Fund is \$67,390.

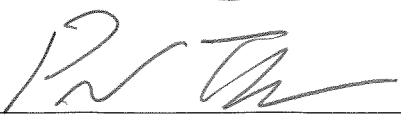
Manna Homeless Society is seeking \$24,000 to cover expenses for survival packages of food and other essentials the Society provides to the homeless in the Oceanside area. If granted, the funding would be used to provide for their expenses to provide these items. The request is consistent with VIHA funding criteria to support capacity building to end homelessness, as the Society also assists their clients with referrals to other organizations that help with housing, employment, and independent living.

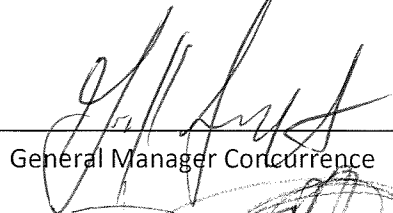
As there are insufficient funds available to accommodate the total requests for funding from the Capacity Building to End Homelessness Reserve Fund staff are recommending that the funds be distributed based on the proportional share of the funds available and the total funding requested.


RECOMMENDATIONS

1. That the RDN Board allocate \$22,320 from the Capacity Building to End Homelessness Reserve Fund to Manna Homeless Society to cover expenses for food and emergency supplies provided to the homeless of the Oceanside community.
2. That the RDN write a letter of support for the Manna Homeless Society to assist them in seeking out other sources of funding.


Report Writer


Manager Concurrence


General Manager Concurrence


CAO Concurrence

Attachment 1

November 1, 2014

Organization Information

Registered Name: Manna Homeless Society

Type of Organization: Nonprofit

Charitable Status Number: BN# 80020 5718 RR0001

Address: P.O. Box 389, Errington, BC, V0R 1V0

Phone: Robin Campbell . or Rita Taylor

Website: mannaHS.com – media coverage is posted on this site

Amount requested: \$24,000.00

Background

Manna Homeless Society was established in 2011 as a non profit, charitable society that is governed by a board of directors to serve the needs of the homeless in the Oceanside community. We cover Nanoose Bay, Parksville, Errington, Coombs, French Creek, Quailcum and Qualicum Bay. Our volunteers are fully trained in accordance with our policy manual and Manna operates solely with volunteer help.

Our mission is to meet the homeless on their turf since the majority live in rural areas and often lack transportation to get to the help they require. The homeless live in culverts, tents, abandoned buildings etc. Manna meets the urgent and continuous needs of the homeless and recently we expanded our mandate to include the elderly, the hungry and the poverty stricken.

We serve approximately 200 homeless and while they await housing we provide temporary shelter, food and clothing on an on going basis. Some have been homeless for 10 years.

Manna works cooperatively with other organizations and businesses such as Costco, the SOS, Salvation Army, The Oceanside Task Force on Homelessness, Mental health and several local churches. We have support of the mayors and council in both Parksville and Qualicum Beach.

Robin Campbell, founder and president of Manna was instrumental in setting up the Oceanside Task Force on Homelessness and continues to be an active participant. He recently received the Rotary Paul Harris award and in 2011 received the Queens Diamond Jubilee award for his role in caring for the less fortunate and Vancouver Island wildlife.

Activities

Each year we give out thousands of dollars of nutritious food, personal hygiene items, socks, underwear, coats, toques and gloves, towels, rain and camping gear, tents, stoves, and groceries. We deliver the items to the less fortunate and once a week we set up a van on Hirst Street in Parksville. You will see the Manna van parked in front of the Legion each Saturday from 9 am to 1 pm where provisions for the week can be picked up. The rest of the week we operate on a call out basis and help is available around the clock, seven days a week. We can have 80 people show up on a Saturday.

We give out 'survival packs' and each one is designed to help out an individual, a couple or a family. A survival pack for an individual consists of approximately 20-25 dollars worth of groceries. In addition we give out requested items such as hygiene products, survival equipment, and clothing. The items will vary from person to person. Food is constantly in demand and people depend on us being there every Saturday. Our services are essential for the homeless and impoverished.

Survival packs given out:

2011 we gave out 1396 survival packs

2012 - 1700 packs

2013 – 2400 survival packs a 40% increase from the previous year. 130 tents, 230 sleeping bags, 120 tarps and 70 blankets were given out in 2013.

We project by the end of 2014 we will have given out 3,640 survival packs, an increase of 50% from 2013.

Additional Projects

Manna has been instrumental in coordinating foot care for the homeless.

Bicycle program – we gave out approximately 60 bikes to the less fortunate which enables them greater mobility to access the various services. We were able to donate some bikes to other organizations.

Food Reclamation Project – fresh produce donated from Costco is picked up and distributed between organizations so that nothing goes to waste. We work cooperatively with the Salvation Army.

Funding

Manna is self funded and relies on the donations of individuals and service groups. We operate solely with volunteer help so that bulk of each dollar goes directly to meeting the needs of the unfortunate. We are asking that you partner with us to meet the increased demand of food.

In 2013, Manna gave out 2,400 survival packs at an approximate cost of \$20 each. This calculates into \$48,000. 2014 has already surpassed this amount.

To rely solely on our fund raising efforts is becoming a very challenging task given that our board and volunteers are also working full time jobs. With the partnership of the Regional District of Nanaimo and the Oceanside community Manna is confident that we can meet the increased demand for the 2015.

Please consider being part of caring for the homeless and less fortunate by sponsoring 1200 (1200 x \$20 each = \$24,000) survival bags. I wish to thank the Regional District of Nanaimo for the various funds that have been allocated to the different organizations who address the issues of the homeless and the impoverished.

Sincerely,

Rita Taylor, Treasurer for Manna

MANNA HOMELESS SOCIETY BUDGET 2015

Revenue

Donations

Individual donations	17,700
Service Clubs	4,900
Grants - City of Parksville	1,000
Living Hope Community Church	4,500
Regional District of Nanaimo	24,000
Donations in Kind	
Food	15,465
Camping	
Gear	15,950

TOTAL REVENUE 83,515

Expenses

Groceries-Supplies	38,965
Advertising & Promotions	850
Insurance	5,325.00
Interest & Bank Charges	120
Office Supplies	1000
Motor Vehicle Maintenance	1000
Motor Vehicle Fuel	840
Legal & Accounting	800
Website	200
Misc.	500
Emergency Housing	1000
Training Program	500
Camping Equipment	1000
Program expenditures	
Sleeping	
Bags	8,050
Tents	5,500
Tarps	2,400
Food	15,465
Administrative costs & Salaries	0

TOTAL EXPENDITURES 83,515

Attachment 2



November 4, 2014

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

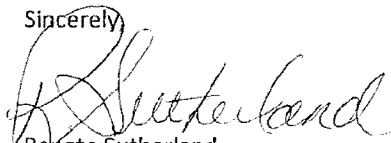
Dear Mr. Thompson,

On behalf of the Oceanside Task Force on Homelessness, I am writing in support of the application for funding from Manna Homeless Society in Oceanside.

Manna Homeless Society are a well recognized organization who work directly with the homeless population of Oceanside, meeting the needs of people on the streets or in the bushes in the surrounding communities. They are the main provider of services that are mobile and able to reach clients where they are staying. Manna provides food, tents, sleeping bags, clothing and other emergency supplies to those who are homeless. Manna has been instrumental in the development of the Oceanside Task Force on Homelessness and continues to provide valuable input to the task force.

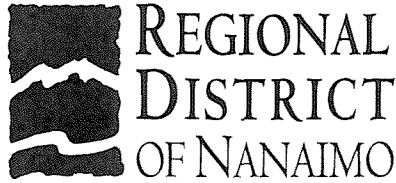
We would be pleased to provide further information should you require it in order to approve Manna's request. We hope Manna Homeless Society is successful in their application for funding.

Sincerely,

A handwritten signature in cursive script that reads "Renate Sutherland".

Renate Sutherland
Co-Chair
Oceanside Task Force on Homelessness

/rs



RDN REPORT	
CAC APPROVAL	
EAP	
COW	
NOV 18 2014	
RHD	
BOARD	✓

MEMORANDUM

TO: Larry Gardner
 Manager of Solid Waste

DATE: November 18, 2014

FROM: Sharon Horsburgh
 Senior Solid Waste Planner

FILE: 5365-72

SUBJECT: Organic Waste Processing Agreement Amendment

PURPOSE

To obtain Board approval for the Organic Waste Processing Agreement Amendment (*Amendment*) between the Regional District of Nanaimo (RDN) and Nanaimo Organic Waste Ltd. (NOW).

BACKGROUND

The Amendment is essentially housekeeping that incorporates the current obligations under the two previous contract documents which are 1) the April 2010 Organic Waste Processing Agreement with International Composting Corporation (ICC), the former owner of NOW; and, 2) the December 2013 Term Sheet that addresses facility upgrades. The Amendment recognizes NOW as the current owner and consolidates the agreed conditions of both contract documents. The Organic Waste Processing Agreement Amendment is attached as Appendix 1.

In 2010, the RDN entered into a contract with ICC to compost organic waste from residential curbside collection. The term of the agreement was for five years beginning April 1, 2010 and ending March 31, 2015 with the potential for a 5 year renewal based on satisfactory performance. Due to significant odour problems with the site, in 2013 the RDN commissioned an odour study and engineering assessment to address odour management. The engineering assessment was the basis for establishing the Term Sheet that provided for the following:

1. Facility upgrades including covers for compost piles, building air management controls, leachate control, misting at doors and property boundaries.
2. Operational changes including regular bio-filter media changes, cleaning compost residue with a sweeper, and the maximum storage quantity of the screened contaminants from the finished compost.
3. Sharing of any net revenue from the sale of finished compost.
4. Extension of the service agreement to provide organic waste composting until March 31, 2020.
5. On completion of facility upgrades, an increase in the processing fee to \$122 per tonne for food waste, \$45 per tonne for yard waste, and a 2% annual increase. (The current processing fee is \$90 per tonne for food waste and \$42 per tonne for yard waste.)

In August 2014, NOW purchased ICC and initiated the facility upgrades that were set out in the Term Sheet. NOW provided a status report detailing their upgrades in a letter of August 27, 2014, and on November 12, 2014 submitted a second letter confirming they have met the obligations of the Term Sheet and requesting the processing fee to be adjusted accordingly and to be applied as of November 1, 2014. (Both letters are attached as Appendix 2).

The August letter from NOW discusses specific requirements of the Term Sheet for upgrading and expansion of the existing misting systems at the facility. Improvements relate to upgrading from low pressure to high pressure misting at the indoor curing bay discharge doors, installing tall misting towers for misting during screening, and expanding the perimeter misting system. NOW has concluded that they have met the objective of odour control without these specific improvements and highlight the fact that the odour control study characterized the misting systems as having a low to moderate impact on odour sources. As a result, they propose to only continue operation of the misting system adjacent to the Duke Point Highway and defer additional misting systems changes until such time as needed and the efficacy can be confirmed. It is worthy of note that NOW has taken additional odour control measures that are outside the scope of the Term Sheet and are the installation of asphalt berms at the base of the three storage buildings, to better control confine leachate and regular screening, and removal of the finished compost to minimize another source of odours. RDN staff are in agreement with NOW on the deferment of further misting upgrades, their priority on undertaking the additional upgrades and that NOW as met the objective of odour control as is the objective of the Term Sheet.

DISCUSSION

The Amendment incorporates the commitments of the original service agreement, as well as the Term Sheet, and is in the name of Nanaimo Organic Waste Ltd., the current owner. In the absence of this agreement, both parties are bound by the exact same contractual conditions.

The Term Sheet does include the following notation:

*The forgoing terms and conditions are an outline only of the changes to an amendment to the Service Contract to be prepared and finalized by the parties and are not necessarily exhaustive. They are subject to approval of the Board of the RDN, and to negotiation of an **amending agreement** satisfactory to the RDN and ICC and their respective council.*

It is on the basis of the above condition in the Term Sheet that this Amending Agreement is before the Board.

FINANCIAL IMPLICATIONS:

The Amendment incorporates the increased processing fee from \$90 to \$122 per tonne for food waste and \$42 to \$45 per tonne for yard waste. As this is already a contractual obligation of the Term Sheet, the increase was taken into consideration in the 2014 budget and has been projected for future years.

ALTERNATIVES

1. Approve the Amendment between RDN and NOW.
2. Do not approve the Amendment.

STRATEGIC PLAN IMPLICATIONS

Organics diversion is effective in diverting waste and conserves landfill space. It also reduces vector attraction as well as potential landfill contamination by reducing leachate. It is an effective climate change strategy as the organics do not generate methane when composted aerobically. Organics diversion is effective in diverting waste and conserves landfill space and reduces potential landfill contamination by reducing leachate.

The 2013 region wide residential food waste program diverted approximately 6,183 metric tonnes from the regional landfill. This equates to approximately 3,091 tonnes of CO₂ equivalent reduction in Green House Gas (GHG) emissions. Food waste composting at NOW has contributed significantly to the region's progress toward carbon neutral operations.

SUMMARY/CONCLUSIONS

The Amendment incorporates contract obligations set out in the existing service agreement and the Term Sheet mutually agreed upon in December 2013 by the RDN, NOW and ICC. In the absence of the Amendment, both parties are bound by the exact same contractual conditions.


As NOW has completed facility upgrades, the RDN has a legal obligation to approve NOW's request to for the organics processing rate increase and an extension to our Organics Processing Service Agreement.


This amendment is housekeeping that incorporates existing contractual commitments and staff recommends that the Amendment be approved by the Board.

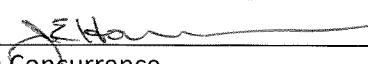
RECOMMENDATION:

That the Board receives this report and ratifies the amended service contract.


Report Writer


Manager Concurrence


A/General Manager Concurrence


for CAO Concurrence

ORGANIC WASTE PROCESSING AGREEMENT AMENDMENT

DATED for reference this _____ day of _____, 20_____.

BETWEEN:

REGIONAL DISTRICT OF NANAIMO

6300 Hammond Bay Road
Nanaimo, B.C. V9T 6N2

("Regional District")

OF THE FIRST PART

AND:

NANAIMO ORGANIC WASTE LTD.

35 Front Street
PO Box 190
Nanaimo, B.C. V9R 5K9

("NOW")

OF THE SECOND PART

(collectively the "**Parties**")

WHEREAS:

- A. The Regional District entered into an Organic Waste Processing Agreement with International Composting Corporation ("**ICC**"), as a contractor, executed on or about the 1st day of April, 2010 for the processing of organic materials (the "**Contract**"), a copy of which agreement is attached hereto as Schedule "A".
- B. The Regional District and ICC executed a Term Sheet on or about December 9, 2013 (the "**Term Sheet**") in which they agreed to negotiate certain modifications to the Agreement.
- C. On or about March 30, 2014 ICC assigned its interest in the Contract to NOW with the consent of the Regional District (the "**Assignment and Consent**"). Included in the Assignment and Consent was the Term Sheet. A copy of the Assignment and Consent is attached hereto as Schedule "B";
- D. The Parties wish to amend the Contract to expressly incorporate the items outlined in the Term Sheet into the Contract.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the premises and of the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by

each of the parties, the parties hereby covenant and agree, each with the other, as follows:

1. Unless defined in this Agreement (the "**Amendment Agreement**"), including in its recitals, capitalized terms shall have the same meaning as assigned to them under the Contract.
2. This Amendment Agreement is effective as of _____, 2014 (the "**Amendment Effective Date**").
3. NOW having provided notice of its intention to renew the Contract and the RDN having accepted the renewal, the term of the Contract shall be renewed effective April 1, 2015 and expiring March 31, 2020 (the "**Renewal Period**").
4. From and after the Amendment Effective Date, the following is inserted into the Contract as paragraph 5.3:
 - 5.3 In addition to the Fixed Processing Fees, for the performance and fulfillment of this Agreement the RDN will pay to the Contractor:
 - (a) \$122.00 for every tonne of Residential Contract Food Waste delivered in excess of A in section 5.1(a);
 - (b) \$122.00 for every tonne of Commercial Contract Food Waste; and
 - (c) \$45.00 for every tonne of Yard and Garden Contract Waste delivered in excess of C in section 5.1(b),

delivered to the Facility by or on behalf of the RDN.
5. The following is inserted into the Contract as paragraph 5.4
 - 5.4 For certainty, as of the Amendment Effective Date the rates in section 5.2 will cease to apply and the rates in section 5.3 shall be used to calculate the Processing Fees.
6. Paragraphs 5.3 and 5.4, of the Contract are renumbered as paragraphs 5.5, and 5.6 respectively.
7. Paragraph 5.5 of the Contract is renumbered as paragraph 5.7 and the text of the paragraph is deleted and replaced with the following:
 - 5.7 The Parties agree that the Processing Fees payable under section 5.3 shall be increased annually by two percent (2%) per

year, including during the Renewal Period. The increase shall be effective April 1, of each year, commencing April 1, 2015.

8. Paragraphs 5.6 and 5.7 of the Contract are renumbered as paragraphs 5.8 and 5.9 respectively.
9. Paragraph 8.3 of the Contract is deleted and replaced with the following:
 - 8.3 (a) The Contractor shall be permitted to store Residual Process Waste at the Facility provided that at no time is the amount in excess of 140 cubic yards per month.
 - (b) Upon request by the Contractor, the RDN shall, at its sole cost, cause to be delivered and disposed of at the RDN Landfill or otherwise lawfully disposed of Residual Process Waste in excess of the amount of Residual Process Waste in 8.3(a). Provided however that RDN is not responsible for removing Residual Process Waste in excess of 140 cubic meters per calendar month.
 - (c) The Contractor shall, at its sole cost, immediately cause to be delivered and disposed of at the RDN Landfill or otherwise lawfully disposed of, Residual Process Waste in excess of the amount in 8.3(a) and (b).
10. The following is inserted into the Contract as paragraph 10.3:
 - 10.3 The Contractor shall implement regular media change for the biofilter on a schedule recommended in the Engineering Report.
11. Paragraph 10.3 in the Contract is renumbered to paragraph 10.4.
12. The following is inserted into the Contract as paragraphs 18.2 and 18.3:
 - 18.2 Notwithstanding section 18.1, any net revenue resulting from the sale of the Compost shall be shared equally between the RDN and the Contractor;
 - 18.3 For purposes of section 18.2, net revenue is equal to the total amount of sales for compost and other products sold for Beneficial Uses less any product returns or discounts.
13. Paragraph 24.3 of the Contract is deleted and replaced as follows:

24.3 The Processing Fees payable during the Renewal Period shall be calculated in accordance with paragraph 5.7 of the Agreement.

- 14. Except as expressly amended by this Amendment Agreement, the parties ratify and confirm the Contract. The Contract, the Term Sheet, the Assignment Agreement and this Amending Agreement shall be read and construed as one document.
- 15. Time shall remain of the essence of the Contract and Term Sheet as amended hereby.
- 16. This Amendment Agreement may be executed and delivered by facsimile or email and in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Amendment Agreement with effect as of the date and year first above written.

Regional District of Nanaimo, by its)
 authorized signatories)
)
 _____)
)
)
 _____)
)

Nanaimo Organic Waste Ltd., by its)
 authorized signatory(ies):)
)
 _____)
 Name:)
)
)
 _____)
 Name:)

	Initial	Date
Content (Mgr)		
Approved (GM)		
Legal Form (CO)		
Authority (CAO)		

PLAN FILE

SCHEDULE 'A'

ORGANIC WASTE PROCESSING AGREEMENT

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ORGANIC WASTE PROCESSING AGREEMENT

This Agreement made this _____ day of _____, 2010

BETWEEN:

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

(the "RDN")

AND:

INTERNATIONAL COMPOSTING CORPORATION
(Inc. No. BC0649534)
3rd Floor, 1002 Wharf Street
Victoria, BC V8V 1T4

(the "Contractor")

WHEREAS the RDN's goal under its Solid Waste Management Plan and Organics Diversion Strategy is to divert the region's waste from the RDN Landfill a key step of which involves turning compostable organics from waste into a resource;

AND WHEREAS the RDN requires the services of the Contractor to accept, store and process into compost or other products for Beneficial Use, organic waste generated by households, businesses and institutions within the Service Area;

AND WHEREAS the Contractor holds a Waste Stream Management Licence issued under the RDN's Waste Stream Management Bylaw No. 1386 to operate an organic waste composting facility for the purpose of recycling;

AND WHEREAS the Contractor requires a source of organic waste for the purpose of its business operations;

NOW THEREFORE in consideration of the covenants and agreements herein contained, the Processing Fee and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1.0 Definitions

1.1 Unless otherwise stated, the terms defined in Schedule "A" have the meanings given to them in that Schedule.

2.0 Schedules

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

- (a) Schedule A - Definitions
- (b) Schedule B - RDN Organic Waste Tonnage Estimates
- (c) Schedule C - Operating Specifications
- (d) Schedule D - Facility Upgrades
- (e) Schedule E - Unacceptable Waste

3.0 Services

3.1 The Contractor shall:

- (a) provide all necessary lands, equipment, vehicles, facilities including the Facility, materials, labour, and supervision and generally perform and complete all Work in order to accept, store and process the RDN Organic Waste and make Beneficial Use of processed RDN Organic Waste, delivered to the Facility, in compliance with:
 - (i) the Waste Stream Management Licence and the WSML Operations Plan;
 - (ii) the WSML Bylaw;
 - (iii) all other applicable laws including the *Organic Matter Recycling Regulation*, requirements, directions, approvals and permits; and
 - (iv) the provisions of this Agreement, including Schedules attached hereto;
- (b) carry out the Work and continuously operate the Facility for the Term and any renewal period strictly in accordance with this Agreement.

3.2 The RDN shall deliver or cause to be delivered the Contract Organic Waste, in accordance with this Agreement.

4.0 Term

4.1 The Term of this Agreement shall be for a period of 5 years beginning on the Commencement Date and expiring on March 31, 2015 unless terminated earlier as provided in this Agreement. For certainty, the Contractor shall, subject to section 4.2, accept the RDN Organic Waste beginning on the Commencement Date.

4.2 Notwithstanding section 4.1, beginning on the Contract Food Waste Effective Date and provided all conditions precedent in section 15.1 are satisfied or waived, the RDN shall commence delivery of or cause to be delivered the Residential Contract Food Waste and Commercial Contract Food Waste to the

Facility and the Contractor shall accept all such waste in accordance with and on the terms of this Agreement.

- 4.3 The Contractor shall carry out the Work without interruption in accordance with and subject to this Agreement, unless otherwise directed in writing by the RDN.

5.0 Fees and Payment

Fixed Processing Fees

- 5.1 The RDN agrees to pay the Contractor the following Fixed Processing Fees on the first day of each and every month during the Term as follows:

- (a) \$30,758.00 beginning on the Contract Food Waste Effective Date, calculated as follows:

(A x B) / 12 months where,

A= 4,194.4 tonnes (which represents 70% of the estimated Residential Contract Food Waste Tonnage set out in Schedule B)

B= \$88.00; and

- (b) \$15,430.00 beginning on the Commencement Date, calculated as follows:

(C x D) / 12 months where,

C= 4,408.5 tonnes (which represents 50% of the estimated Yard and Garden Contract Waste Tonnage set out in Schedule B)

D= \$42.00.

Processing Fees

- 5.2 In addition to the Fixed Processing Fees, the RDN will pay to the Contractor for the performance and fulfillment of this Agreement, the following Processing Fees:

- (a) \$88.00 for every tonne of Residential Contract Food Waste delivered in excess of A in section 5.1(a);
- (b) \$88.00 for every tonne of Commercial Contract Food Waste; and
- (c) \$42.00 for every tonne of Yard and Garden Contract Waste delivered in excess of C in section 5.1(b),

delivered to the Facility by or on behalf of the RDN.

- 5.3 Payment of the Processing Fees under section 5.2 shall be made by the RDN within thirty (30) days of receipt by the RDN of an invoice and supporting documentation showing actual delivery weights (in tonnes). The invoice shall be

delivered within ten (10) days of the end of each month in relation to the amount of Contract Organic Waste delivered to the Facility by on or behalf of the RDN that month.

- 5.4 No payment made by the RDN under this Agreement constitutes an acceptance of Work which is not in compliance with the requirements of this Agreement.

Adjustments to Processing Fees

- 5.5 The parties agree that the Processing Fees payable under section 5.2 shall be adjusted annually as follows:

- (a) the fees in paragraph 5.2(a) and (b), on January 1 of each year beginning January 1, 2012;
- (b) the fees in paragraph 5.2(c), on January 1 of each year beginning January 11, 2011,

in accordance with the Statistics Canada All Indexes Average Consumer Price Index for Vancouver, British Columbia for the calendar year immediately preceding the date on which the fees are adjusted. For certainty, the fees in 5.1 are fixed for the Term and are not subject to any adjustments under this section or otherwise.

Withholding Payment

- 5.6 In addition to all other rights to withhold payments under this Agreement, the RDN may withhold the whole or any part of any payment, including the Fixed Processing Fees, that may be otherwise due to the Contractor if:

- (a) defective or deficient work was performed by the Contractor, and the defect or deficiency was not remedied by the Contractor in accordance with the requirements of this Agreement;
- (b) the Contractor is in default of any of its obligations under this Agreement;
- (c) the deduction is authorized by this Agreement.

- 5.7 If the Contractor fails to remove any cause for withholding payment under this Agreement within fifteen (15) business days after delivery by the RDN of written notice specifying the cause, or fails to commence removal of the cause if the cause cannot be removed within fifteen (15) business days of delivery of such notice or fails to diligently make all reasonable efforts to remove such cause, the RDN may at its sole discretion remove the cause including transfer and disposal of all or any Contract Organic Waste to another facility or landfill and deduct its costs thereof from any amount otherwise payable to the Contractor under this Agreement. If such costs exceed the balance of the amount then due to the Contractor, the Contractor shall pay forthwith on demand the difference to the RDN.

6.0 Delivery and Acceptance

6.1 The RDN shall deliver or cause to be delivered to the Facility:

- (a) the Residential Contract Food Waste;
- (b) the Commercial Contract Food Waste; and
- (c) the Yard and Garden Contract Waste,

in accordance with this Agreement.

6.2 The Contractor shall accept at the Facility all RDN Organic Waste delivered to the Facility including that delivered under section 6.1, in accordance with this Agreement.

6.3 Notwithstanding anything to the contrary in this Agreement, the RDN does not represent or warrant to the Contractor that it guarantees or otherwise promises to deliver to the Facility any specific weights or amounts or minimum weights or amounts of the Contract Organic Waste or any other organic waste, during the Term or any renewal period.

7.0 Acceptance of Other Waste

7.1 The Contractor may accept at the Facility, organic waste from sources outside the Regional District of Nanaimo provided, however:

- (a) the RDN Organic Waste is given priority over all other organic waste delivered to the Facility from such other sources;
- (b) the Contractor reserves sufficient storage and processing capacity for all RDN Organic Waste pursuant to section 9.1;
- (c) the Contractor is in compliance with this Agreement.

7.2 For certainty the Contractor shall be in default under this Agreement if it is, for whatever reason, unable to accept any or all RDN Organic Waste delivered to the Facility by or on behalf the RDN under this Agreement.

8.0 Unacceptable and Residual Process Waste

8.1 The RDN shall make reasonable efforts to cause the Unacceptable Waste contained in any Contract Organic Waste delivered to the Facility by or on behalf of the RDN to be kept to a minimum, it being acknowledged that the RDN has limited control and resources to limit the Unacceptable Waste that is collected or received by or on behalf of the RDN.

8.2 Notwithstanding anything to the contrary in this Agreement, Unacceptable Waste contained in any Contract Organic Waste delivered to the Facility by or on behalf of the RDN under this Agreement will not, upon discovery by the Contractor, be

accepted and will be delivered to or caused to be delivered to the RDN Landfill or otherwise lawfully disposed of at the RDN's sole cost.

- 8.3 Any Residual Process Waste discovered after processing any Contract Organic Waste shall be delivered to and disposed of at the RDN Landfill or otherwise lawfully disposed of, at the Contractor's sole cost.

9.0 Capacity

- 9.1 The Contractor shall at all times reserve sufficient storage and processing capacity at the Facility for the RDN Organic Waste .

- 9.2 If, for whatever reason, the Contractor fails to:

- (a) accept all or any of the RDN Organic Waste upon delivery, in compliance with this Agreement;
- (b) comply with Stockpiling requirements in Schedule C; or
- (c) process all or any of the RDN Organic Waste delivered in accordance with this Agreement within the timelines established under the Waste Stream Management Licence and in accordance with this Agreement,

the Contractor shall at its sole cost transfer or cause to be transferred all such RDN Organic Waste to another organic waste processing facility approved by the RDN, for disposal. If there is no such processing facility within 100 kilometres of the Facility that can accept such waste, the Contractor shall at its sole cost transfer or cause to be transferred such waste to the nearest landfill for disposal. The RDN may deduct all costs associated with transfer and disposal incurred by the RDN under this section from any payments, including the Fixed Processing Fees, due to the Contractor under this Agreement or, if no payment is owed or the costs exceed the amount owing, the Contractor shall pay the amount of such disposal or the amount of the excess immediately to the RDN on demand.

- 9.3 The remedy in section 9.2 is in addition to any other remedy available to the RDN under this Agreement or otherwise..

10.0 Odour and Pollution

- 10.1 If the Work results in a pollution or Odour complaint from the public the RDN may direct the Contractor to cease or modify the Work or portion thereof in order to reduce or abate the Odour or pollution and the Contractor shall comply forthwith with such direction. If the RDN makes a direction under this section, the RDN shall not be liable to compensate the Contractor for any losses, costs, damages, expenses or other claims which the Contractor may incur or suffer as a result of the ceasing or modification of the Work for the purpose of complying with the direction of the RDN or otherwise dealing with the pollution or Odour problem. The obligations under this section do not affect or modify the Contractor's other obligations to accept, store, process and make Beneficial Use of the processed

RDN Organic Waste under this Agreement nor do they prejudice any other right or remedy of the RDN under this Agreement or otherwise.

- 10.2 The Contractor shall make all commercially reasonable efforts to eliminate and control flies, animals, pests and other nuisances in and around the Facility and Lands.
- 10.3 Without limiting the RDN's right of termination of this Agreement, if the Contractor fails to remedy a breach of any provision referred to in this article 10.0 after being given 72 hours written notice by the RDN or fails to commence the remediation of such breach if the breach cannot be remedied within seventy-two (72) hours of receipt of such notice or fails to diligently make all reasonable efforts to remedy the breach, the RDN may divert or cause to be diverted any or all Contract Organic Waste collected or delivered to the Facility to any other site that the RDN may approve for storage, processing or disposal. All additional costs for transportation, disposal, storage, processing, or other handling of Contract Organic Waste to or at the site approved by the RDN Representative shall be borne by the Contractor and may be deducted from the Contractor's next payment(s) or otherwise recovered by the RDN in accordance with this Agreement.

11.0 Remediation of Premises

- 11.1 For the purposes of the allocation of remediation costs pursuant to the *Environmental Management Act*, the Contractor is, as between the RDN and the Contractor, solely responsible for the costs of remediation of the Lands under that *Act* and this binds the with respect to any allocation of costs by any procedure under that *Act*.

12.0 Record Keeping

- 12.1 The Contractor shall keep and maintain records and monthly statements of all of the RDN Organic Waste delivered to the Facility in accordance with the WSML Bylaw and shall keep all other records required by law including the *Organic Matter Recycling Regulation*.
- 12.2 The Contractor shall keep and maintain records documenting all sales of compost and other products sold for Beneficial Use, pursuant to this Agreement, and other use for gasification and or biofuel production not considered as a "sale".
- 12.3 The RDN shall at all times with reasonable notice, be entitled to examine all records kept and maintained by the Contractor as required under sections 12.1 and 12.2 of this Agreement.

13.0 Inspection of Work

- 13.1 The RDN Representative shall at all times with reasonable notice, have access to the Facility and the Lands for the purpose of assessing compliance with this Agreement and examining records under article 12.0.
- 13.2 The RDN Representative shall inspect Work in the RDN's interest for the purpose of promoting effective execution of the Work and such inspection or lack of it shall not relieve the Contractor of its responsibility to perform the Work in accordance with this Agreement.

14.0 Security

- 14.1 As security for the due and proper performance of all the covenants and agreements contained in this Agreement, the Contractor has deposited with the RDN a performance bond from a surety acceptable to the RDN in a form acceptable to the RDN in the amount of \$50,000.00 to be renewable annually for a period from the Commencement Date until six (6) months following the end of the Term. The Contractor shall cause the surety to provide the RDN with at least ninety (90) days notice in advance that the surety is unwilling or unable to renew the bond or otherwise intends to cancel the bond. Any failure to renew the bond each year or any cancellation of the bond shall constitute a breach of this Agreement.
- 14.2 The Contractor agrees with the RDN that if the Contractor fails to perform all or part of the Work, including site remediation, under this Agreement, the RDN may perform such Work including delivery to other facilities at the cost of the Contractor in accordance with this Agreement, and for that purpose may draw upon the Security. If there are insufficient monies contained in the Security the Contractor shall pay the balance of the short-fall forthwith upon receipt of an invoice from the RDN.
- 14.3 The RDN may make demand on the Security at any time during the Term or renewal period, as the case may be after providing the Contractor with written notice. The amount of the Security may be reduced at any time with the approval of the RDN in writing.
- 14.4 The parties acknowledge and agree that the Security is in addition to the security required and deposited under the WSML Bylaw.
- 14.5 The Contractor will provide a new performance bond or evidence satisfactory to the RDN of the renewability of the current performance bond on the same terms as required under this Agreement, at least one hundred eighty (180) calendar days before any renewal of this Agreement.

15.0 Conditions Precedent

- 15.1 The RDN's obligations under this Agreement are conditional upon:

- (a) the Contractor obtaining from government or local government authorities having jurisdiction all approvals and permits required to perform the Work;
- (b) the Contractor completing all upgrades to the Facility in accordance with the Waste Stream Management Licence and as set out in Schedule D to this Agreement to the satisfaction of the RDN to ensure the Facility can accept, store and process the RDN Organic Waste and other waste, in accordance with this Agreement, by the Contract Food Waste Effective Date;
- (c) the Security being provided and maintained in accordance with this Agreement; and
- (d) the RDN being in receipt of evidence of insurance required under this Agreement by the Commencement Date;
- (e) The RDN being satisfied that the owner of the Lands shall permit and cause any subsequent owner thereof to permit the Contractor's performance of this Agreement during the Term and any renewal period, without interference.

15.2 If any of the conditions in section 15.1 have not been satisfied or maintained in accordance with their terms the RDN may at its sole discretion, terminate this Agreement. Upon such termination, RDN shall not be liable to the Contractor for any loss, damage, fees or expense of any kind and the Contractor shall compensate the RDN for all its costs associated with and in preparation of this Agreement.

15.3 The conditions precedent in section 15.1 are for the sole benefit of the RDN.

16.0 Contractor's Representations and Warranties

16.1 The Contractor represents and warrants to the RDN that:

- (a) the execution and delivery of this Agreement and the performance of the Work contemplated by this Agreement has been duly and validly authorized by all necessary corporate action on the part of the Contractor and has the power and capacity to enter into this Agreement and carry out its terms to the fullest extent;
- (b) the Contractor has no indebtedness to any person, firm or corporation which might by operation of law or otherwise now or hereafter hinder the Contractor's ability to perform the Work in accordance with this Agreement;
- (c) there is no litigation or administrative or governmental proceeding or inquiry pending, or to the knowledge to the Contractor, threatened against or relating to the Contractor that affects or might affect the Contractor's ability to perform the Work under this Agreement nor does the Contractor

know of or have reasonable grounds to believe that there is any basis for such action, proceeding or inquiry on the date of this Agreement;

- (d) the Facility and the Lands shall at all times during the Term and any renewal period, be capable to accept, store and process all RDN Organic Waste delivered to the Facility and the Lands pursuant to this Agreement.

17.0 Greenhouse Gas Offsets

- 17.1 The parties acknowledge that the legislation and marketplace related to greenhouse gas offset credits as they apply to this project are in their infancy and do not enable with any certainty a determination as to the eligibility of this project for and the attribution of rights to greenhouse gas offset credits, either locally or otherwise. The parties agree that each of them will provide notice to the other party of any opportunity or potential opportunity that they become aware of in connection with greenhouse gas offset credits related to the processing of all or any of the waste contemplated under this Agreement or the diversion of such waste from the landfill, before they make any attempt or application to secure or obtain the benefit of such credits. The purpose of this clause is to give each party an opportunity to obtain the benefit of any greenhouse gas offset credits that may be available from time to time in respect of this project.

18.0 Property in Waste

- 18.1 Property in and responsibility for all Contract Organic Waste and any other waste or material delivered to the Lands by or on behalf of the RDN shall pass to the Contractor at the time of delivery to and acceptance on the Lands in accordance with this Agreement, Unacceptable Waste delivered by or on behalf on the RDN excepted.

19.0 Force Majeure

- 19.1 The RDN or the Contractor shall not be liable to the other party to continue performance under the terms of this Agreement if and during the period that either is unable to perform because of circumstances of Force Majeure. If any such circumstances occur, the non-performing party shall, upon being prevented from performing, immediately give written notice to the other party describing the circumstances preventing continued performance and efforts being made to resume performance of this Agreement and Force Majeure will be deemed to be invoked from the date of such notice. Full performance of this Agreement shall resume as soon as the circumstances preventing performance have ceased.
- 19.2 If a party invokes Force Majeure, it shall use all commercially reasonable efforts, including sourcing equipment from alternative suppliers or using alternative methods, to remove the Force Majeure as soon as possible and that party shall promptly respond to any inquiry from the other party regarding the efforts being undertaken to remedy the situation.

19.3 Either the Contractor or the RDN may terminate this Agreement by notice to the other party if the circumstances of Force Majeure have not been removed within 180 days after the date of the notice invoking Force Majeure, in addition to any other right of the other party to terminate this Agreement. In the event of such termination the parties shall be released from any further obligations to each other under this Agreement.

20.0 Indemnity

20.1 The Contractor shall release, save harmless and indemnify the RDN and its elected officials, appointed officers and employees, servants, agents, and the RDN Representative from and against all claims, actions, costs, expenses, judgments, losses, damages, liabilities, fines and fees of whatever kind, including solicitors' fees on a solicitor and own client basis, arising out of or related to:

- (a) any act or omission or alleged act or omission of the Contractor, its agents, employees or subcontractors in connection with the Work;
- (b) the performance of or failure to perform this Agreement; and
- (c) the operation of the Facility.

21.0 Insurance

21.1 During the Term and any renewal period the Contractor shall obtain and maintain comprehensive general liability insurance providing coverage for personal injury, bodily injury including death, property damage and all other losses arising out of or in connection with this Agreement in the amount of not less than FIVE MILLION (\$5,000,000.00) DOLLARS per occurrence. The policy shall provide that it cannot be cancelled, lapsed, or materially altered without at least thirty (30) days notice in writing to the RDN by registered mail, shall name the RDN as and additional insured and shall contain a waiver of cross liability clause. The Contractor shall deliver a copy of the Certificate of Insurance to the RDN upon execution of this Agreement.

22.0 Termination

Termination of the Agreement by the Contractor

22.1 The Contractor shall have the right to terminate this Agreement after giving notice to the RDN

- (a) in the event of any order of any court or other public authority, other than the RDN, causing the work to be stopped or suspended, and when the period of such stoppage or suspension exceeds sixty (60) days, and when such stoppage or suspension occurs through no act or fault of the Contractor, its agent, or employees;

- (b) except where the RDN disputes the validity or amount of an invoice submitted under this Agreement (in which event the dispute shall be resolved in accordance with article 23.0), in the event that the RDN fails to pay any sum certified by the RDN Representative within thirty (30) days from the due date of payment, and fails to remedy such default within thirty (30) days of the Contractor's written notice to do so.
- 22.2 For termination under paragraph 22.1(a), as a result of such stoppage or suspension the RDN shall not be liable to the Contractor for any resulting losses, damages or expenses.
- 22.3 The Contractor covenants and agrees with the RDN that if the Contractor terminates this Agreement for reasons other than those in section 22.1 or is otherwise unwilling or unable to perform the Work in accordance with this Agreement prior to the end of the Term or any renewal period the Contractor shall be entitled to no further payment of the Fixed Processing Fees and shall immediately on demand pay to the RDN all of the RDN's additional costs related to redirecting all the RDN Organic Waste deliverable under this Agreement during the Term to a facility capable of processing such waste.

Termination of the Agreement by the RDN

- 22.4 The RDN shall have the right to terminate this Agreement by giving notice to the Contractor or receiver or trustee, as the case may be if:
- (a) the Contractor fails, within fifteen (15) business days of delivery of notice from the RDN Representative, to remedy a breach of any term, condition or provision of this Agreement, or fails to commence the remediation of such breach if the remediation of such breach cannot be remedied within fifteen (15) business days of such notice and the Contractor is not diligently making all reasonable efforts to remedy such breach;
 - (b) there is a request or requirement from a regulatory or other authority to cease operations at the Facility;
 - (c) the Contractor has become insolvent, makes an assignment of its property for the benefit of creditors or if a receiver, liquidator or trustee is appointed in respect thereof;
 - (d) the Contractor is dissolved or takes steps towards voluntary dissolution;
 - (e) the Contractor has become in any way unable to carry on the Work or any part thereof.
- 22.5 Upon termination under section 22.4 the Contractor will receive from the RDN payment for all Work performed in accordance with this Agreement including that portion of the Fixed Processing Fees due and owing up to the date of termination, but the Contractor shall have no claim for any further payment under this Agreement including the Fixed Processing Fees and the RDN will not be

liable for any loss or damage including anticipated profits, damages, or expenses incurred by the Contractor as a result of such termination.

23.0 Cooperation and Dispute Resolution

23.1 The RDN and the Contractor agree to co-operate with one another and use their best efforts to ensure the most expeditious implementation of the provisions of this Agreement and shall in good faith undertake to resolve any disputes that may arise between them in an equitable and timely manner and in accordance with the provisions of this Agreement.

The following steps in the dispute resolution process must be followed by the parties in the order set out below, and otherwise as set out in this section unless both parties agree otherwise in writing or this Agreement provides otherwise:

- (a) meet to resolve issues;
- (b) deliver dispute notice;
- (c) appoint and obtain decision of referee; and
- (d) arbitration.

The parties agree that timely resolution of any dispute is mutually beneficial and, in order to achieve timely resolution the time limits, as set out in this article 23.0, shall be strictly enforced.

23.2 The parties shall make all reasonable efforts to resolve a dispute by amicable negotiations and shall provide frank, candid and timely disclosure of all relevant facts, information and documents to facilitate negotiations.

23.3 If the parties are unable to resolve a dispute within five (5) business days then the party initiating the dispute process (the "**Disputing Party**") shall within five (5) business days of the expiry of the aforesaid five-day period be entitled to deliver a Dispute Notice and the provisions of this section shall apply.

The Dispute Notice shall include particulars of the dispute reasonably available to the disputing party and the provisions of the Agreement on which the disputing party relies.

A Dispute Notice shall be given by separate written notice delivered to the other party and mention of a dispute in minutes of meetings or similar documents, even if received by the other party, shall not qualify as a Dispute Notice.

Before proceeding further with the dispute, including requesting arbitration, or commencing litigation, a disputing party shall obtain a decision on the dispute from a referee to be selected jointly by the parties. The referee must be a qualified engineer with expertise in the construction and design of projects similar

to the Facility. The referee's review may be omitted only with the written approval of both parties or if the parties have not jointly selected a referee.

If a dispute is not completely resolved by the parties through negotiations within five (5) business days of the delivery of the Dispute Notice, then either party may initiate the appointment of a referee by referral of the Dispute Notice to the referee if that party wishes to proceed with dispute resolution, unless the parties agree in writing to proceed to a settlement meeting.

Upon receipt of a copy of the Dispute Notice, the referee shall have the authority to review the dispute.

The fees, disbursements and other costs of the referee, in the amounts as agreed between the parties and the referee as set out in the letter of appointment, shall be shared equally by the RDN and the Contractor.

The referee shall conduct a review of the dispute in the manner the referee decides is most suitable including a review of the Agreement, the Dispute Notice, the other party's reply, if any, an inspection of the place of the work and discussions with any persons. The parties shall comply with all reasonable requests from the referee for additional information and documents which the referee considers necessary for the review. Any information given to the referee by one party shall be given to the other party.

The referee may, with the written approval of both parties, retain others to assist with the review.

The referee shall render a brief written decision on the dispute, with copies to both parties within five (5) business days of the referee's appointment or such longer period as agreed to in writing by both parties.

After a lapse of five (5) business days from the time when the referee delivers the referee's written decision on the dispute to both parties, then as the final step regarding the dispute, the referee shall promptly ask each party whether the dispute has been settled, and then provide a written report to each party summarizing the referee's understanding of the status of the dispute.

If both parties have given Dispute Notices relating to the same matters (claim and counterclaim) then the referee shall consider both Dispute Notices at the same time and the referee's decision shall be with respect to both Dispute Notices.

A referee appointed to review a dispute shall, subject to the timely availability of that referee, be the referee to review all other disputes arising under the Agreement unless the parties agree otherwise.

A referee's decision is not binding on the parties, and a referee's review shall be sought only for the purpose of assisting the parties to reach agreement with respect to the dispute.

A referee who has made a decision on a dispute may be retained by either or both parties, to assist in mediation or settlement proceedings with respect to that dispute conducted pursuant to this section. A referee may not be called by either party to give evidence with respect to the dispute in any subsequent arbitration or litigation proceeding to resolve the dispute, nor shall either party refer to or enter into evidence the decision of the referee in such proceedings.

The parties will agree to release and save harmless the referee from any liability arising from a review undertaken by the referee.

- 23.4 If within five (5) business days of the decision of the referee, the matter is not settled by agreement, or if either party fails or refuses to participate in the referee process within the time limits set out in section 23.3, then the parties shall submit to arbitration at the request of either party. Arbitration shall be by a single arbitrator pursuant to the *Commercial Arbitration Act* (B.C.) and the arbitrator's decision shall be final and binding. The cost of arbitration shall be borne equally by the RDN and the Contractor.
- 23.5 The Contractor shall not delay or cause a delay of the Work or operation of the Facility while resolving any dispute under this Agreement, and shall keep accurate and detailed cost records indicating the cost of the Work done under protest. Failure to keep such records shall be a bar to any recovery.

24.0 Renewal

- 24.1 The Contractor, provided it is not in breach of any term or condition of this Agreement and has performed the Work during the Term to the reasonable satisfaction of the RDN, may renew this Agreement for a further five (5) year term by giving the RDN notice of its intention to renew not earlier than four hundred and fifteen (415) days before and not later than three hundred and sixty five (365) days before the end of the Term, such renewal to be on the same terms as this Agreement except for the Fixed Processing Fees, the Processing Fees and this right of renewal.
- 24.2 The Fixed Processing Fees payable during the renewal period shall be as follows:
- (a) $(A \times B) / 12$ months where,
- A= 70% of the then current Residential Contract Food Waste Tonnage as estimated by the RDN,
- B= the Processing Fees determined under section 24.3 of this Agreement; and

(b) $(C \times D) / 12$ months where,

C= 50% of the then current Yard and Garden Contract Waste Tonnage as estimated by the RDN,

D= the Processing Fees determined under section 24.3 of this Agreement.

24.3 The Processing Fees payable during the renewal period shall be the then current market value as agreed by the parties for similar processing fees at similar facilities on Vancouver Island, and failing such agreement by the ninetieth (90th) day prior to the commencement of the renewal period, as determined in accordance with sections 23.3 to 23.4 of this Agreement. Until such fees have been determined the RDN shall continue to pay the Processing Fees at the rate payable during the last year of the Term and upon such determination the RDN shall make the appropriate adjustment payable, if any, from the commencement of the renewal period and if the Processing Fees are less than those payable during the Term, the Contractor shall make the appropriate refund payment from the commencement of the renewal period.

25.0 Confidentiality and Privacy

25.1 All documents, information and data submitted to the RDN by the Contractor under this Agreement as well as any resultant studies, documents, information and data received by the RDN are under the control of the RDN and as such may be subject to the *Freedom of Information and Protection of Privacy Act*, R.S.B.C., 1996, c. 165. The Contractor will specify which, if any, documents, information or data supplied to the RDN is supplied in confidence.

25.2 The Contractor must not disclose, publish or reproduce in any form any information, data or other confidential information of the RDN to any person other than representatives of the RDN duly designated for the purpose in writing by the RDN and must not use for the Contractor's own purposes or for any purpose other than those of the RDN any information, data or other confidential information the Contractor may acquire as a result of being engaged pursuant to this Agreement. The RDN will specify which, if any, documents, information, or data supplied to the Contractor is supplied in confidence.

25.3 The Contractor must not, during the term of this Agreement perform a service or Work for any person, firm or corporation, which gives rise to a conflict of interest between the obligations of the Contractor under this Agreement and the obligations of the Contractor to such other person, firm or corporation.

26.0 RDN Representative's Status

26.1 The RDN's Representative during the Term of this Agreement and will administer this Agreement on behalf of the RDN.

26.2 If in the RDN Representative's reasonable opinion, the Contractor fails to perform any part of the Work in accordance with this Agreement, the RDN Representative shall give notice to the Contractor in writing to complete the Work in a timely manner and the Contractor will comply with such notice. If the Contractor acting reasonably, disagrees with the RDN Representative's notice, the matter shall be dealt with in accordance with the provisions of article 23.0

27.0 Changes in the Work

27.1 The RDN, without invalidating this Agreement, may need to make changes by altering, adding to, or deducting from the Work. No change shall be undertaken by the Contractor, without written order of the RDN Representative, except in an emergency endangering life or property, and no claims for additional compensation shall be valid unless the change was so ordered.

27.2 If such changes affect the amount payable under this Agreement, this amount will be negotiated by the parties. If the parties cannot agree on the value of changes within sixty (60) days of the Contractor receiving notice of the changes to the Work, resolution shall be dealt with in accordance with sections 22.3 to 22.4 of this Agreement.

28.0 Notices

28.1 Each notice sent pursuant to this Agreement ("Notice") shall be in writing and shall be sent to the relevant Party at the relevant address, facsimile number or e-mail address set out below. Each such Notice may be sent by registered mail, by commercial courier, by facsimile transmission, or by electronic mail.

28.2 The Contact Information for the parties is:

<p>The Contractor at:</p> <p>Attention: Director of Projects 3rd Floor, 1002 Wharf Street Victoria, BC V8V 1T4 Fax: (250) 383-0444 Email: dave.knox@iccgroup.ca</p>	<p>The RDN at:</p> <p>Attention: Manager of Solid Waste 6300 Hammond Bay Road Nanaimo, BC V9T 6N2 Fax: 250-390-4163 Email: clmciver@rdn.bc.ca</p>
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28.3 Each Notice sent by electronic mail ("E-Mail Notice") must show the e-mail address of the sender, the name or e-mail address of the recipient, and the date and time of transmission, must be fully accessible by the recipient, and unless receipt is acknowledged, must be followed within twenty-four (24) hours by a true copy of such Notice, including all addressing and transmission details, delivered (including by commercial courier) or sent by facsimile transmission.

28.4 Subject to sections 28.5 through 28.7 each Notice shall be deemed to have been given or made at the following times:

- (a) if delivered to the address (including by commercial courier), on the day the Notice is delivered;
- (b) if sent by registered mail, seven (7) days following the date of such mailing by sender;
- (c) if sent by facsimile transmission, on the date the Notice is sent by facsimile transmission; or
- (d) if sent by electronic mail, on the date the E-Mail Notice is sent electronically by e-mail by the sender.

28.5 If a Notice is delivered, sent by facsimile transmission or sent by electronic mail after 4:00 p.m., or if the date of deemed receipt of a Notice falls upon a day that is not a Business Day, then the Notice shall be deemed to have been given or made on the next Business Day following.

28.6 Notice given by facsimile transmission in accordance with the terms of this article 28.0 will only be deemed to be received by the recipient if the sender's facsimile machine generates written confirmation indicating that the facsimile transmission was sent.

28.7 If normal mail service, facsimile or electronic mail is interrupted by strike, slow down, force majeure or other cause beyond the control of the parties, then a Notice sent by the impaired means of communication will not be deemed to be received until actually received, and the party sending the Notice shall utilize any other such services which have not been so interrupted or shall personally deliver such Notice in order to ensure prompt receipt thereof.

28.8 Each Party shall provide Notice to the other Party of any change of address, facsimile number, or e-mail address of such Party within a reasonable time of such change.

29.0 Contractor Representative's Status

29.1 The Contractor Representative during the Term of this Agreement will be the primary contact for the RDN's Representative for the purpose of carrying out the Work under this Agreement.

30.0 Assignment or Subcontracting

30.1 The Contractor shall not assign or otherwise transfer its obligations under this Agreement without the prior written consent of the RDN, such consent not to be unreasonably withheld.

- 30.2 The Contractor shall not subcontract the operation of the Facility without the prior written consent of the RDN, such consent not to be unreasonably withheld.
- 30.3 If the Contractor assigns, sells or otherwise transfers the Lands or Facility or any part thereof or any rights or interest therein the Contractor, as a condition of such assignment, sale or transfer shall:
- (a) cause the assignee, purchaser or transferee to enter into an agreement with the RDN on substantially the same terms and conditions as those contained in this Agreement; and
 - (b) cause the assignee, purchaser or transferee to use the Lands for the same purposes for which the Contractor used them under this Agreement.

31.0 General

Compliance with Laws

- 31.1 The Contractor shall comply with all statutes, regulations and bylaws applicable to the Work and the Facility, including, without limitation the *Organic Matter Recycling Regulation*, the WSML Bylaw, any requirements of the Contractor's insurers and underwriters and all other applicable orders, codes and requirements related to or arising from the Work, the Facility and the Lands.

Waste Stream Management Licence Obligations

- 31.2 The Contractor shall at all times during the Term and any renewal period comply with the terms, conditions and standards of the Waste Stream Management Licence.

Permits and Regulations

- 31.3 The Contractor shall at its sole cost obtain and maintain all permits, approvals, certificates or licences required to perform the Work and that otherwise apply to the lands and the operation of the Facility and to meet all requirements under federal, provincial, and local laws, regulations and bylaws affecting the execution of the Work, save insofar as this Agreement specifically provides otherwise, and shall cause all its subcontractors to do the same.

Safety Requirements

- 31.4 The Contractor shall be solely and completely responsible for ensuring safety of all persons and property during the performance of the Work. This requirement shall apply during the Term and any renewal period and not be limited to normal working hours.
- 31.5 The Contractor shall be liable for any and all injury or damage which may occur to persons or to property due to any act, omission, neglect or default of the Contractor, or of his employees, workers or agents.

- 31.6 The Contractor is a Prime Contractor for the purposes of Part 3 of the *Worker's Compensation Act* (British Columbia). The Contractor shall comply and cause its subcontractors to comply with the provisions of the *Worker's Compensation Act* (British Columbia) and all related regulations and standards including obtaining workers compensation coverage in respect of all workers engaged in the Work, and without limiting section 31.1 all RDN's policies and procedures, codes and regulations applicable to the Work. Where any of these are in conflict, the more stringent shall be applicable.
- 31.7 At any time during the term of this Agreement, when requested by the RDN, the Contractor shall provide such evidence of compliance by himself and his subcontractors.
- 31.8 In an emergency affecting the safety of life, or of the Work, or of adjoining property, the Contractor shall act in a responsible manner to prevent loss or injury.
- 31.9 The Contractor shall satisfy the RDN Representative that a safety program has been developed in accordance with the Occupational Health and Safety Regulation, and Work Safe BC and shall incorporate all of the RDN's operating requirements and restrictions.
- 31.10 When required to do so by the RDN, the Contractor shall provide the RDN with evidence of compliance with this article.

Taxes and Charges

- 31.11 The Contractor shall pay all taxes, charges, levies, duties, licenses, permits and assessments of every nature due and payable with respect to this Agreement, the Lands and improvements thereon.

Conflicts

- 31.12 In the event of a conflict between this Agreement and the Waste Stream Management Licence, the Waste Stream Management Licence shall prevail with respect to the conflict.

Oral Agreements

- 31.13 No oral instruction, objection, claim, or notice by any party to the other shall affect or modify any of the terms or obligations contained in the Contract, and none of the provisions of the Contract shall be held to be waived or modified by reason of any act whatsoever, other than by a waiver or modification in writing and agreed to by the parties to the Contract.

Non Waiver

31.14 Any failure by the RDN or the RDN Representative at any time, or from time to time, to enforce or require the strict keeping and performance of any of the terms or conditions of the Contract will not constitute a waiver of such terms or conditions and will not affect or impair such terms or conditions in any way or the right of the RDN or the RDN Representative at any time to avail itself or himself of such remedies as it or he may have for any breach of such terms or conditions.

31.15 No provision in this Agreement, which imposes or may be deemed to impose extra or specific responsibilities or liabilities on the Contractor shall restrict the general or other responsibilities or liabilities of the Contractor in any way.

No Derogation from Statutory Powers

31.16 Nothing contained or implied herein shall prejudice or affect the rights and powers of the RDN in the exercise of its functions under any public or private statute, bylaw, order or regulation, all of which may be fully and effectively exercised in relation to this Agreement as if this Agreement had no been executed and this Agreement shall be subject to and consistent with the statutory restrictions imposed on the RDN under the *Local Government Act*, R.S.B.C., 1996, c. 323 and the *Community Charter*, S.B.C., 2003, c. 26.

No Duty of Care

31.17 The Contractor acknowledges that the RDN in the supply of oral or written information to the Contractor or the carrying out of the RDN's responsibilities under this Agreement, does not owe a duty of care to the Contractor and the Contractor waives for itself and its successors, and waives the rights to sue the RDN in tort for any loss, including economic loss, damage, cost or expense arising from or connected with any error, omission or misrepresentation occurring in the supply of oral or written information to the Contractor or the carrying out of the RDN's responsibilities under this Agreement.

Further Assurances

31.18 The parties hereto shall execute such further and other documents and do such further and other things as might be necessary to carry out and give effect to this Agreement.

Survival

31.19 All of the Contractor's obligations under this Agreement that are for the benefit of the RDN shall survive this Agreement.

Relationship of Parties

31.20 Nothing in this Agreement shall be interpreted as creating an agency, partnership or joint venture between the RDN and the Contractor.

Severance

31.21 If any portion of this Agreement is held invalid by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of this Agreement.

Entire Agreement

31.22 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of the Agreement and contains all of the representations, warranties, covenants and agreements of the respective parties and may not be amended or modified except by an instrument in writing executed by all parties. This Agreement supersedes all prior agreements, memoranda and negotiations between the parties.

Binding Effect

31.23 The Contract shall enure to the benefit of and be binding upon the parties and their successors, executors, administrators, and permitted assigns.

Extended Meanings

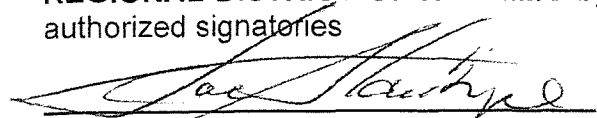
31.24 Words importing the singular number include the plural and vice versa, and words importing the masculine gender shall include the feminine and neuter genders.


Time

31.25 Time is of the essence in this Agreement

IN WITNESS WHEREOF the parties hereto have executed this agreement the day and year above first written.

REGIONAL DISTRICT OF NANAIMO by its)
authorized signatories)


Name: Joe Stanhope, Chairperson)


Name: Maureen Pearse, Sr. Mgr. Corporate Adm.)

INTERNATIONAL COMPOSTING CORPORATION by its authorized signatories

[Handwritten signature]

Name:

[Handwritten signature]

Name:

SCHEDULE "A"

Definitions

In this Agreement the following words have the following meanings:

"Beneficial Use" of processed Contract Organic Waste shall mean the marketing and sale thereof for purposes other than further waste for disposal at a landfill, including, without limitation, topsoil, organic fertilizer and biofuel.

"Commencement Date" means April 1, 2010.

"Commercial Contract Food Waste" means "Commercial Food Waste" as defined in the Regional District of Nanaimo Solid Waste Management Regulation Bylaw No. 1531, 2007 as amended from time to time, or its successor, delivered to the Church Road Transfer Station or other designated RDN transfer stations, that is capable of being processed at the Facility.

"Compost" means a product which is

- (a) a stabilized earthy matter having the properties and structure of humus,
- (b) beneficial to plant growth when used as a soil amendment,
- (c) produced by composting, and
- (d) only derived from organic matter.

"Composting" means the controlled biological oxidation and decomposition of organic matter in accordance with the time and temperature requirements specified in the *Organic Matter Recycling Regulation*.

"Contract Food Waste Effective Date" means October 1, 2010.

"Contract Organic Waste" means the Residential Contract Food Waste, Commercial Contract Food Waste, Yard and Garden Contract Waste and each of them.

"Contractor Representative" means the Director of Projects or his/her replacement, appointed from time to time who shall be the Contractor's representative during the term of this Agreement and includes and persons authorized by the Contractor Representative to act in his/her place.

"Facility" means the Contractor's organic waste composting facility located at 981 Maughan Road, Nanaimo, BC capable of accepting, storing and processing all RDN Organic Waste delivered under this Agreement.

"Fixed Processing Fees" means the minimum fixed fees payable monthly under section 5.1 of this Agreement.

"Force Majeure" means an event that is beyond the reasonable control and without the fault of a party and includes acts of God, changes to applicable laws, governmental restrictions or control on imports, exports or foreign exchange, wars (declared or undeclared), fires, floods, storms, freight embargoes and power failures but does not include any labour or employment disputes or disruptions of any kind.

"Lands" means those lands situate at 981 Maughan Road, Nanaimo, BC, legally described as:

Lot 23 Sections 2 and 3 Range 8 and Section 9 Nanaimo District Plan VIP63717

or such other land as agreed by the parties provided such land can be used for the purposes set out in this Agreement in accordance with the applicable RDN zoning bylaws and all necessary approvals and permits with respect to such lands are first obtained.

"Odour" means smells which are ill-smelling, unpleasant, disgusting, offensive, nauseous or obnoxious as reported to and/or considered as such by the RDN's Representative.

"*Organic Matter Recycling Regulation*" means the Organic Matter Recycling Regulation (B.C. Reg 18/2002).

"Processing" means all activities required to process and turn the RDN Organic Waste into compost or biofuel.

"Processing Fees" means those fees payable under article 5.2 of this Agreement.

"RDN Commercial Food Waste" means all industrial, commercial and institutional food waste generated in the Regional District of Nanaimo as estimated, for reference only, in Schedule B.

"RDN Organic Waste" means the RDN Commercial Food Waste, the RDN Residential Food Waste and the RDN Yard and Garden Contract Waste as estimated, for reference only, in Schedule B.

"RDN Representative" means the Manager of Solid Waste, or its equivalent appointed from time to time who shall be the RDN's representative during the term of this Agreement, and includes any persons authorized by the RDN Representative to act in his/her place.

"RDN Residential Food Waste" means all residential organic food waste generated in the Regional District of Nanaimo as estimated, for reference only, in Schedule B.

"RDN Yard and Garden Waste" means all "Garden Waste" as defined by the Regional District of Nanaimo Solid Waste Management Regulation Bylaw No. 1531, 2007 as amended from time to time, generated in the Regional District of Nanaimo as estimated, for reference only, in Schedule B.

"Residential Contract Food Waste" means that residential food waste collected in the Regional District of Nanaimo by or on behalf of the RDN under the RDN's Residential Contract Food Waste Collection Program including such waste delivered by or on behalf of the City of Nanaimo to the RDN Landfill or other designated location.

"Residential Contract Food Waste Tonnage" means the total annual tonnes of Residential Contract Food Waste estimated by the RDN as at February, 2010 and set out in Schedule B.

"Residual Process Waste" means post-processing overs including plastics and other materials extracted by the Contractor which cannot in their form be used for Beneficial Use.

"Service Area" means the service areas created under the Regional District of Nanaimo's Solid Waste Management Local Service Amendment Bylaw No. 792.01, 2004 as amended and the Recycling and Compulsory Collection Local Service Establishment Bylaw No. 793, 1989 as amended.

"Security" means that security required under article 14.0 of this Agreement.

"Term" means the term of this Agreement as defined in section 4.1.

"Unacceptable Waste" means that unacceptable waste listed in Schedule E and contained in Contract Organic Waste delivered to the Facility under this Agreement.

"Waste Stream Management Licence" means the license, as amended from time to time, issued to the Contractor for the Facility under the RDN Waste Stream Management Licensing Bylaw No. 1386 and includes the WSML Operations Plan.

"WSML Bylaw" means the Regional District of Nanaimo Waste Stream Management Licensing Bylaw No. 1386, 2004 as amended from time to time.

"WSML Operations Plan" means the Operations Plan prepared by the Contractor in connection with the Facility pursuant to the WSML Bylaw, and including any amendments thereto.

"Work" or "Works" shall, unless the context otherwise requires, mean the whole of the work, equipment, labour, matters and things required to be done, finished, and performed by the Contractor under this Agreement to accept, store and process the RDN Organic Waste and make Beneficial Use of the same, delivered to the Facility by or on behalf the RDN.

"Yard and Garden Contract Waste" means "Garden Waste" as defined by the Regional District of Nanaimo Solid Waste Management Regulation Bylaw No. 1531, 2007 as amended from time to time, or its successor, delivered to the RDN Landfill or the Church Road Transfer Station or other site designated by the RDN.

"Yard and Garden Contract Waste Tonnage" means the total annual tonnes of Yard and Garden Contract Waste estimated by the RDN as at February, 2010 and set out in Schedule B.

SCHEDULE "B"

RDN Organic Waste Tonnage Estimates

Table 1: Annual RDN Organic Waste Tonnage Estimates

Feedstock	2009 Actual Tonnage	2010 Tonnage Estimate	2011 Tonnage Estimate
RDN Residential Food Waste			
North			
City of Parksville		152	609
Town of Qualicum Beach		122	488
Electoral Areas - Urban		243	970
Electoral Areas - Rural		39	157
Sub-Total		556	2,225
South			
City of Nanaimo		773	3094
District Municipality of Lantzville		44	175
Electoral Areas - Urban		67	269
Electoral Areas - Rural		57	229
Sub-Total		942	3767
<i>Total RDN Residential Food Waste</i>	232	1,498	5,992
RDN Commercial Food Waste			
North			1,900
South	3,017	3,500	4,500
<i>Total RDN Commercial Food Waste</i>	3,017	3,500	6,400
RDN Yard & Garden Waste			
North	2,988	2,988	2,988
South	5,829	5,829	5,829
<i>Total Yard & Garden Feedstock</i>	8,817	8,817	8,817
Total RDN Organic Waste	12,066	13,815	21,209

Legend

RDN Residential Food Waste:	2010 estimate derived from 2011 estimate for 3 months service (October 2010 Contract Food Waste Effective Date) 2011 estimate derived from food waste pilot project 18 month results
RDN Commercial Food Waste:	2010 estimate based on 2006 actual with full promotion program 2011 estimate based 2004 waste composition study with 50% recovery 2011 estimate for North (CRTS) based on 30% of total
RDN Yard & Garden Waste:	2010/11 estimates based on 2009 actual tonnage with no growth

Table 2: Annual Contract Processing Fee Estimates

Feedstock	Tonnage Estimate	Estimated Annual Fee	Estimated Monthly Fee	Fixed Annual Fee	Fixed Monthly Fee
Residential Contract Food Waste					
City of Parksville	609	\$53,594			
Town of Qualicum Beach	488	\$42,987			
Electoral Areas - Urban	970	\$85,393			
Electoral Areas - Rural	157	\$13,822			
Sub-Total	2,225	\$195,796			
South					
City of Nanaimo	3,094	\$272,230			
District Municipality of Lantzville	175	\$15,439			
Electoral Areas - Urban	269	\$23,703			
Electoral Areas - Rural	229	\$20,114			
Sub-Total	3,767	\$331,486			
<i>Total Residential Contract Food Waste</i>	5,992	\$527,283	\$43,940	\$369,107	\$30,758
Commercial Contract Food Waste					
North	1,900	\$167,200			
South					
<i>Total Commercial Contract Food Waste</i>	1,900	\$167,200	\$13,933		
Yard & Garden Contract Waste					
North	2,988	\$125,496			
South	5,829	\$244,818			
<i>Total Yard & Garden Contract Waste</i>	8,817	\$370,314	\$30,860	\$185,157	\$15,430
Total Contract Organic Waste	16,709	\$1,064,797	\$88,733	\$554,264	\$46,189

Legend

Estimated Annual Fee:	Residential Contract Food Waste \$88.00 per tonne Commercial Contract Food Waste \$88.00 per tonne Yard & Garden Contract Waste \$42.00 per tonne
Estimated Monthly Fee	Estimated Annual Fee divided by 12
Fixed Annual Fee	A (Total Residential Contract Waste 5,992 x 70%=4,194.4) x B (\$88) C (Yard & Garden Contract Waste 8,817 x 50% = 4,408.5) x D (\$42)
Fixed Monthly Fee	Fixed Annual Fee divided by 12

SCHEDULE "C"**Operating Specifications**

The Contractor agrees to comply with the following in the performance of the Works:

1.0 Operating Hours

1.1 The Facility shall be open for deliveries and processing during the following days and times as set out in the Waste Stream Management Licence:

(a) Monday to Friday 8:00 a.m. to 4:30 p.m., excluding statutory holidays;

(b) Saturdays and Sundays 9:00 a.m. to 4:00 p.m.,

unless amended under the Waste Stream Management Licence.

1.2 When necessary, the RDN or its contractors may deliver outside the hours and days in section 1.1 with the prior written consent of the Contractor, such consent not to be unreasonably withheld.

2.0 Operator and Employees

2.1 The Contractor shall ensure that the Facility is attended by at least one qualified operator during opening hours.

2.2 The Contractor shall only use employees that are sufficiently trained to carry out the Work or any part thereof, in accordance with the Waste Stream Management Licence.

3.0 Processing and Storage

3.1 The Contractor shall process all of the RDN Organic Waste and all other waste delivered to the Facility under this Agreement within the timelines established under the Waste Stream Management License and in accordance with all applicable laws.

3.2 The Contractor shall make all commercially reasonable efforts to make Beneficial Use of all of the RDN Organic Waste processed at the Facility. All compost processed on the Lands for Beneficial Use shall meet the *Organic Matter Recycling Regulation* Class A compost criteria for unrestricted use, Residual Process Waste excepted.

3.3 Subject to sections 8.2 and 8.3 of this Agreement and the Waste Stream Management Licence, the Contractor shall not deposit any of the RDN Organic Waste or compost in any disposal site or landfill site without the prior written consent of the RDN, such consent not to be unreasonably withheld.

- 3.4 The Contractor shall ensure that all unprocessed waste except RDN Yard and Garden Waste shall be received and stored at all times, in an enclosed building with doors that are normally in a closed position, in accordance with the Waste Stream Management Licence and Schedule "C" to this Agreement.
- 3.5 Without limiting the generality of section 3.4 above, the building(s) used for storage and processing organic waste on the Lands shall be appropriately and adequately ventilated using a biofilter with sufficient capacity to reduce Odours in accordance with this Agreement.
- 3.6 The Contractor shall ensure that any active composting that takes place on the Lands, with or without aeration, shall be done in an enclosed environment with proper Odour management in accordance with the Waste Stream Management Licence and this Agreement, so that Odours do not escape untreated into the ambient environment.
- 3.7 The Contractor agrees that compost, including any Unacceptable Waste, on the Lands shall not be openly cured in static piles or windrows and that open curing may take place on other lands provided:
- (a) there is an adequate buffer between the curing compost and the nearest receptors to minimize the impact of Odours;
 - (b) any such open curing is done on an appropriately constructed pad and is otherwise compliant with storm water and leachate management requirements under the *Organic Matter Recycling Regulation*.

4.0 Stockpiling

- 4.1 The Contractor shall not stockpile on the Lands any of the RDN Organic Waste or any other waste delivered to the Facility, except as permitted under the Waste Stream Management Licence and other applicable laws.
- 4.2 In no event will any of the unprocessed RDN Organic Waste or any other waste be delivered to the Facility be stored on site for more than seven (7) days or as otherwise restricted or permitted under the WSML Licence or other applicable laws.

5.0 Construction and Maintenance of Roads

- 5.1 The Contractor shall pave and maintain at its sole cost all roads on the Lands in good condition for the purposes of this Agreement.

6.0 Repairs and Maintenance

- 6.1 The Contractor shall at its sole cost, maintain and keep the Lands and the Facility and all other improvements and equipment therein and thereon in good repair and condition.

7.0 Traffic Management

7.1 The Contractor shall be solely liable and responsible for the safe and efficient movement of all permitted waste delivery vehicles through the Lands provided that vehicle sizes and delivery frequency as agreed, are adhered to.

8.0 Spills

8.1 The Contractor shall at its sole cost control and clean up all leachate and spills on the Lands in accordance with the Waste Stream Management Licence and all applicable environmental laws.

SCHEDULE "D"**Facility Upgrades**

This Agreement is conditional on the following requirements being fulfilled at the Facility. These requirements must be fulfilled to the satisfaction of the RDN or its Representative by the Contract Food Waste Effective Date and do not relieve the Contractor of any responsibility to provide a functional facility that meets all of the contractual, financial, environmental, safety, regulatory, licensing and permitting requirements under this Agreement.

1. Waste acceptance. The underlying principle is that no food based waste may be processed or stored outdoors. The waste receiving area must be fully enclosed. Trucks must have the ability to drive into the facility and unload the food based waste in an air controlled environment. The waste receiving area must be kept closed except when vehicles are entering or exiting. If building doors remain open during unloading of the vehicles, then air control must be adequately sized and configured to contain odours within the building at all times. Building air must be treated to control odours before it released to the environment in such a way that odours are not detectable at the property boundaries. Rejected waste may be stored outdoors, provided it is stored in enclosed containers with lids that prevent the escape of odours. Yard and garden materials that are used as amendment, provided they are not odourous, may be stored on appropriate pads outdoors.

2. The objective of odour management is to achieve zero odour complaints from neighbouring properties or users of the adjacent highway. Therefore, the Contractor must ensure that all potentially odour causing materials are handled, treated and processed in a controlled environment. Odourous air must be contained and cleaned using biofilters or equal to reduce odours to non-detectable levels at the property line.

3. Compost that has completed active composting (active mixing and/or aeration) and is still curing (in a static pile) must, as long as it emits odours, be treated in an odour controlled environment. Alternatively, it may be hauled to a separate site with adequate buffers for open air curing, provided that the buffers are adequate to disperse odours before they reach the property line. Fully mature compost that no longer emits odours may be stored outdoors on the site.

4. The Contractor shall coordinate vehicle delivery schedules with the RDN, the City of Nanaimo and with private haulers to minimize the amount of waiting time at the facility. Roadways on the site shall be optimized to accommodate the maximum number of waiting vehicles under normal operating conditions. The objective is to avoid queues that spill onto public roadways.

5. The Contractor agrees to carry out the work required in this Schedule D to the reasonable satisfaction of the RDN.

SCHEDULE "E"**Unacceptable Waste****Not Acceptable**

Plastic bags & wrap, Styrofoam
Biodegradable bags (all bags must be compostable)
Degradable bags (all bags must be compostable)
Plastic bottles/food containers
Plastic utensils/plates
Plastic straws
Coffee creamers
Foil wrap, pouches and pie plates
Bread bag clips
Candy wrappers
Meat wrappers
Metal cans or glass jars
Tin foil, twist ties/nails
Paper clips/wire
Metal food trays/cutlery
Metal/cloth hangers
Rebar
Cereal and cracker box liners
Chip and cookie bags
Pet food bags and other lined bags
Make-up remover pads, cotton swabs and balls
Butter wrappers (foil)
Dental floss, rubber bands
Soiled diapers, baby wipes
Dryer sheets and lint
Cigarettes and butts
Vacuum contents and bags
Pet feces or litter
Hair/wool

SCHEDULE "B"

ASSIGNMENT AND CONSENT AGREEMENT

THIS AGREEMENT made this _____ day of _____, 2014

BETWEEN:

REGIONAL DISTRICT OF NANAIMO

6300 Hammond Bay Road,
Nanaimo, BC V9T 6N2

(the "Regional District")

OF THE FIRST PART

AND:

INTERNATIONAL COMPOSTING CORPORATION

(Inc. No. BC0649534)

3rd Floor, 1002 Wharf Street
Victoria, BC V8V 1T4

(the "Assignor")

OF THE SECOND PART

AND:

NANAIMO ORGANIC WASTE LTD.

30 Front Street
P.O. Box 190
Nanaimo, BC V9R 5K9

(the "Assignee")

OF THE THIRD PART

WHEREAS:

- A. The Regional District entered into an Organic Waste Processing Agreement with the Assignor, as a contractor, executed on or about the 1st day of April 2010, for the processing of organic materials, a copy of which is attached hereto as Schedule 'A' and the Regional District and the Assignor executed a Term Sheet on December 9, 2013, a copy which is attached hereto as Schedule 'B', to extend and modify the terms of the Organic Waste Processing Agreement (collectively, the "**Contract**");

- B. The Assignee wishes obtain and the Assignor has agreed to grant an assignment of all of the Assignor's right, title and interest in and to the Contract;
- C. The Contract may not be assigned without the written consent of the Regional District;
- D. The Assignor wishes to assign all of its rights, title and interest in and to the Contract to the Assignee, the Assignee wishes to take the assignment of the Contract from the Assignor, and the Regional District has consented to the assignment of the Contract subject to the terms and conditions set out in this assignment agreement (the "Assignment Agreement")

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, the covenants hereinafter contained and for other valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto covenant and agree each with the other as follows:

1.0 ASSIGNMENT

- 1.1 The Assignor does hereby assign to the Assignee all its right, title and interest in and to the Contract, effective as of _____, 2014 (the "Effective Date").
- 1.2 The Regional District hereby consents to the assignment of the Contract by the Assignor to the Assignee, subject to the terms and conditions of this Assignment Agreement.

2.0 ASSIGNOR'S COVENANTS

- 2.1 The Assignor hereby covenants and agrees with the Assignee and the District that:
 - 2.1.1 all obligations, agreements, covenants, indemnities and waivers contained in the Contract on the part of the Assignor have been duly observed and performed by the Assignor up to the Effective Date, and the Assignor will be liable to the Assignee and the Regional District, as the case may be, only in connection with the Assignor's performance of or failure to perform the work under the Contract prior to the Effective Date;
 - 2.1.2 the Assignor now has the full right, power and absolute authority to assign the Contract in the manner contemplated herein;
 - 2.1.3 the Assignor is currently a party to the Contract and is bound thereby notwithstanding anything to the contrary therein;
 - 2.1.4 as of the Effective Date, the Assignor has not granted any charge or interest in the Contract to a third party;

3.0 ASSIGNEE'S COVENANTS

- 3.1 The Assignee hereby accepts the foregoing assignment and covenants and agrees with

the Assignor that the Assignee shall from and after the Effective Date perform and observe the obligations, agreements, covenants, indemnities, representations, and waivers contained in the Contract, as extended, on the part of the Assignor to be performed and observed, and shall indemnify and save harmless the Assignor from and against all actions, suits, costs, losses, charges, damages and expenses for or in respect thereof.

- 3.2 The Assignee hereby covenants and agrees with the Regional District that it will at all times from and after the Effective Date observe and perform the terms, covenants, conditions, indemnities, representations, and waivers contained in the Contract, as extended, on the part of the Assignor to be observed and performed as and when the same are required to be observed and performed as provided by the Contract.
- 3.3 From and after the Effective Date, the Assignee covenants and agrees that it will perform all of the obligations of the Assignor as "Contractor" under the Contract for all intents and purposes as if the Assignee had executed the Contract as "Contractor" and shall perform the Contract in the same manner and with the same skill and competency as other contractors carrying out similar services in the area.

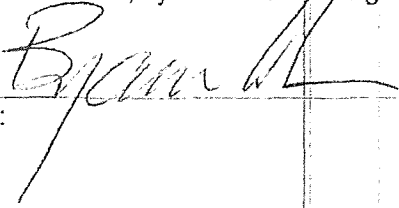
4.0 ASSIGNEE'S REPRESENTATIONS AND WARRANTIES

- 4.1 As of the Effective Date the Assignee hereby gives to the Regional District representations and warranties identical to those set out in section 16 of the Contract as if the Assignee were the "Contractor" named in the Contract, with the intent that the Regional District shall rely upon such representations in entering into and concluding this Assignment Agreement.
- 4.2 As of the Effective Date, the Assignee has obtained and will maintain comprehensive general insurance in accordance with all of the requirements in section 21.0 of the Contract.
- 4.3 As of the Effective Date the Assignee is in compliance with all laws, regulations bylaws and licence requirements in accordance with the terms of the Contract.

5.0 REGIONAL DISTRICT'S CONSENT

- 5.1 The Regional District consents to the assignment of the Contract from the Assignor to the Assignee in accordance with this Agreement as of and from the Effective Date upon and subject to the following terms and conditions, that:
- 5.1.1 this consent does not constitute a waiver of the necessity for consent to any further assignment of the Contract, which consent must first be obtained by the Regional District in writing;
- 5.1.2 by giving its consent pursuant to this Agreement, the Regional District does not acknowledge or approve of any of the terms of this assignment as between the Assignor and the Assignee.

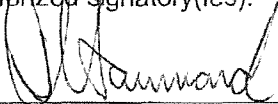
INTERNATIONAL COMPOSTING CORPORATION, by its authorized signatory(ies):



Name:

Name:

NANAIMO ORGANIC WASTE LTD., by its authorized signatory(ies):



Name:

Name:

REGIONAL DISTRICT OF NANAIMO

December 9, 2013

Term Sheet

to Amend the Organic Waste Processing Contract between the Regional District of Nanaimo and International Composting Corporation

By Agreement dated on or about the 1st day of April, 2010 the Regional District of Nanaimo (the "RDN") contracted with International Composting Corporation ("ICC") for ICC to provide to RDN the service of organic waste processing collected within the RDN (the "**Service Contract**");

The term of the contract was for 5 years, from April 1, 2010 to March 31, 2015, and contained a right of renewal for a further term of 5 years from April 1, 2015 to March 31, 2020 (the "**Renewal Term**");

The RDN has raised concerns with ICC regarding certain matters of performance under the Service Contract, and ICC has agreed to address those matters in a manner satisfactory to the RDN and, provided such matters are addressed to the satisfaction of the RDN, the RDN has agreed to enter into an amended Service Contract for the Renewal Term;

Accordingly the following terms and conditions shall form the basis for an agreement to be negotiated by the Parties to amend the Service Contract:

1. Processing Fee, Renewal and Conditions

- 1.1 Upon fulfillment by ICC of all of the conditions set out in section 2 to the satisfaction of the RDN, acting reasonably, the Processing Fee payable under section 5.2 of the Service Contract shall be increased to \$122.00/tonne for food waste and \$45/tonne for yard waste and shall thereafter be increased by two percent (2%) per year, including during the Renewal Term.
- 1.2 Despite section 24.1 of the Service Agreement, the parties agree that the Service Contract shall be renewed for a further 5-year term commencing April 1, 2015 and expiring March 31, 2020, to include the terms and conditions contained herein.

2. Contractor Physical Improvements

As a condition of the increase in the Processing Fee payable during the Renewal Term, ICC shall complete at its cost prior to the commencement of the Renewal Term the following:

- 2.1 installation of membrane covers (GORE or equivalent) to be placed on aerated outdoor static piles
- 2.2 immediate change for biofilter;
- 2.3 The building air management system and the air channels and ducting for the aeration of indoor piles will be reviewed and if necessary an upgrading plan completed and submitted to the RDN for approval;
- 2.4 design and installation of French drains, sediment traps, oil/water separators and storage tanks;
- 2.5 design, construction and completion of building for compost storage;
- 2.6 purchase of sweeper for cleaning compost residue on floor surfaces;
- 2.7 upgrade from low pressure to high pressure misting at doors;
- 2.10 install tall misting towers for misting during screening;
- 2.11 expand misting between ICC and Orca Site boundaries;
- 2.12 minimize final product storage; and all as recommended in the report by Morrison Hershfield dated September 25, 2013 attached as Schedule A to this Term Sheet (the "**Engineering Report**").

3. Contractor Operational Changes

During the remainder of the contract term and the Renewal Term, ICC shall meet the following operational requirements:

- 3.1 regular media change for biofilter on a schedule recommended in the Engineering Report; and
- 3.2 no more than one overs pile that must be covered.

4. Overs

Overs in excess of one pile will be removed by RDN at its cost to the Landfill at a maximum rate of 140 cubic yards per month.

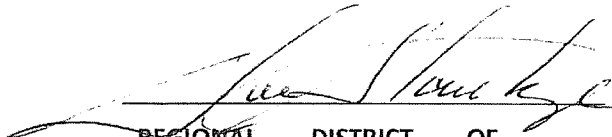
5. Net Revenue Sharing

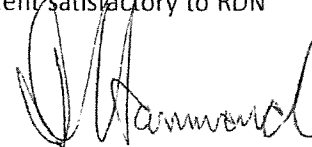
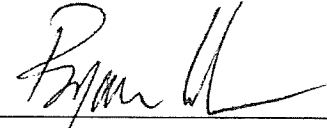
The Service Contract shall be amended to provide that any net revenue resulting from the sale of the compost shall be shared equally between the RDN and ICC parties.

NOTE:

The foregoing terms and conditions are an outline only of the changes to an amendment to the Service Contract to be prepared and finalized by the parties and are not necessarily exhaustive. They are subject to approval of the Board

of the RDN, and to negotiation of an amending agreement satisfactory to RDN and ICC and their respective legal counsel.


REGIONAL DISTRICT OF
NANAIMO



_____ ICC

Nanaimo Organic Waste Ltd **NOW**

981 Maughan Road, Nanaimo, B.C. V9X 1J2
 Phone: 250-722-4614
 Fax: 250-722-4615

August 27, 2014

Larry Gardner
 Manager of Solid Waste
 Regional District of Nanaimo
 6300 Hammond Bay Road
 Nanaimo, BC
 V9T 6N2

Dear Larry,

Re: Processing Fee Increase - Nanaimo Organic Waste Ltd.

In December 2013 the Regional District of Nanaimo (RDN), International Composting Corporation (ICC) and Nanaimo Organic Waste Ltd. (NOW) approved a Term Sheet to amend the Organic Waste Processing Contract (the Service Contract) between the RDN and ICC. Since that time NOW has purchased the Nanaimo assets of ICC and has substantially completed the physical improvements to the facility required under the Term Sheet. Consequently, in accordance with the Term Sheet, we respectfully request that the RDN increase the processing fee payable under the Service Contract as well as renew the Service Contract for a further five year term.

Background

ICC completed the construction of their composting facility at Duke Point in Nanaimo in 2005. In 2006 the RDN issued a Waste Stream Management License (WSML) to ICC that regulates facility operations. In April 2010 the RDN entered into a contract with ICC to process residential food waste collected at curbside as well as yard waste collected at RDN drop-off facilities. Both the WSML and the Service Contract require the facility to have an odour management system that does not allow unacceptable odours beyond property boundaries. In 2013 this performance requirement was not satisfied. In response to numerous odour complaints, the RDN completed an odour study that identified a number of physical improvements to reduce odours at the facility.

As you know the current Directors of NOW were investors in ICC as well as owners of the property on which the facility is located. Consequently, we were always keenly aware of the need to manage odours and were extremely concerned when ICC did not complete the odour improvements required under the Service Contract. Despite constant assurances from ICC management that funds would be made available to complete these works, by late 2013 we were forced to purchase the Nanaimo facility to avoid bankruptcy of ICC and subsequent disruption to RDN organics diversion programs.

Term Sheet

When we addressed the Board on November 26, 2013 regarding our intentions to purchase ICC, we also advised that subsequent to NOW's completion of the necessary odour control works, we would require an increase to the processing fee as well as a 5 year renewal of the Service Contract. The Board agreed to this request and on December 9, 2013 a Term Sheet to amend the Service Contract between the RDN and ICC was executed by the parties.

Under the Term Sheet, the RDN agrees to increase the processing fee payable under the Service Contract to \$122 per tonne for food waste and \$45 per tonne for yard waste once NOW completes the physical improvements to the facility required to meet the odour management performance standards of the Service Contract and WSML. The Term Sheet further specifies that the new processing fee will be

continue the operation of the misting system adjacent to the Duke Point Highway and defer the installation of any additional misting systems until such time as need and efficacy can be confirmed.

8. Screening Misting System– Under Review

As discussed above, we are not convinced that installation of a tower misting system will have a significant effect on odour control at the site. Nevertheless, water supply and power are in place to facilitate misting when appropriate and once the equipment configuration of our new screening contractor has been established.

9. Site Boundary Misting System - Under Review

See discussion in Section 7 above.

10. Product Storage - Complete

As per the Term Sheet, we have minimized final product storage by shipping the material off site as soon as possible as well as covering the 6 outdoor aerated storage bays with 3 sprung buildings.

To date we have invested approximately \$850,000 in Nanaimo Organic Waste Ltd. This includes paying debts of ICC (wages, Revenue Canada payroll and GST remittances, many trade payables), equipment purchases and repairs, deferred maintenance, acquisition costs, and physical improvements to meet the requirements of the odour management plan. We anticipate spending another \$200,000 by the end of September to complete these odour control upgrades.

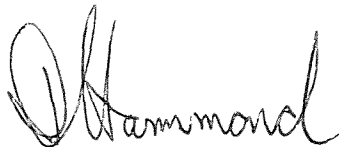
Processing Fee and Renewal

Based on the physical improvements discussed above, the Directors of NOW believe that we have met the intent of the WSML, the Service Contract and the Term Sheet by installing an odour management system that does not allow unacceptable odours beyond property boundaries. Consequently we respectfully request that the RDN increase the processing fee payable under the Service Contract to \$122 per tonne for food waste and \$45 per tonne for yard waste effective October 1, 2014. We also request that the RDN prepare an amendment to the Service Contract renewing the agreement for further 5 year term commencing April 1, 2015 and expiring March 31, 2020

We look forward to working with you to finalize the fee increase and amending agreement discussed above. Now that improvements to the odour management system are complete, we also plan to work with your staff to prepare an application to amend our existing WSML license including an updated Site Operating Plan.

Please contact me if you have any questions or concerns and thank you for your patience and support.

Yours truly,



Dave Hammond, Director
Nanaimo Organic Waste Ltd.

Nanaimo Organic Waste Ltd.

November 12, 2014

Larry Gardner
Manager of Solid Waste
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, BC
V9T 6N2

Dear Larry,

Re: Organics Processing Agreement – Fee Increase and Renewal

In December 2013 the Regional District of Nanaimo (RDN), International Composting Corporation (ICC) and Nanaimo Organic Waste Ltd. (NOW) approved a Term Sheet to amend the Organic Waste Processing Contract (the Service Contract) between the RDN and ICC. In our letter dated August 27, 2014, we advised you that NOW had purchased the Nanaimo assets of ICC and that we expected to have substantially completed the physical improvements to the facility required under the Term Sheet as of September 30, 2014. Accordingly, we requested that the RDN increase the processing fee payable under the Service Contract effective October 1, 2014 as well as renew the Service Contract for a further five year term.

Due to circumstances beyond our control, we were not able to complete the construction of the third compost storage building and associated leachate trenches and catch basins by September 30th as expected. However we are pleased to advise you that this work was complete as of October 31, 2014.

We have also completed a contract to provide asphalt berms at the base all three compost storage buildings. This is a measure taken by NOW beyond the scope of the physical improvements identified in the Term Sheet. It is designed to help prevent ground level rain water from migrating into the compost storage buildings, and to assist directional flow of leachate to the collection catch basins.

With respect to product storage, we are currently finalizing a contract with Rogers Trucking and Landscaping for the screening and final removal of finished compost from our site. Under this contract finished compost will be screened and shipped off the site on a regular basis to minimize the amount of material stored on-site and any associated odours.

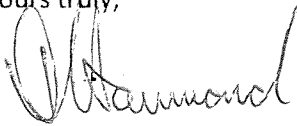
To date we have invested approximately \$1.45 million in Nanaimo Organic Waste Ltd. This includes paying debts of ICC (wages, Revenue Canada payroll and GST remittances, many trade payables), equipment purchases and repairs, deferred maintenance, acquisition costs, as well as roughly \$420,000 in physical improvements to meet the requirements of the odour management plan.

At this time, the Directors of NOW believe that we have met the intent of our Waste Stream Management License, the Service Contract and the Term Sheet by installing an odour management system that does not allow unacceptable odours beyond property boundaries. Consequently we respectfully request that the RDN increase the processing fee payable under the Service Contract to \$122 per tonne for food waste and \$45 per tonne for yard waste effective November 1, 2014. We also request that the RDN prepare an amendment to the Service Contract renewing the agreement for further 5 year term commencing April 1, 2015 and expiring March 31, 2020.

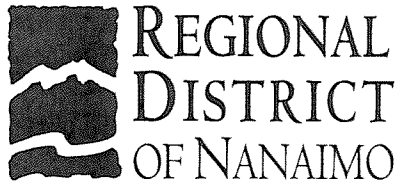
We look forward to working with you to finalize the fee increase and amending agreement discussed above. Now that improvements to the odour management system are complete, we also plan to work with your staff to prepare an application to amend our existing WSML license including an updated Site Operating Plan.

Please contact me if you have any questions or concerns and thank you for your patience and support.

Yours truly,

A handwritten signature in black ink, appearing to read "D. Hammond". The signature is written in a cursive style with a large initial "D".

Dave Hammond, Director
Nanaimo Organic Waste Ltd.



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

MEMORANDUM

TO: Sean De Pol
 Manager, Wastewater Services

DATE: 13 November 2014

FROM: Shelley Norum
 Wastewater Coordinator

FILE: 5345-20

SUBJECT: Liquid Waste Management Plan Amendment Approval

PURPOSE

To present for information the letter dated October 30, 2014 in which the Minister of Environment approves the Regional District of Nanaimo’s January 2014 Liquid Waste Management Plan Amendment and to receive Board approval for the Liquid Waste Monitoring Committee Terms of Reference.

BACKGROUND

RDN Liquid Waste Management Plan Amendment

The Regional District of Nanaimo (RDN) owns and operates four wastewater treatment facilities:

1. Greater Nanaimo Pollution Control Centre (GNPCC) → chemically-enhanced **primary treatment**
2. Nanoose Bay Pollution Control Centre (NBPCC) → chemically-enhanced **primary treatment**
3. French Creek Pollution Control Centre (FCPCC) → **secondary treatment**
4. Duke Point Pollution Control Centre (DPPCC) → **secondary treatment.**

The treatment facilities are regulated by the provincial *Environmental Management Act* Municipal Wastewater Regulation and the federal *Fisheries Act* Wastewater Systems Effluent Regulations. These regulations set minimum effluent quality standards that can be achieved through secondary wastewater treatment or better. For that reason, GNPCC and NBPCC must be upgraded to provide secondary wastewater treatment.

Because it can take time to upgrade to secondary treatment, local governments may develop a Liquid Waste Management Plan (LWMP). An LWMP approved by the Minister of Environment lets local governments meet provincial regulatory requirements over a reasonable timeframe. It also helps define how local governments recover resources from waste, reduce pollution, and manage rainwater.

The RDN completed its original LWMP in 1997 and that plan was approved by the Minister of Environment, Lands and Parks in 1999. An LWMP must be updated periodically. In January 2014, the RDN Board approved the LWMP Amendment, complete with public consultation and First Nations engagement reports. The Board-approved LWMP was then submitted to the Minister of Environment for approval.

The LWMP Amendment included commitments on ten programs outlined in Table 1.

Table 1. Programs Covered by the LWMP Amendment

Program	Purpose
Public Wastewater Systems	Increases access to sewer services and reduces risks to human health and the environment
Private Onsite Systems	Protects human health and the environment from failing onsite systems through education and awareness
Source Control	Reduces wastewater contaminants at the source
Odour Control	Reduces nuisance odours from RDN wastewater infrastructure
Rainwater Management / Drinking Water & Watershed Protection	Protects our water resources through an integrated rainwater-watershed management approach
Volume Reduction	Reduces wastewater by promoting water conservation
Inflow & Infiltration	Meets provincial standards and reduces the volume of surface and groundwater entering sewer systems. Reduces wastewater infrastructure loading and costs
Pollution Control Centres	Meets provincial and federal wastewater treatment standards and protects human health and the environment. Includes commitments to provide secondary wastewater treatment at GNPCC by 2018 and NBPCC by 2023
Resource Recovery	Promotes cost effective recovery and utilization of resources in wastewater
Biosolids	Beneficially utilizes biosolids produced during wastewater treatment

Minister of Environment Approval of the LWMP Amendment

In a letter dated October 30, 2014, Environment Minister Mary Polak approved the RDN’s January 2014 LWMP Amendment. The letter is attached as Schedule A for Board information. An approved LWMP is a legal document giving the RDN the authority and responsibility to implement the plan.

Liquid Waste Monitoring Committee Terms of Reference

The LWMP Amendment was prepared under the guidance of the Regional Liquid Waste Advisory Committee (RLWAC). With an approved LWMP Amendment, the RLWAC has fulfilled its purpose and can be dissolved. In its place, the RDN needs to initiate a monitoring committee to oversee and evaluate implementation of the LWMP Amendment. A plan monitoring committee is a legal requirement of an approved LWMP. During a January 2014 meeting, the RLWAC approved a draft Terms of Reference for a LWMP Monitoring Committee. The LWMP Monitoring Committee Terms of Reference is attached as Schedule B.

ALTERNATIVES

1. Receive for information the letter dated October 30, 2014 in which the Minister of Environment approves the RDN’s January 2014 Liquid Waste Management Plan Amendment and approve the Liquid Waste Monitoring Committee Terms of Reference.
2. Receive for information the letter dated October 30, 2014 in which the Minister of Environment approves the RDN’s January 2014 Liquid Waste Management Plan Amendment and provide staff with direction to update the Liquid Waste Monitoring Committee Terms of Reference. A monitoring committee is a legal requirement of the LWMP.

FINANCIAL IMPLICATIONS

Liquid Waste Management Planning Service Establishment Bylaw (No. 1543) establishes a long range budget for the planning and implementation of the LWMP Amendment’s non-capital initiatives such as formation of the LWMP Monitoring Committee.

Capital projects in the LWMP Amendment are funded through a combination of capital charges and DCCs (for expansion), property taxes, tax reserves, long term debt, and/or grant funding. Under the *Environmental Management Act*, an approved LWMP Amendment demonstrates that the RDN adequately consulted the public during the amendment process. Therefore, the RDN may borrow money according to the plan without further approval or referendum. There is no mechanism for a public appeal of an LWMP once approved by the Minister of Environment.

The required tax increases to fund secondary treatment upgrades at GNPCC by 2018 and NBPCC by 2023 are included in Table 2.

Since the RDN funds services, based on a user pay principle, by establishing service area bylaws, the cost of upgrading and operating the capital projects, such as secondary upgrades, must be born entirely by development and the residents within the service area.

The RDN pursues grant funding when grant programs are available. To date, no grant funds have been allocated to these projects. However, the RDN will continue to pursue federal and provincial grant options to fund secondary treatment at GNPCC and NBPCC.

Table 2. Estimated Average Annual Sewer Tax Increase for Residents in the Greater Nanaimo Service Area and Nanoose Bay Service Area

Cost Sharing Scenario	Greater Nanaimo Service Area (Upgrade by 2018)		Nanoose Bay Service Area (Upgrade by 2023)	
	Average Annual Increase	Tax in 2022	Average Annual Increase	Tax in 2031
No Grant	\$15	\$238	\$23	\$1,049
1/3 Grant	\$10	\$194	\$18	\$948
2/3 Grant	\$7	\$167	\$13	\$857

Note: The 2013 average household tax was \$104 for residents of the Greater Nanaimo Service Area and \$622 for residents of the Nanoose Bay Service Area.

STRATEGIC PLAN IMPLICATIONS

The LWMP Amendment is directly aligned with the 2013 – 2015 Board Strategic Plan. Within the Board Strategic Plan, completion of the LWMP amendment is identified as an “action” for Regional and Community Utilities. Completion of the LWMP amendment will help Wastewater Services achieve the other “strategic goals and actions” including:

- Continuing to improve the quality of treated wastewater in the region
- Exploring resource recovery opportunities to maximize the effective reuse of treated wastewater and biosolids.
- Anticipating regulatory changes in required treatment levels.


SUMMARY/CONCLUSIONS

Provincial and federal regulations require that the RDN upgrade GNPCC and NBPCC from the current level of treatment (chemically-enhanced primary treatment) to secondary treatment or better. An approved LWMP establishes a reasonable timeframe to achieve those requirements. In a letter dated October 30, 2014, the Minister of Environment approved the RDN’s Liquid Waste Management Plan Amendment dated January 2014. Among other items, the LWMP amendment commits the RDN to providing secondary treatment at GNPCC by 2018 and NBPCC by 2023. The Minister’s letter is attached as Schedule A for Board information.


A plan monitoring committee is a legal requirement of an approved LWMP. During a January 2014 meeting, the RLWAC approved a draft Terms of Reference for a LWMP Monitoring Committee. The LWMP Monitoring Committee will oversee and evaluate implementation of the amended LWMP. The LWMP Monitoring Committee Terms of Reference is attached as Schedule B.

RECOMMENDATIONS

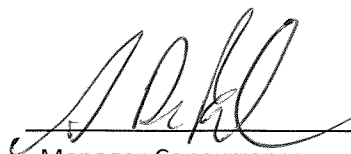
1. That the Board receives the letter dated October 30, 2014 for information in which the Minister of Environment approves the RDN’s January 2014 Liquid Waste Management Plan Amendment.
2. That the Board approves the Liquid Waste Monitoring Committee Terms of Reference.



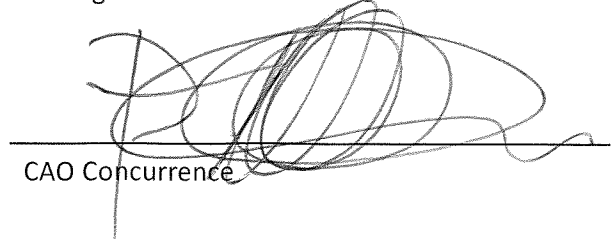
Report Writer



General Manager Concurrence



Manager Concurrence



CAO Concurrence

SCHEDULE A



Reference: 200343

OCT 30 2014

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

Dear Chair Stanhope and Directors:

Thank you for your letter of January 30, 2014, with the enclosed Regional District of Nanaimo (RDN) Liquid Waste Management Plan Amendment (Plan) dated January 2014.

I am satisfied that the Plan provides a comprehensive outline of commitments addressing key planning components. The amendment includes initiatives targeted at addressing failing onsite systems, source control, odour control, rainwater management, volume reduction, inflow and infiltration reduction, integrated resource recovery and beneficial use of biosolids. The direction and commitments identified in the proposed amendment are supportable and the public review and consultation process meets this ministry's requirements.

The RDN's commitment to replace the aging outfall at the Greater Nanaimo Pollution Control Centre (GNPCC) by 2015 and to complete treatment upgrades at GNPCC and Nanoose Bay Pollution Control Centre (NBPCC) by revised timelines of 2018 and 2023, respectively, are accepted. The ministry supports upgrading to a minimum of secondary level treatment at both GNPCC and NBPCC. As the level of treatment as well as design of treatment and disposal facilities are informed by environmental impact studies, the RDN will need to address specific regulatory requirements in greater detail and undertake appropriate environmental impact studies in advance of scheduled completion dates for upgrades.

Pursuant to Section 24(5) of the *Environmental Management Act*, I hereby approve the RDN Liquid Waste Management Plan Amendment dated January 2014 with the following conditions:

1. Within 30 days of receipt of this letter, provide terms of reference, plan and schedule for completion of Stages 1 & 2 of an Environmental Impact Study for each of the GNPCC, NBPCC and French Creek Pollution Control Centre (FCPCC) sewage treatment and disposal facilities.
2. By January 31, 2015, provide the Environmental Impact Study for the marine portion of the GNPCC outfall replacement project.

§ ...2

Ministry of
Environment

Office of the
Minister

Mailing Address:
Parliament Buildings
Victoria BC V8V 1X4

Telephone: 250 387-1187
Facsimile: 250 387-1356

- 2 -

Please continue to work with Ministry of Environment, Environmental Protection Division, Coast Region staff to address requirements for completion of environmental impact studies.

Please continue your efforts to engage with First Nations regarding any specific concerns with the Plan. This includes consultation pertaining to environmental impact studies and assessment and design of receiving environment monitoring programs. Please take action as necessary to assist in addressing any concerns identified during consultation.

It is noted that the Plan does not anticipate any significant future development to occur within the Nanoose Bay sewer service area over the lifetime of the Plan. As the draft Operational Certificate for NBPCC specifies a maximum discharge rate that is inconsistent with and unsubstantiated by the details of the Plan, I support the RDN's commitment to work in cooperation with ministry staff in the Coast Region to review and refine the details of the Operational Certificate for NBPCC, as well as for Operational Certificates for the GNPCC and FCPCC facilities to ensure alignment with projects and programs detailed in the Plan as well as regulatory requirements and findings of environmental impact studies. I bring to your attention that any significant changes to what is detailed in the Plan would require a plan amendment as well as public and First Nations consultation as appropriate to the nature of the amendment.

I concur with the RDN's commitment to establish a plan monitoring committee to complete annual reviews of the Plan. I understand the plan monitoring committee will make recommendations for revisions and updates to the Plan and prepare an annual audit report. Please forward a copy of the audit report to the regional office, with the first report to be submitted by June 30, 2015, and subsequent reports by June 30th of each following year.

In looking forward, I would like to see future plan amendments include specific targets and measures focused on the elimination of sewer overflows and reduction of inflow and infiltration, and give further attention to emerging issues such as climate change and contaminants of concern. I also encourage the RDN to develop bylaws that will assist in achieving goals to reduce wastewater volume and better manage rainwater and cumulative effects.

Approval of the Plan does not authorize entry upon, crossing over or use for any purpose of private or Crown lands or works, unless and except as authorized by the owner of such lands or works. The responsibility of obtaining such authority shall rest with the local government. This Plan is approved pursuant to the provisions of the *Environmental Management Act*, which asserts it is an offence to discharge waste without proper authorization. It is also the RDN's responsibility to ensure that all activities conducted under this Plan are carried out with regard to the rights of third parties and comply with other applicable legislation that may be in force.

§ ...3

- 3 -

Thank you again for your submission.

Sincerely,



Mary Polak
Minister

cc: AJ Downie, Regional Director, Coast Region, Environmental Protection Division,
Ministry of Environment

SCHEDULE B
REGIONAL DISTRICT OF NANAIMO
LIQUID WASTE MANAGEMENT PLAN MONITORING COMMITTEE

TERMS OF REFERENCE

January 2014

PURPOSE

The Liquid Waste Management Plan Monitoring Committee (LWMP Monitoring Committee) will oversee and evaluate implementation of the amended Liquid Waste Management Plan (LWMP). The LWMP Monitoring Committee fulfills the role of the monitoring committee as described by the Ministry of Environment Interim Guidelines for Preparing Liquid Waste Management Plans (2011).

ROLES AND RESPONSIBILITIES

LWMP Monitoring Committee will:

- Review reports presented by RDN staff and their consultants relating to LWMP programs
- Review progress of the public education programs, such as SepticSmart
- Review progress of plans and reports which fall under the LWMP programs (e.g. Rainwater Management Plan)
- Provide recommendations to RDN staff regarding the implementation of programs and policies relating to the LWMP and wastewater management
- Review annual status reports documenting LWMP implementation
- Recommend refinements to the LWMP program actions to keep implementation on track with the overall objectives and targets
- Assist RDN staff in developing strategies to increase the effectiveness of the LWMP
- Recommend amendments to the plan, as necessary.

MEMBERSHIP

The LWMP Monitoring Committee will consist of up to 21 voting members. Invitations for committee representation will extend to the following groups and organizations:

4 members	RDN Board
4 members	Municipal Staff (Nanaimo, Parksville, Qualicum Beach, and Lantzville)
1 member	Snuneymuxw First Nation
1 member	Snaw-naw-as First Nation
1 member	Qualicum First Nation
1 member	Ministry of Environment
1 member	Ministry of Transportation and Infrastructure
1 member	Fisheries and Oceans Canada
1 member	Environment Canada
1 member	Island Health
1 member	Georgia Strait Alliance
2 members	Business Community (District 68, District 69)
2 members	General Public (District 68, District 69)

RDN staff shall participate in a resource capacity.

Representatives from the business community and general public will be appointed by the Board through an application process in accordance with the Appointments to RDN Advisory Committees/Commissions Policy A1.14. Government and agency members will be appointed by the member's organization.

TERM

The term of appointment is two years or until new members are appointed. Lack of attendance may result in members having their membership revoked at the discretion of the committee. If a member resigns from the committee, their position will be filled through the application process or by appointment, as appropriate.

CHAIRPERSON

A Board Director will chair the meetings.

MEETINGS

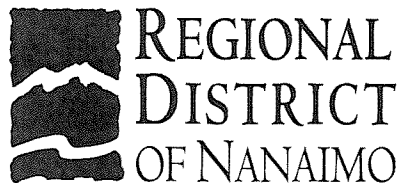
The LWMP Monitoring Committee will meet at least two times per year with a provision for workshops or other presentations at the LWMP Monitoring Committee's discretion. Meetings will generally be held mid-day. Meals will be provided when committee activities coincide with meal times.

There is no remuneration for participation on the committee but the RDN will reimburse mileage expenses according to Volunteer Mileage Reimbursement Policy A2.19.

DECISION MAKING

Committee decisions will be made by consensus whenever possible. If necessary, votes may be taken and, when making recommendations to the Board, minority opinions may be submitted in addition to the majority opinion.

Committee meetings are open to the public; however only committee members have speaking and voting privileges. Delegations that wish to address the committee must seek approval from the committee through a written request.



RDN REPORT		
CAO APPROVAL		
EAP		
COW		
NOV 18 2014		
RHD		
BOARD		

MEMORANDUM

TO: Randy Alexander
General Manager, Regional and Community Utilities

DATE: November 14, 2014

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

FILE: 5500-22-NBP-01

SUBJECT: Nanoose Bay Peninsula Water Service Development Cost Charge Bylaw Introduction

PURPOSE

To bring forward the Nanoose Bay Peninsula Water Service Development Cost Charge Bylaw for the Board's consideration.

BACKGROUND

At the November 2013 meeting of the Board, staff were directed to develop a combined Development Cost Charge (DCC) bylaw for both Nanoose Bay Peninsula Water Service Area (NBPWSA) and the Nanoose Bay Bulk Water Service. The resulting bylaw has been developed using the Province's DCC Best Practices Guide, and in consultation with the public and development community.

At the September 2014 Board meeting, the Board gave first reading to the Nanoose Bay Peninsula Water Service Development Cost Charge Bylaw No 1715, 2014, and directed staff to obtain public and development community input prior to 2nd and 3rd reading. A public information meeting was held on October 21, 2014 to obtain that input.

The purpose of the proposed bylaw is to capture those capital improvements needed to address development and to ensure the development community contributes to those costs. This bylaw will address growth centres identified in the Regional Growth Strategy, Nanoose Bay Official Community Plan including Red Gap, Lakes District and Schooner Cove.

Koers and Associates Engineering Ltd. were retained to develop the DCC plan including the inventory of all projects required up to 2031 to meet existing and future improvements to the water system along with costs and relative benefit assessments for both existing and future users (See Attached).

The bylaw address both the existing NBPWSA and the Englishman River Water Service (ERWS) projects as they are both integral to the supply and long term security of the water system. For the NBPWSA, projects relate to costs for upgrades to the existing infrastructure. For ERWS, projects would reflect costs associated with the Arrowsmith Dam, river intake and treatment process.

The bylaw was presented to the Oceanside Development & Construction Association on May 21st 2014 where Regional District of Nanaimo (RDN) staff presented the draft DCC Technical report. A number of questions and concerns were raised during the meeting and in a subsequent submission provided by the ODCA. The submission was reviewed by staff resulting in a number of changes being made to the technical report. The final draft was discussed with ODCA members in a subsequent meeting held at the

number of questions and suggestions were raised during the meeting and in a subsequent submission provided by the ODCA. The submission was reviewed by staff resulting in a number of changes being made to the technical report. The final draft was discussed with ODCA members in a subsequent meeting held at the RDN Administration office on August 27, 2014. Final comments were received from ODCA in a letter dated September 19, 2014.

The Technical Report uses a growth rate of 2% per year resulting in a build out population in 2046 of 10,189 matching almost exactly the OCP build out calculation of 10,155. This proposed DCC bylaw is calculated based on 2031 as the planning horizon at which time the population will be approximately 7,570 compared to the estimated 2014 population of 5,406.

The equivalent population numbers provide the basis for determining the infrastructure required to support projected water demands. This is laid out in the Technical Report in Table 5 – Water Projects and DCC Calculations. It is then possible to determine to what level existing users and the development community benefit from the improvements. This is also included in Table 5 with the resulting charges per building unit type calculated.

Impacting the final resultant costs are the assumption on senior level Government grants and the Assist Factor provided by the service area. Senior level Government grants have been identified as a source of funding within the cost structure. The level of assistance, shown at 1%, reflects the current climate of restricted grant funding.

An Assist Factor, as required under DCC legislation, ensures that the development community does not pay 100% of growth related costs. Most DCC bylaws use assist factors in the 1% to 10% with the higher assist factors used to support growth. This bylaw is based on a 1% assist factor.

The following table is extracted from the October 2014 Koers Technical report.

Equivalent New Population, Year 2031

Land Use Category	Estimated New Development To Year 2031	Equivalent Population Factor	Equivalent New Population
Single Family Res.	775 units	2.2	1,705
Multi-Family Res.	350 units	1.9	665
Senior Living Units	95 units	1.1	105
Commercial	9,125 m ²	0.01	91
Institutional	6,000 m ²	0.005	30
Industrial & Public Utility	n/a	n/a	n/a
Total Equivalent New Population			2,596

The following development unit costs are extracted from the October 2014 Koers Technical report:

DCC Summary

DCC Category	Charge	Unit
Single Family	\$7,911.14	Dwelling Unit
Multi Family	\$6,832.35	Dwelling Unit
Senior Living Units	\$3,974.50	Unit
Commercial	\$35.86	per m ² of gross floor area
Institutional	\$17.98	per m ² of gross floor area
Industrial	\$0.00	per ha of site area

Proposed Amendment to First Reading Rates

Comments received from the ODCA and public have been thorough and positive. The majority of comments and suggestions received have been addressed. Staff are recommending the following suggestions be further evaluated, and if appropriate be addressed in a future amendment:

- Consider increasing the building permit construction value that triggers a DCC charge, above \$50,000.
- Consider adding another land use category for Condos.
- Consider addressing DCC charges for secondary suites.

The following changes to Bylaw No. 1715 as at first reading, are recommended following the public information meeting held on October 21, 2014:

- Update the new Institutional Development area based on ODCA comments. The building footprint for the proposed Lakehouse Centre has been reduced from 9,200 m² to 3,680 m² (reflecting the assumed maximum lot coverage of 40%).
- Updated capital project cost estimates in October 2014 Koers technical report.

Summary of proposed changes to First Reading Schedule 'A':

Category	Subdivision		Building Permit	
	As at First Reading	Proposed	As at First Reading	Proposed
Single Family	\$7,740.20 per lot being created.	\$7,911.14 per lot being created.	\$7,740.20 per residential unit constructed.	\$7,911.14 per residential unit constructed.
Multi-Family			\$6,684.72.20 per residential unit constructed.	\$6,832.35 per residential unit constructed.
Commercial			\$35.09 per square meter of building gross floor area.	\$35.86 per square meter of building gross floor area.
Industrial (all uses except Airport)			\$0.00 per square meter of building gross floor area.	\$0.00 per square meter of building gross floor area.
Institutional			\$17.71 per square meter of building gross floor area.	\$17.98 per square meter of building gross floor area.
Senior Living Units			\$3,888.62 per residential unit constructed.	\$3,974.50 per residential unit constructed.

Nanoose Bay Peninsula Water Service Area Development Cost Charge Bylaw No. 1715, 2014 has been amended to reflect the above changes, and is attached to this report as "Attachment C"

ALTERNATIVES

1. That the Nanoose Bay Peninsula Water Service Area Development Cost Charge Bylaw No. 1715, 2014 be given second reading as amended and third reading.
2. Do not proceed with the bylaw.

FINANCIAL IMPLICATIONS

Total estimated net expenditures for system improvements to 2031 are \$20,184,510. The development community would be responsible for \$9,335,147 of those costs after the 1% assist factor and \$145,000 currently held in Bulk Water DCC's are taken into consideration. Existing residents would be responsible for \$10,704,363 of the total costs including the 1% assist factor.

STRATEGIC PLAN IMPLICATIONS

The establishment of a DCC structure that addresses the long term costs of growth in the NBPWSA assists in the progressive development of efficient water management systems in the region.


SUMMARY/CONCLUSIONS

The Nanoose Bay Peninsula Water Service Area will see significant growth over the coming years which will result in a need for updated and improved water supply and distribution infrastructure. The proposed Development Cost Charge bylaw provides the mechanism by which the financial burden for future system upgrades and improvements can be shared equitably between existing and future users.

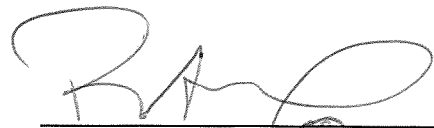
Staff recommend that the bylaw be given second reading as amended, and third reading by the Board. Once the Board has given third reading to the bylaw it will then be forwarded to the Province for their review and approval.

RECOMMENDATIONS

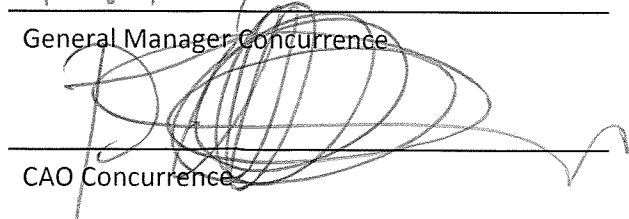
1. That the Board amend "Nanoose Bay Peninsula Water Service Area Development Cost Charge Bylaw No. 1715, 2014".
2. That the Board give second reading, as amended, to "Nanoose Bay Peninsula Water Service Area Development Cost Charge Bylaw No. 1715, 2014".
3. That the Board give third reading to "Nanoose Bay Peninsula Water Service Development Cost Charge Bylaw No. 1715, 2014".



Report Writer



General Manager Concurrence



CAO Concurrence

Attachment A:

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1715

**A BYLAW TO IMPOSE DEVELOPMENT COST CHARGES
WITHIN THE NANOOSE BAY PENINSULA WATER SERVICE AREA**

WHEREAS the Board may, pursuant to Section 933 of the *Local Government Act*, impose development cost charges under the terms and conditions of that section;

AND WHEREAS development cost charges may be imposed for the sole purpose of providing funds to assist the Regional District to pay the capital cost of providing, constructing, altering or expanding water facilities, including treatment plants, trunk lines, pump stations and other associated works in order to serve, directly or indirectly, the development for which the charges are imposed;

AND WHEREAS in establishing the development cost charges under this bylaw, the Board has considered the future land use patterns and development, and the phasing of works and services within the boundaries of the Nanoose Bay Peninsula Water Service Area;

AND WHEREAS the Board is of the opinion that the development cost charges imposed under this bylaw:

- (a) are not excessive in relation to the capital costs of prevailing standards of service,
- (b) will not deter development, and
- (c) will not discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land,

within the Regional District of Nanaimo.

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

1. CITATION

This bylaw may be cited as "Nanoose Bay Peninsula Water Service Area Development Cost Charge Bylaw No. 1715, 2014".

2. INTERPRETATION

In this bylaw:

"Building" means any structure and portion thereof, including mechanical rooms, that is used or intended to be used for the purpose of supporting or sheltering any use or occupancy.

"Commercial Use" means the use of land or buildings for any retail, tourist accommodation, restaurant, personal or professional services, commercial entertainment or commercial recreational use, and any other business use which is not an industrial or institutional use.

"DCC" means a development cost charge.

"Dwelling Unit" means one self-contained unit with a separate entrance intended for year-round occupancy, and the principal use of such dwelling unit is residential, with complete living facilities for one or more persons, including permanent provisions for living, sleeping, cooking and sanitation.

"Gross Floor Area" means the total of the horizontal areas of all floors in a building, including the basement, measured to the outside of the exterior walls of the building.

"Industrial Use" means the use of land or buildings for any manufacturing, processing, repair, storage, wholesaling or distribution of goods.

"Institutional Use" means the use of land or buildings for any school, hospital, correctional facility, care facility, or for the purposes of a public body or publicly regulated utility, but does not include "assisted living" uses.

"Lot" means a parcel created by registration of subdivision under the *Land Title Act* (British Columbia) or the Bare Land Strata regulation under the *Strata Property Act* (British Columbia)

"Mobile Home Park" means an unsubdivided parcel of land, not subdivided pursuant to the *Strata Property Act* and amendments thereto, on which are situated three or more mobile homes for the purposes of providing residential accommodation, but specifically excludes a hotel;

"Multiple Family Residential" means a building or buildings containing two or more dwelling units on a parcel and includes row housing, cluster housing, townhouses, apartment and "assisted living" uses.

"Senior Living Units" means a building or buildings used for multiple family residential use, where there may be common facilities and a cafeteria or eating area, but where residents are ambulatory and live in private rooms or units which can be locked and which are not automatically accessible to care staff.

3. CHARGES

Every person who obtains:

- a) approval of the subdivision for any purpose of a parcel of land under the *Land Title Act* or the *Strata Property Act* which creates fee simple or bare land strata lots which are zoned to permit no more than two dwelling units, or
- b) a building permit authorizing the construction, alteration or extension of a building, including a building containing less than four self-contained dwelling units and that will, after the construction, alteration or extension, be put to no other use other than the residential use in those dwelling units, or

- c) a building permit for any new floor area which has a construction value in excess of \$50,000.00 or where the total of the building permits issued for the same parcel of land within the preceding 2 years exceeds \$50,000.;

shall pay, at the time of the approval of the subdivision or the issuance of the building permit, the applicable development cost charges as set out in Schedule 'A' attached to and forming part of this bylaw.

- 4. The charges outlined on Schedule 'A' will apply to properties outlined on Schedule 'B', attached to and forming a part of this bylaw.
- 5. The charges outlined on Schedule 'A' will be based on the actual use of the building not the zoning category of the property; and,
 - a) where there is more than one use, each use is subject to the charge based on the actual use and there may be more than one category applied per building.
 - b) mezzanines, storage or similar areas within a building are subject to development cost charges based on the same use that the majority area of the building contains.
 - c) where a building is vacant and its future use cannot be determined, development cost charges are payable in accordance with the zoning category for the land upon which the building is situated.

6. **EXCEPTIONS**

- a) Section 3 does not apply to a subdivision or building in respect of which the imposition of a development cost charge is prohibited by statute.
- b) If by statute or by operation of law, this Bylaw does not apply to an application to subdivide or an application for a building permit made prior to the adoption of this bylaw, any bylaw repealed by this bylaw shall remain unrepealed and in force and effect in relation to such applications, so far as is necessary to impose development cost charges under that bylaw at the time of subdivision approval or issuance of the building permit.

7. **EFFECTIVE DATE**

This bylaw will come into full force and effect 60 days from the adoption of the bylaw.

8. **SEVERABILITY**

In the event that any portion of this bylaw is declared invalid it shall be severed and the remainder of the bylaw shall continue in full force and effect.

9. **REPEAL**

On the effective date of this bylaw "Nanoose Bay Bulk Water Local Service Area Development Cost Charge Bylaw No. 1088, 1997", and all amendments thereto are hereby repealed.

Introduced for first and second readings this day of .

Read a third time this day of .

Approved by the Inspector of Municipalities this day of .

Adopted this day of .

CHAIRPERSON

CORPORATE OFFICER

Chairperson

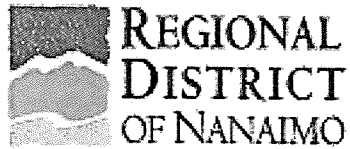
Corporate Officer

SCHEDULE 'A'

Development Cost Charges for Wastewater Treatment/Sanitary Sewer Works and Services

1. Pursuant to Section of this bylaw, development cost charges shall be levied in those areas that will be serviced by water works and services as outlined on the map attached hereto as Schedule 'B'.
2. The assist factor for those works and services shall be 1%.
3. All charges shall be paid in full prior to the approval of a subdivision or building permit unless paid by way of installments in accordance with BC Reg 166/84.
4. The Development Cost Charge Schedule is as follows:

Category	Subdivision	Building Permit
Single Family	\$7,740.20 per lot being created	\$7,740.20 per residential unit constructed
Multi-Family		\$6,684.72 per residential unit constructed
Commercial		\$35.09 per square meter of building gross floor area
Industrial (all uses except Airport)		\$0.00 per square meter of building gross floor area
Institutional		\$17.71 per square meter of building gross floor area
Senior Living Units		\$3,888.62 per residential unit constructed

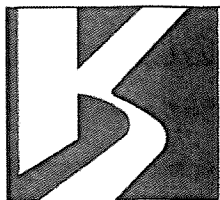


**NANOOSE BAY PENINSULA WATER SYSTEM
DEVELOPMENT COST CHARGE
TECHNICAL REPORT**

OCTOBER 2014



Parksville, BC



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& ASSOCIATES
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October 22nd, 2014
File: 1443-01

Regional District of Nanaimo
6300 Hammond Bay Rd.
Nanaimo, B.C.
V9T 6N2

Attention: **Mr. Mike Donnelly, AScT**
 Manager of Water Services

Re: Nanoose Bay Peninsula Water System
 Development Cost Charge Technical Report, October 2014

We are pleased to submit three copies of our report entitled “**Regional District of Nanaimo, Nanoose Bay Peninsula Water System Development Cost Charge Technical Report, October 2014**”.

The report details DCC bylaw development and implementation, including growth projections, project cost estimates, and the Development Cost Charge calculation method. It has been prepared in accordance with the Development Cost Charge - Best Practices Guide, published by the Ministry of Community Services. The Draft DCC Report and calculations are based on statistics provided by Regional District staff, and includes current available project planning information and costs up to the year 2031, with a 1% allowance for government grants.

This revision has been modified from earlier drafts to include the costs associated with the Nanoose Bay Peninsula’s portion of the Englishman River Water Service (ERWS) water supply project. The Regional District of Nanaimo has provided preliminary cost estimates which have been added to the DCC Function Table and are included in the DCC calculations.

A number of “out of sequence projects”, which may be constructed by a developer have been identified on the DCC function table as having potential for DCC Credits or Rebates. For further details on Credits, Rebates and Latecomer Agreements, please refer to section 2.9.

Only minor adjustments have been made to the estimated population and growth projections and remain essentially the same as originally presented in 2011. The RDN may want to revisit growth projections during the next major bylaw amendment.

.../2



October 22nd, 2014
File: 1443-01

Regional District of Nanaimo
Mr. Mike Donnelly, AScT

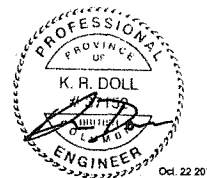
Please feel free to contact Koers & Associates Engineering Ltd. for any future assistance that we can provide to the Regional District in implementing the Technical Report.

Yours truly,

KOERS & ASSOCIATES ENGINEERING LTD.



Chris Downey, P.Eng.
Project Manager



Ken Doll, P.Eng.
Project Engineer

Enclosures

REGIONAL DISTRICT OF NANAIMO
-
NANOOSE BAY PENINSULA WATER SYSTEM
DEVELOPMENT COST CHARGE TECHNICAL REPORT
OCTOBER 2014

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- A Water System Improvements Schematic
- B Ministry Submission Summary Checklist

1 INTRODUCTION

1.1 BACKGROUND

The Regional District of Nanaimo (RDN) does not presently have in place a waterworks distribution system development cost charge (DCC) bylaw for the Nanoose Bay Peninsula. A separate bulk water DCC bylaw does currently exist for the Arrowsmith Water Service (AWS), and will no longer be required following the implementation of a new and comprehensive waterworks distribution system DCC bylaw. The new DCC bylaw will include the Englishman River Water Service (ERWS) which replaces the existing bulk water (AWS) DCC bylaw.

With more development comes the need for upgrading and expansion of all waterworks servicing functions throughout the Nanoose Bay Peninsula Water System service area. It is the Board's intention to equitably fund this servicing between existing and new users, by implementing a new DCC bylaw.

Findings detailed in this report result from the Regional District's need to implement DCCs for the various water system components and development categories. It reviews current applicable waterworks projects to the year 2031 in accordance with existing study requirements to estimated build-out in year 2046, with up-to-date cost estimates in anticipated year 2013 dollars, provides estimates of growth in each of the various development types over the year 2013 to 2031 period, and calculates required charges in each category.

2 BYLAW DEVELOPMENT & IMPLEMENTATION OVERVIEW

2.1 PURPOSE OF DCCS

DCCs are imposed to pay that portion of the capital cost of providing, altering, or expanding municipal services to serve new developments. The DCCs collected only represent part of the funding required to construct the capital projects. The balance of the funds will come from the Regional District (taxpayers), possibly with some assistance from the Province of B.C. and Federal Government (i.e. grants). The Regional District's contribution takes into account the benefit of the water distribution system to the existing users, and also includes an assist factor to the development's share of the various project costs.

DCCs are monies collected from land developers by a local government to offset some of the infrastructure expenditures incurred, to service the needs of new development while not adversely affecting existing users. Imposed by bylaw pursuant to the Local Government Act (1996), the charges are intended to facilitate development by providing a method to finance capital projects related to highway facilities, drainage, sewerage systems, waterworks and parks. This report relates only to the waterworks function.

DCCs allow monies to be pooled from many developers, so that funds can be raised to construct necessary services in an equitable manner. Those who will use and benefit from the installation of the capital projects should pay infrastructure costs. Recognizing that costs should be shared amongst all benefiting parties, a breakdown between benefits for existing users and new development should be provided.

The 'Development Cost Charge - Best Practices Guide' (BPG) is a publication by the B.C. Ministry of Community Services, dated 2005. It is the objective of the BPG to standardize general practices in the formation and administration of DCC bylaws, while allowing flexibility to meet specific needs as allowed by the Local Government Act.

The BPG contains two parts, Part 1 is a guidebook for board members and administration staff responsible for developing and adopting policies, and Part II is a technical manual detailing procedures and calculations to be used by technical personnel for preparation of the actual bylaw and calculation of DCC rates.

2.2 EXEMPTIONS

Section 933 (4) of the Local Government Act describes circumstances when development is exempt from paying DCCs and as amended in year 2004. These are:

- i) where a building permit authorizes the construction, alteration, or extension of a building, or part of a building which is solely for public worship such as a church;
- ii) where a building permit is issued for the construction, alteration, or extension of a building that contains less than four dwelling units (See paragraph below on 2004 amendment), and the building is exclusively for residential use; and
- iii) where the value of the work covered by the building permit does not exceed \$50,000 (See paragraph below on 2004 amendment).

In 2004, the exemptions for less than four dwelling units and the maximum \$50,000 building permit value were amended, to provide more flexibility for the local government. Local governments are able to amend their DCC bylaw to charge DCCs on developments of fewer than four dwelling units, and can raise the \$50,000 threshold.

The Regional District will need to incorporate language into the bylaw to allow for any or all of these exemptions.

2.3 BYLAW APPROVAL PROCESS & STAKEHOLDER INPUT

DCC bylaws must be approved by the Ministry. The Ministry has indicated that expedient approval of DCC bylaws will be received when prepared in accordance with the BPG. To assist the Ministry staff in the review of the proposed DCC bylaw, a Ministry Submission Summary Checklist is included in the BPG as Appendix B.

When a DCC bylaw is implemented or amended, developers or those parties paying DCCs will be affected by the new charges. The BPG recommends a suitable period of notification before the new or amended DCC bylaw is in effect. This is known as a "Grace Period" (see Section 2.8 for further discussion). Newspaper articles and notices, information circulars, and verbal communications should be provided to the residents, taxpayers, and land developers, so they are aware of the proposed update, the anticipated charges, and the approximate timing of the new/amended bylaw's implementation.

The BPG recommends opportunities for stakeholder input be provided at two points during DCC bylaw development:

- i) before first reading by the Council, and
- ii) before third reading by the Council.

In addition, a public information meeting is recommended between the second and third readings of the bylaw, such that stakeholders can be involved in any revision(s) of the bylaw, and concerns arising from the public meeting can be considered in any revision(s).

2.4 SERVICE AREA & TIME FRAME

Deciding whether the proposed DCC will be a ‘municipal wide’ or ‘area specific’ charge will influence the composition of the program and the actual calculation of charges. These two options can be summarised as follows:

- A municipal wide DCC applies the same rate for a particular type of land use regardless of the location of any specific development.
- An area specific DCC divides the regional district into separate areas based on specific features such as geographic boundaries or a municipal service boundary.

For this study, DCCs have been applied on an area specific basis, the Nanoose Bay Water Service Area.

When developing the bylaw, an appropriate time frame for the DCC program has to be considered. The DCC can be established on either a “build out” or “revolving” basis. These are defined as:

- Build out applies to the construction of all necessary infrastructure to accommodate development to the full extent of the Official Community Plan, which generally has a long-term time horizon of more than 25 years.
- Revolving applies to construction of the necessary infrastructure to accommodate development for a defined period of time, such as 5, 10 or 15 years. A number of revolving time windows would be required to reach the OCP build-out.

For this study a revolving time frame to year 2031 has been used.

2.5 RECOVERABLE COSTS

The BPG states that DCC recoverable costs should be clearly identified in the DCC documentation and must be consistent with Ministry provisions. According to the Local Government Act, the recoverable capital costs associated with DCC projects include planning, engineering, and legal costs (Section 935(4)). In practice, this section has been interpreted by the Ministry of Community Services to include the following activities:

- planning, public consultation, and engineering design
- right-of-way or parkland acquisition
- legal costs
- interim financing
- contract administration and site inspection services
- construction costs
- contingencies
- appropriate net sales tax in full

Ministry policy does not consider inflation eligible for DCC recovery.

2.5.1 Long Term Financing

Costs generated from long term financing (interest charges) may be considered by the province's Inspector of Municipalities under "exceptional circumstances." These "exceptional circumstances" include the construction of large "fixed capacity infrastructure," such as a water treatment plant, which needs to be constructed before growth can occur and before adequate DCCs can be collected.

Specific financial resolutions/conditions must be provided/demonstrated in order for interest charges to be approved by the Inspector of Municipalities as listed in the BPG. In addition, the following information will need to be provided to the Inspector of Municipalities to review and assess the request:

- i) clear indication the DCC reserve fund for the works in question is in a negative cash flow position and that borrowing is required;
- ii) demonstration that this is an exceptional circumstance;
- iii) details of the interest rate and amortization period; and,
- iv) evidence the amendment has been disclosed to the public in the government's Financial Plan, financial statements, and the DCC Report.

Section 935(3) (c) of the Local Government Act does allow funds in DCC reserve accounts to be used to pay for the interest and principal on a debt resulting from DCC project costs.

2.6 BYLAW ADMINISTRATION

Once the Inspector of Municipalities has granted statutory approval of the DCC bylaw and the Council has adopted it, ongoing administration will be required. This will involve collection of charges, monitoring and accounting, credits and rebates, and the process for bylaw amendment.

2.6.1 Time of Collection

Section 933 (5) of the Local Government Act states DCCs are payable at either the time of subdivision approval or at issuance of building permit. The BPG recommends charges be applied as follows:

- i) Single Family - At the subdivision approval stage, per building parcel being created.
- ii) Multi-Family - At the subdivision approval stage for each dwelling unit permitted to be constructed pursuant to zoning or upon issue of building permit per dwelling being built.
- iii) Commercial/Institutional - Upon issue of building permit based on square metre of gross building area.
- iv) Industrial and Public Utility - Upon issue of building permit based on hectares of lot area under development.

Upon adoption of the new bylaw, the proposed DCCs will immediately apply to subdivision applications under the following conditions:

- Where an application has been denied.
- Where 'Conditional Approval' has lapsed during the one year in-stream protection period.
- Where final approval of subdivision has not been received prior to the first anniversary date of the new bylaw.

Note that developers of multi-phased subdivisions should be especially aware of significant dates. This includes dates such as that of the DCC bylaw adoption, the new bylaw's anniversary, and the expiry date attached to the Letter of Conditional Approval.

2.6.2 Separate Accounts

Section 935 (1) of the Act stipulates DCCs shall be deposited in a separate special DCC reserve fund. The monies collected (together with reserve fund interest) shall then be used to pay for the capital projects within the DCC program. DCC accounts should be set up in a manner that allows easy reporting of:

- how much money has been collected from DCCs,
- the amount of government grants, if any, received towards the capital DCC projects,
- amounts designated as DCC "credits" or "rebates",
- the amount of funds representing the District's share of project costs in the DCC program,

- interest earned,
- under/overages, and
- identification of completed projects.

2.7 GRACE PERIOD

When a DCC bylaw is implemented, developers or those parties paying DCCs will be affected by the new charges. The BPG recommends a suitable period of notification before a DCC bylaw is in effect, known as a “Grace Period”.

Newspaper articles and notices, information circulars and verbal communications should be provided to the Regional District residents, taxpayers and land developers to provide the opportunity to become aware of the proposed bylaw, the anticipated charge rates required and the approximate timing of the new bylaw’s implementation.

The DCC bylaw may state the effective date, or time period (of up to a year) from the date of DCC bylaw adoption, as confirmation of the Grace Period. This would apply to both initial bylaw implementation, and at the time of future updates with rate changes.

As stated in the BPG: “The Grace Period is granted by a municipality as an acknowledgement of the impact DCCs may have on the development industry.” The Grace Period serves to allow time for people to be notified of the new DCC rates as related to building permit applications.

2.8 IN-STREAM PROTECTION

“In-Stream Protection” seeks to provide stability for developers with an application in process during the introduction or amendment of DCCs provided the application meets certain time criteria as noted below.

2.8.1 Subdivision Applications

Section 943 of the Local Government Act provides “In-Stream Protection” for subdivision applications, provided the application fees have been paid. A complete application usually means the developer has received a Letter of Conditional Approval of subdivision, or equivalent such as ‘Preliminary Layout Approval/Review’.

2.8.2 Building Permit Applications

There are no Local Government Act provisions governing building permit applications similar to the “In-Stream Protection” offered to subdivision applications. Unless specified differently in the District’s Building Permit Bylaws, the amount payable is determined in accordance with the rates applicable

at the time of building permit application. As noted in the BPG: "However, the ruling of *Acamar v. City of Surrey* (1997) confirms the view that Section 943 only applies to subdivision applications."

Courts have concluded the date when the appropriate DCCs should be calculated is the date sufficient information has been submitted to the municipality for issuance of the permit and not necessarily the actual date of building permit issuance.

2.9 CREDITS, REBATES & LATECOMERS AGREEMENTS

There are no specific references to "DCC credits" or "DCC rebates" in the Local Government Act. The intent of Clause (8) of Section 933 is that developers providing trunk services beyond the local servicing needs of the development shall have those costs deducted from the applicable DCCs payable. This applies provided it is an identified DCC project in the capital plan. To implement the provisions of the legislation, the concepts of a "DCC credit" and a "DCC rebate" are introduced. Policies regarding when the Regional District should offer a credit versus a rebate should be carefully considered. In either case, the DCC accounting system should allow credits and rebates to be monitored and tracked.

2.9.1 Credits

The DCC program is compiled to service new development in an orderly manner. A situation is likely to arise where a developer desires to proceed with a land development before the required trunk services are installed in that area. This type of development can be considered to be "out of sequence". If the Regional District cannot afford the financial burden of additional infrastructure requirements, the Approving Officer would decline the development for the present time. Alternatively, the developer can construct the necessary trunk services, in advance of the proposed timing.

In this case, the out-of-sequence development could be offered a DCC Credit, where the cost of constructing the required trunk works is deducted from the amount of DCCs that would have otherwise been payable. The DCC credit cannot exceed the amount of DCC payable. For phased developments in the same site vicinity, it is assumed that the Regional District would execute a separate agreement with the land developer allowing any applicable excess credits to be carried forward to apply against future development DCCs. Similar agreements should be implemented to allow transfers of credits on property sale prior to building construction for categories where DCCs are collected at the building permit stage. Such credits should be allowed on a proportional basis against subdivided parcels, on a land area basis or anticipated building area basis, as deemed applicable by the Regional District.

2.9.2 Rebates

The DCC program covers trunk main requirements and other facilities beyond the services required for local development areas. Should a developer wish to proceed with a development before the trunk services fronting his property are installed, the Regional District may allow the developer to construct the necessary portion of the works to a trunk standard. The Regional District would then offer a DCC rebate for the incremental portion of the costs beyond the local requirement, following acceptance of the completed trunk works and registration of the development lands. In such cases, the rebate amount could exceed the DCCs payable.

2.9.3 Latecomers Agreement

Where a development constructs non-DCC project trunk works, which benefit adjacent developments, those servicing function costs, or over-sizing costs, may be considered for inclusion in a Latecomers Agreement. The agreement would be in accordance with the provisions of the Local Government Act.

For this particular DCC, the development would be responsible for setting up and costs of the agreement, which would then be administered by the Regional District. Similarly, "out of sequence" DCC projects that cannot be accommodated by the Regional District as detailed in the BPG, where a developer's costs are not recoverable through a DCC credit or rebate, may also be considered for inclusion in a Latecomers Agreement.

2.10 AMENDMENT PROCESS (Minor vs Major)

The average cost of a typical unit of development should not change significantly over time except for the effects of inflation or changes in standards, provided development projections are accurate. However, due to the periodic revision of the OCP, the Regional District's financial situation, changing infrastructure needs, and other factors affecting new development that are beyond the Regional District's control, the DCC bylaw will require future amendment.

In general there are two levels of amendment: a minor adjustment to DCC rates to reflect inflation, and a major review of the DCC for updating of capital project requirements, development projections, and the DCC accounting.

2.10.1 Minor Amendments

A Minor Amendment to the DCC bylaw is an updating based on changes in construction costs and inflationary effects. This type of bylaw amendment requires statutory approval, but due to its nature is anticipated to receive expeditious Ministry approval. This type of amendment should be carried out when necessary, likely once every two to three years.

2.10.2 Major Amendments

A Major Amendment involves a full review of the DCC methodology, including:

- Underlying DCC assumptions
- Broad policy considerations
- Updated development projections
- DCC program costs
- Study and project review updates and timing of proposed capital projects
- Addition of new projects to the DCC program, and deletion of completed capital projects

In accordance with the BPG recommendation, the major amendment to the DCC bylaws should be completed once every five years.

3 GROWTH PROJECTIONS

3.1 METHODOLOGY

Non-residential land uses are categorized separately from residential land use for DCC bylaws. In order to keep the number of designated land uses at a practical level, it is normal practise to consider the groupings under residential, commercial, industrial, institutional and public utility categories.

Data on existing housing units, recent growth statistics and future development, has been obtained from the Regional District which included planning studies for the Fairwinds Development. This information was used to estimate existing and future population service populations, number of dwelling units and the projected growth of commercial, institutional, industrial, and public utility development.

A discussion on projected population and land-use growth to Year 2031 and Build-Out is presented below.

3.2 POPULATION

3.2.1 Population (Year 2011)

The residential population (Year 2011) was estimated at 5,095 people and is derived from multiplying the number of residential units by the average number of persons per dwelling unit.

The number of residential, multi-family, commercial, and institutional properties serviced was extrapolated from the RDN 2010 water records which showed the following:

- 1,975 Single-Family services (462 within Fairwinds and 1,493 in the remainder of the service area).
- 238 Multi-Family Units (118 townhomes within Fairwinds, 100 mobile home units on Apollo Drive, and 20 condominiums on Brynmarl Road)
- 22 Commercial services, and
- 5 Institutional services.

The number of residential units serviced in 2011 was calculated by applying the projected annual growth rate of 2%, resulting in an estimated 2,014 Single-Family and 243 Multi-Family Units.

For calculating the population increase from 2010 to 2011, it was deemed appropriate to assume a median average density of 2.3 and 1.9 persons per dwelling unit for Single-Family and Multi-Family, resulting in total service population of 5,095. Current population densities is considered to be slightly

lower, therefore, a lower density of 2.2 and 1.9 persons per unit were used to estimate population from 2011 to year 2031 and build-out.

3.2.2 Future (Year 2031 and Build-Out)

Future population estimates are based on growth within the existing boundaries of the Nanoose Bay Peninsula Water System service area. No allowance has been made for future expansion of the service area.

In the February 2007 Nanoose Bay Peninsula Water System Study, the RDN provided an estimate of the total number of residential units to Build-Out in accordance with the OCP. The split of Single-Family to Multi-Family Units was calculated based on the same proportion as existed in 2005, resulting in a future total Build-Out of 4,709 residential units, made up of 4,026 Single-Family and 683 Multi-Family. Based on historic average densities of 2.4 and 2.0 persons per Single-Family and Multi-Family unit, respectively, the ultimate Build-Out residential service population was previously calculated at 11,028 (2007 study).

Census Canada and RDN planning data reveals average population per single-family residence has steadily dropped during the past 25 years. For the 2011 Census, the average density per occupied dwelling unit was 2.27.

For this study (Year 2011), a lower density of 2.2 and 1.9 persons per unit were applied to Single-Family and Multi-Family, respectively. Applying these lower densities to the residential Build-Out projections from the 2007 Nanoose Bay Peninsula Water System Study, results in a project service population of 10,155, slightly lower than the 2007 study due to the lower capita per dwelling unit.

RDN planning staff indicated the population is expected to increase at an average compounded rate of 2% per year for the foreseeable future. Applying this annual growth rate to the 2011 population estimate, results in a Year 2046 population of 10,189, which is very close to the OCP Build-Out calculation of 10,155. Table 1 presents the current and future population estimates for Year 2031 (the revolving time frame for this DCC study and OCP Build-Out).

Table 1 – Population Projections, Current, Year 2031 and OCP Build-Out

Year	Population Estimate	Increase	
		#	%
2011	5,095	-	-
2031	7,570	2,475	49 %
OCP Build-Out (2046)	10,155	5,060	99 %

A discussion of the growth projections for each DCC land-use category follows below.

3.3 RESIDENTIAL, SINGLE & MULTI-FAMILY ASSUMPTIONS

Residential growth is separated by density into two categories:

- Single Family, and
- Multi-Family (such as duplex, townhouses, apartments, condominiums)

Current available data (Year 2011) indicates there are 2,014 Single Family and 243 Multi-Family Units serviced by the Nanoose Bay Peninsula Water System.

Much of the future development lands are contained within the Fairwinds development mainly the Lakes District Neighbourhood Plan, and the proposed redevelopment of the existing Schooner Cove area designated as the Schooner Cove Neighbourhood Plan.

For the Lakes District, an approximate breakdown between single-family and multi family-development units is made for the total 1,675 allowable units, based on the objectives of the neighbourhood plan.

There are three developments in-stream (Fairwinds Phase 7D, 8, and 11B). In addition, there is a potential 57 unit multi-family development on Andover Road, a 10 lot single family development on Schooner Cove Dr at Dolphin Dr and a multi-family development for the fully serviced Lot 1 on Redden Rd at Dolphin Drive.

Other development within the overall Nanoose Bay Peninsula Water System service area includes the Red Gap area, where the OCP states the area can accommodate 211 more units beyond the existing 289, and small scattered subdivisions, as well as potential redevelopment on existing developed parcels, some with possible rezoning.

For the Red Gap area and remainder of Nanoose, an allowance has been included for some infill single-family housing.

Table 2 presents the projected residential growth development to OCP Build-Out, which is reached in Year 2046 based on the projected population annual growth of 2% per year. It is noted that the projected OCP Build-Out contains a higher percentage of Multi-Family Units compared to that estimated during the year 2007 Water Study. This is due to changing demographics, the desires and objectives of the Lakes District Neighbourhood Plan, and particularly as a result of proposed Schooner Cove redevelopment as detailed in the Schooner Cove Neighbourhood Plan.

The breakdown estimate between Single Family and Multi-Family should be reviewed and adjusted if necessary in future DCC update studies. Should a higher percentage of single-family development actually occur, it is not anticipated additional infrastructure works would be needed, due to the relatively small

difference in design population per unit for the housing types. DCC funding would also not be adversely affected, as the higher DCC charge for single-family residential development would generate additional funds due to its greater burden.

Table 2 - Projected New Residential Development to OCP Build-out

Description	Single Family	Multi Family	Senior Family Units
Lakes District Neighbourhood Plan	1,000	674	140
Schooner Cove Neighbourhood Plan	-	360	-
Goodrich Rd (Fairwinds Phase 7D)	25	-	-
Collingwood Dr (Fairwinds Phase 8)	-	18	-
Schooner Ridge (Fairwinds Phase 11)	-	32	-
Andover Road	-	57	-
Schooner Cove Drive	10	-	-
Lot 1, Redden Road	-	3	-
Red Gap Area	65	86	-
Remainder of Nanoose	67	-	-
Total Additional to Build-out Projection (Year 2046)	1,167	1,230	140

The number of residential units to be constructed by year 2031 was estimated based on the projected population increase of 2,475 as noted in Table 1. This growth is assumed to be accommodated with the construction of 775 Single Family Units (1,705 people) and 350 Multi-Family Units (665 people), plus an allowance for 95 Senior Family Units (105 people).

3.4 SENIOR LIVING UNITS FACILITY ASSUMPTIONS

The RDN's Nanoose Bay Peninsula Official Community Plan (OCP) does not reference the development of Senior Living Units within the Nanoose Bay Peninsula. However, this report considers the potential construction of 140 new Senior Living Units to build-out (Year 2046), with an allowance for 95 units to be constructed by Year 2031.

Senior Living Units are expected to average 100 m² per unit (100 units per ha) and site coverage is estimated at approximately 40%.

3.5 COMMERCIAL AND INSTITUTIONAL ASSUMPTIONS

Commercial use includes service commercial, office commercial and commercial portion of mixed commercial/residential development.

Institutional use includes government offices, recreational facilities, churches,

community halls, fire halls, municipal halls and buildings, public and private schools, colleges, and universities, hospitals including private care facilities, and senior or low-cost housing (depending on the provisions of the Zoning Bylaw).

The BPG recommends commercial and institutional development be charged on the basis of building floor space expressed in square metres. The Regional District has selected to charge on the basis of gross building area expressed in square metres.

It is recommended, and assumed in this report, both Commercial and Institutional DCCs be charged for the construction, or alteration, or extension of a building that results in an increase of the original building area and where the value of the work covered by the building permit is greater than \$100,000. The Bylaw should be worded such that DCCs would only apply to the increased building size, beyond the pre-existing area, or number of housing units for mixed-use developments.

For Institutional DCCs, it is possible an existing school may be closed and demolished after a new school has been built on a different site, resulting in a transfer of the servicing burden. The Bylaw should be worded to allow credit for DCCs payable in such instances, to ensure they are only charged where an increased burden results from redevelopment or new development. DCCs would only apply to any upsized building area, and for new development when it occurs at the old site. If the building use is retained at the old site, for alternative additional use or sale, an increased burden will result, and this DCC credit would not be applicable. Similar provisions should be worded for all Commercial and Institutional buildings, where DCCs would only be charged on the increased building floor area beyond the existing total floor area, to equitably charge for the increased burden.

The Nanoose Bay Peninsula commercial zones currently consist of the Schooner Cove Neighbourhood Centre and the much larger Red Gap Village Centre.

Significant commercial and mixed-use development is planned for the Schooner Cove Neighbourhood Centre and in Lakes District Neighbourhood Plan. It is anticipated at build-out, approximately 12,725 m² of new commercial gross floor space will have been constructed as follows:

- 5,600 m² of commercial at the Red Gap Village Centre,
- 2,325 m² of commercial in the Schooner Cove Neighbourhood Centre, and
- 4,800 m² of mixed-use buildings in the Lakes District.

By 2031, it is estimated the Red Gap expansion and Schooner Cove will be fully developed, and one-third of the Lakes District commercial, for a total of 9,125 m².

For Institutional, it is anticipated 6,000 m² of new gross floor space will be developed by Build-Out as follows:

- redevelopment of Nanoose Bay Elementary School, with a 50% size increase totalling 2,320 m².
- 3,680 m² for the Lakehouse Centre in the Lakes District, assuming 40% site coverage.

It is anticipated Institutional development will be fully built by 2031.

3.6 INDUSTRIAL & PUBLIC UTILITY ASSUMPTIONS

Industrial use includes light, medium or heavy industrial uses, warehouses, mini-storage, minor repair, fabrication and storage facilities or space, and fuel storage areas.

Public utility use includes BC Hydro, Telus, FortisBC Gas, Shaw Cablesystems, and similar utility storage, distribution and plant facilities.

As determined and agreed upon through discussions with RDN staff, Industrial development is not applicable to this report at this time, as there are no industrial designated lands in the OCP. Similarly, no Public Utility use facilities that burden the water system are anticipated. Therefore, the Bylaw should be worded to ensure Industrial & Public Utility DCCs are charged on a case by case basis.

Should the situation change in the future for Industrial or Public Utility land uses, the anticipated burden would be established, and the appropriate DCC charges would apply and be included in a Minor update to the DCC Bylaw.

A summary of the land-use growth projections presented above (Sections 3.3 through 3.6) for Year 2031 and OCP Build-Out is presented below in Table 3.

Table 3 – Land-Use Growth Projections, Year 2031 and OCP Build-Out

Land-Use	Additional By Year 2031	Total At OCP Build-Out (Year 2046)
Residential		
- Single Family	775 units	1,167 units
- Multi-Family	350 units	1,230 units
Senior Living Units	95 units	140 units
Commercial	9,125 m ²	12,725 m ²
Institutional	6,000 m ²	6,000 m ²
Industrial & Public Utility	-	-

4 PROJECT COST ALLOCATION

4.1 INTRODUCTION

With the establishment of a list of capital projects and their estimated construction costs, the portion of the project cost attributed to development is calculated using the equation:

$$\text{DCP} = \text{PC} - \text{GG} - \text{BEU} - \text{AF} - \text{RF}$$

Where:

DCP	=	Development Cost Portion
PC	=	Project Cost
GG	=	Government Grants
BEU	=	Benefit to Existing Users
AF	=	Assist Factor
RF	=	Reserve Funds

A discussion on each category and the amounts used in this study is presented the following sections.

The total Regional District's contribution to the DCC projects consists of:

- i) total capital cost attributed to existing users (BEU),
- ii) assist factor (AF), and
- iii) portion of costs associated with developments exempt from DCCs (see previous discussion under Section 2.2).

4.2 PROJECT COST

Project cost estimates in this report are preliminary, order of magnitude. No preliminary or detail engineering work has been completed, and as such, the costs are considered Class D estimates. They are suitable for project control budgets, for program planning, and to obtain approval in principle.

Construction cost estimates were prepared and updated from earlier studies as appropriate, together with consideration of recent project unit costs provided by the RDN.

The estimates include a nominal 15% allowance for engineering design, tendering, contract administration, inspection; and record drawing production. The estimates includes a 30% contingency allowance to cover RDN administration, legal and interim financing costs, as well as additional or unexpected engineering and construction expenditures which may arise as the projects proceed to detailed design and construction completion.

No allowance has been made for inflation as this is not permitted under the Local Government Act. The impact of inflation should be reviewed regularly as time and projects proceed, and project costs adjusted accordingly as part of a minor amendment to DCCs.

No allowance has been made for long-term financing. As noted previously in Section 2.5, inclusion of long-term financing costs require Ministry approval and are only granted under special circumstances for “fixed capacity infrastructure”.

Construction costs are in 2013 dollars and are exclusive of GST (The October 2013 construction cost index (ENR CCI) value was 9,689).

4.3 GOVERNMENT GRANTS

Government grants, including Federal/Provincial infrastructure funding programs and Provincial revenue sharing programs may be available for projects, particularly those that contribute towards regional water supply and addressing water quality issues. If awarded, these can provide:

- A significant portion of study cost recovery.
- 25%, 33.3% or 75 to 80% Provincial Government funding, through various provincial programs.
- A total of 66.7% combined assistance under Infrastructure Funding Programs supported through joint Federal / Provincial agreements.

Given the extremely limited potential for availability, successful application, and award of grants under the ongoing anticipated economic climate, the calculations have assumed marginal provincial/federal grant contributions will be available for listed projects. An assumption of 1% has therefore been made and shown under the government grant column of the spreadsheet.

The Regional District should still continue to make every effort to obtain financial assistance towards all key eligible projects, particularly the larger scale and environmental type of system expansions. Small studies, reviews, and major DCC updates may prove to be eligible for receipt of some funding, such as a 50% study grant.

4.4 BENEFIT TO EXISTING USERS

Capital costs for DCC calculations must be net costs. It is recognized that most improvements within the Regional District provide a partial benefit to the existing residents and users.

The cost for each project applicable to existing users is deducted from the total project expenditure, after subtracting the government grant contribution, to calculate the allowable DCC recoverable portion of the project. Assumptions on the allocation are shown on the table detailing the DCC calculation.

4.5 MUNICIPAL ASSIST FACTOR

Section 933 (2) of the Local Government Act states that the purpose of DCCs is to provide funds to “assist” local government in paying costs of infrastructure. By not allowing 100% of the growth related costs to be charged to new developments, the legislation implicitly requires an “assist factor”, with a minimum of 1%. It is important to note that this assist factor is separate from the allocation of project costs between new development and existing users, which is considered on a project specific basis.

The chosen assist factor will reflect the Regional District’s desire to encourage development, and is largely a political decision. Most DCC bylaws use assist factors in the 1% to 10% range. Under certain conditions, the assist factor is adjusted to maintain DCC rates within a perceived affordable level. When the economy is slow, a higher assist factor, such as 10% can be used to encourage new development. With a healthy development climate, a low assist factor, such as 1% is considered appropriate.

With the above considerations in mind, the Regional District has chosen a 1% assist factor.

4.6 DCC RESERVE FUNDS

The reserve funds are the total amounts that have been collected from developers, and not yet been spent on DCC projects. The existing bulk water (AWS) reserve fund totalling \$145,000, has been included in the DCC calculations and will be transferred into the new DCC account.

5 CALCULATION METHOD

5.1 COMMON UNIT CALCULATION METHOD

DCCs are calculated in accordance with the recommendation of the BPG using a common unit basis for each function (roads, storm drainage, sanitary sewer, waterworks and parks) to provide an equitable basis for the calculations.

For water supply and distribution, costs are related using an equivalent population demand, which is based on average densities and demand/usage, for each of the land-use categories.

6.1 PROPOSED WATERWORKS

The proposed waterworks projects are derived from information contained in the followings studies as well as current knowledge of future projects, the RDN Capital Works Plan, and input from RDN staff:

- Nanoose Peninsula Water Audit Study, January 2006,
- Nanoose Peninsula Water Distribution Study, February 2007, and
- Nanoose Peninsula Water System Capital Planning Study, September 2008.

The waterwork DCCS are to be imposed on the Nanoose Bay Peninsula Water System, in keeping with the BPG.

A brief discussion of the various types of waterworks projects from supply and treatment to distribution and metering, are presented below. The location and proposed construction year for each project, excluding overall system instrumentation, such as Supervisory Control and Data Acquisition (SCADA) and metering, is shown on the Water System Improvements Schematic located in Appendix A.

6.1.1 Water Supply and Treatment

Englishman River Water Service

In the 1990s, the Arrowsmith Water Service (AWS) was formed and tasked with developing the Englishman River water supply. The goal was to ensure an abundant source of high quality water would be available to the Nanoose, Parksville, French Creek, and Qualicum Beach areas for the foreseeable future. However for works beyond the Arrowsmith Dam, the joint venture was recently reformed to include Nanoose and Parksville only, with Nanoose's portion equalling 26%. This reformed joint venture is referred to as the Englishman River Water Service (ERWS).

The capital cost of the ERWS projects, including the river intake, water treatment plant, supply and transmission mains, aquifer storage and recovery, and land acquisition has been estimated to be \$36,984,494, with RDN's portion equalling \$10,046,023.

Groundwater Wells

If significant development occurs prior to the implementation of the ERWS, additional well capacity will be required. It is anticipated the capacity increase will need to be in service prior to sufficient DCC funds being generated. It is anticipated therefore, the RDN would have the works installed by a developer and on land secured by the same developer. Under this scenario, the developer would receive a DCC credit for cost of the works and approved "fair market" value for

the land. The credit would be paid following acceptance of the completed works.

6.1.2 Watermains

Trunk Mains

Several trunk watermains are required by 2031 to meet the Fairwinds requirements for servicing adjacent lands in the Lakes District and Schooner Cove neighbourhoods. It is anticipated these trunk mains will be required prior to sufficient DCC funds being generated. Therefore, the RDN would have the works installed by the developer. Under this scenario, the developer may receive a DCC rebate for the incremental portion of the costs beyond the local requirement. The rebate would occur following acceptance of the completed trunk works and registration of the applicable portion of subdivision lands. In such cases, the rebate amount could exceed the DCCs payable during the initial subdivision phases.

Distribution Watermains

Local projects, mostly involving replacement of aged distribution system and service connection piping, some with upsizing to meet current design flow needs, have most of the costs allocated to existing users. The small benefit to new development allows for some infill subdivision and potential redevelopment/small rezonings on such local streets.

6.1.3 Studies, SCADA and Radio-read Water Meters

Allowance has been made for an Fairwinds Reservoir Pre-design Study, major updates to the DCC Bylaw once every five years, implementation and updates to a system wide Supervisory Control and Data Acquisition (SCADA) system and conversion of water meters to radio read to improve system capacity through leak detection and water use tracking and resulting targeted water conservation programs.

6.2 COMMON UNIT CALCULATIONS

Development cost charges were calculated based on the common unit of equivalent population served for each of the six land use categories.

For Single-Family and Multi-Family development, the equivalent population factor is assumed to be equal to the average population per unit as anticipated by RDN staff.

For Senior Living Units, a population factor of 1.1 person per unit was assumed.

Equivalent population factors for the Commercial and Institutional categories were reviewed initially by comparing the 2010 water consumption data provided by RDN staff and dividing it by the per-capita average daily consumption and approximate building footprint areas. These calculations assist in producing an estimated equivalent population factor. For the commercial category, a value of

0.005 persons per square metre equivalent was obtained. For new development it is anticipated that smaller floor-space commercial units will be built compared to existing, where an approximate doubling of the load is likely. As this would closely match the 0.009 p/m² of the City of Nanaimo sanitary sewer standards, an equivalent population demand for commercial of 0.01 p/m² has been used in the calculations.

For Institutional, the City of Nanaimo standard of 0.005 p/m² is considered to be appropriate for use in the projections.

These equivalent population demand factors should be monitored against actual demand experienced as new development occurs and appropriate adjustments made in future major amendments of the DCC Bylaw.

Table 4 shows the equivalent population calculation to Year 2031 (the revolving time frame for this study) for each land-use category.

Table 4 - Equivalent New Population, Year 2031

Land Use Category	Estimated New Development To Year 2031	Equivalent Population Factor	Equivalent New Population
Single Family Res.	775 units	2.2	1,705
Multi-Family Res.	350 units	1.9	665
Senior Living Units	95 units	1.1	105
Commercial	9,125 m ²	0.01	91
Institutional	6,000 m ²	0.005	30
Industrial & Public Utility	n/a	n/a	n/a
Total Equivalent Population			2,596

Table 5 - Water Projects and DCC Calculations

PROJECT COST ESTIMATE ALLOCATION										
No.	Project Description (for Replacements, Year reaching end of life is shown in brackets)	A Project Cost Estimate (2013)	B Government Grant - 1% (A x 1%)	C % Benefit to Existing Users	D Net Expenditure (A - B)	E Benefit to Existing Users (D x 5)	F Benefit to New Develop. (D - E)	G 1% Municipal Assist (F x 1%)	H User Fees (Regional District) (E + G)	I DCC Recoverable (D - H)
N2015-1	Garry Oak Drive PRV	52,300	523	100%	51,777	51,777	0	0	51,777	0
N2015-2	Harequin/Sea Lion Loop & Footbridge (System Improvements)	237,500	2,375	75%	235,125	176,344	58,781	588	176,932	56,193
N2015-3	Arbutus Crescent Main (System Improvements)	167,100	1,671	90%	165,429	148,846	16,583	165	149,052	16,377
N2015-4	Hemlock Drive Main (System Improvements)	78,000	780	90%	77,220	69,498	7,722	77	69,575	7,645
N2015-5	Collingwood Drive Loop Main (Potential DCC Rebate)	201,200	2,012	25%	199,188	45,797	149,391	1,454	51,291	147,897
N2015-6	Wallbrook West No. 2 Upgrades (Potential DCC Rebate)	250,000	2,500	0%	247,500	0	247,500	2,475	2,475	245,025
N2015-6	Ashtcroft Road Watermain (2016)	120,000	1,200	95%	118,800	112,860	5,940	59	112,919	5,881
TOTAL 2015		1,106,100							614,923	481,178
N2016-1	Armstrong / McDwitt Loop (System Improvements)	200,600	2,006	90%	198,594	178,735	19,859	196	178,933	19,661
N2016-2	West Bay PRV Upgrade	12,700	127	25%	12,573	3,143	8,430	84	3,238	9,335
TOTAL 2016		213,300							182,171	28,996
N2017-1	Marine Drive Watermain Replacement (2016)	155,100	1,551	95%	153,549	145,872	7,677	77	146,049	7,501
N2017-2	Garry Oak Drive (& Spruce Lane) Watermain (System Improvements)	260,000	2,600	90%	257,400	231,660	25,740	257	231,917	25,483
N2017-3	Anchor Way Watermain Replacement (System Improvements & 2016)	229,700	2,297	50%	227,403	113,702	113,702	1,137	114,839	112,564
N2017-4	Bonnington Drive Loop Main, Phase 1 (Potential DCC Rebate)	261,200	2,612	25%	258,588	64,647	193,941	1,939	66,586	192,002
N2017-5	Englishman River Water Service Projects (ERWS) Intake and Raw Water Pump Stn & Piping Water Treatment Plant Joint Transmission Mains Aquifer Storage & Recovery (ASR) North West Bay Transmission Main Craig Bay Pump Stn & Decommissioning (RD's Overall 27% Contribution) (26% of cost included in ERWS) (50% of included in ERWS) (100% of cost included in ERWS) (100% of cost included in ERWS)	1,046,023	10,460	34%	9,945,963	3,381,491	6,564,071	65,641	3,447,132	6,498,431
TOTAL 2017		10,952,823							4,008,423	6,836,080
N2018-1	West Bay Pumphouse Upgrade	114,500	1,145	25%	113,355	26,438	85,313	853	29,291	64,450
N2018-2	Outrigger Road Main (System Improvements)	122,600	1,226	10%	121,374	12,137	109,237	1,092	13,230	108,144
N2018-3	DCC Major Update Study	11,500	115	50%	11,385	5,693	5,693	57	5,749	5,636
N2018-4	Bonnington Drive Loop Main, Phase 2 (Potential DCC Rebate)	313,200	3,132	25%	310,068	77,517	232,551	2,325	79,643	230,225
N2018-5	Delphin Drive Watermain (2008)	100,000	1,000	95%	99,000	94,050	4,950	50	94,100	4,900
TOTAL 2018		662,200							227,212	433,344
N2019-1	Dorcas Point Rd Main (System Improvements)	112,671	6,127	90%	606,544	545,890	60,654	607	546,456	60,048
N2019-2	Schooner Cove Drive Loop Main, Phase 1 (Potential DCC Rebate)	156,800	1,568	75%	155,232	38,808	118,424	1,184	39,972	115,260
TOTAL 2019		269,471							646,428	175,308
N2020-1	SCADA - Initial System	230,000	2,300	50%	227,700	113,850	113,850	1,139	114,989	112,112
N2020-2	Beaver Creek Wharf Rd Northwest Bay to Madrone Drive (2012)	73,300	733	95%	72,567	66,938	3,628	36	66,975	3,592
N2020-3	Fairwinds Pre-design Study	12,500	125	50%	12,375	6,188	6,188	62	6,249	6,186
TOTAL 2020		315,800							182,113	122,229
N2021-1	SCADA - Continue Expanding/Programming Northwest Bay Rd #1685 to Ballenas (2012)	57,500	575	100%	56,925	56,925	0	0	56,925	0
N2021-2	Jenkins Crescent Watermain Replacement (2012) (Potential DCC Rebate)	342,800	3,428	95%	339,372	322,215	16,959	170	322,385	16,789
N2021-3	Schooner Cove Drive Loop Main, Phase 2 (Potential DCC Rebate)	73,300	733	95%	72,567	66,938	3,628	36	66,975	3,592
N2021-4	Fairwinds Reservoir (Potential DCC Rebate)	877,200	8,772	25%	868,428	217,107	651,221	6,513	223,620	644,808
N2021-5	Fairwinds Reservoir (Potential DCC Rebate)	1,200,000	12,000	50%	1,188,000	594,000	594,000	5,940	599,940	680,860
TOTAL 2021		2,650,600							1,271,845	1,378,755
N2022-1	SCADA - Continue Expanding/Programming	57,500	575	100%	56,925	56,925	0	0	56,925	0
N2022-2	Banagher Crescent Watermain Replacement (2012)	80,300	803	95%	79,497	75,522	3,975	40	75,562	3,935
N2022-3	Fairwinds Well's No. 1, 2 & 3 Replacement	500,000	5,000	100%	495,000	495,000	0	0	495,000	0
TOTAL 2022		637,800							627,457	3,935
N2023-1	SCADA - Continue Expanding/Programming	57,500	575	100%	56,925	56,925	0	0	56,925	0
N2023-2	Strouger Rd Watermain Replacement (2012)	73,300	733	95%	72,567	66,938	3,628	36	66,975	3,592
N2023-3	DCC Major Update Study	11,500	115	50%	11,385	5,693	5,693	57	5,749	5,636
TOTAL 2023		142,300							131,648	9,228
N2024-1	SCADA - Continue Expanding/Programming	57,500	575	100%	56,925	56,925	0	0	56,925	0
N2024-2	Arquillus Pump Station Improvements	126,400	1,264	75%	125,136	93,852	31,284	313	94,165	30,971
TOTAL 2024		183,900							153,090	30,971
N2025-1	Yeo Street Watermain Replacemt (2012)	85,600	856	95%	84,744	80,413	4,332	42	80,455	4,289
N2025-2	Madrone Drive Watermain Replacement (2012)	393,800	3,938	95%	389,862	370,181	19,681	195	370,376	19,486
TOTAL 2025		479,400							450,831	23,478
N2026-1	Ballenas Road Watermain Replacement (2012)	162,000	1,620	95%	160,380	152,361	8,019	80	152,441	7,939
N2026-2	Gerald Street Watermain Replacement (2012)	131,800	1,318	95%	130,482	123,958	6,524	65	124,023	6,459
TOTAL 2026		293,800							276,464	14,398
N2027-1	Radio Road Water Meters - Initial System (2012)	344,600	3,446	100%	341,154	341,154	0	0	341,154	0
N2027-2	Couglas Crescent Watermain Replacement	48,300	483	95%	47,817	45,426	2,391	24	45,450	2,367
TOTAL 2027		392,900							326,604	2,367
N2028-1	Ida Lane Watermain Replacement (2014)	56,200	562	95%	55,638	52,856	2,782	28	53,038	2,594
N2028-2	Radio Road Water Meters - Continue System Conversion	114,900	1,149	100%	113,751	113,751	0	0	113,751	0
N2028-3	DCC Major Update Study	11,500	115	50%	11,385	5,693	5,693	57	5,749	5,636
N2028-4	Apache Road Watermain Replacement (2012)	131,800	1,318	95%	130,482	123,958	6,524	65	124,023	6,459
TOTAL 2028		314,400							286,407	14,848
N2029-1	Leisure Way Watermain Replacement (2014)	112,300	1,123	95%	111,177	105,618	5,559	56	105,674	5,503
N2029-2	Schira Drive Watermain Replacement (2014)	146,500	1,465	95%	145,035	137,783	7,252	73	137,856	7,179
N2029-3	Radio Road Water Meters - Continue System Conversion	114,900	1,149	100%	113,751	113,751	0	0	113,751	0
TOTAL 2029		373,700							357,281	12,822
N2030-1	Sheppard Road Watermain Replacement (2014)	34,200	342	95%	33,858	32,165	1,693	17	32,182	1,676
N2030-2	Armstrong Crescent Watermain Replacement (2014)	300,200	3,002	95%	297,198	282,338	14,860	149	282,487	14,711
N2030-3	Radio Road Water Meters - Continue System Conversion	114,900	1,149	100%	113,751	113,751	0	0	113,751	0
TOTAL 2030		449,300							428,420	16,877
N2031-1	White Avenue Watermain Replacement (2014)	34,200	342	95%	33,858	32,165	1,693	17	32,182	1,676
N2031-2	Collins Crescent Watermain Replacement (2014)	336,800	3,368	95%	333,432	316,760	16,672	167	316,927	16,505
N2031-3	Radio Road Water Meters - Continue System Conversion	114,900	1,149	100%	113,751	113,751	0	0	113,751	0
N2031-4	Apollo Drive Watermain Replacement (2014)	19,600	196	95%	19,404	18,434	970	10	18,444	960
N2031-5	Glenn Place Watermain Replacement (2014)	45,200	452	95%	45,738	43,451	2,287	23	43,474	2,264
TOTAL 2031		551,700							524,778	21,405
NET RECOVERABLE COST										9,480,127
DCC RESERVE FUND										145,000
TOTALS		\$20,388,384	\$203,884		\$20,184,510	\$10,608,604	\$9,575,906	\$95,769	\$10,704,363	\$9,336,147

GROWTH PROJECT & TOTAL DCC REVENUE PER LAND USE

Land Use Category	Projected Growth		Service Population Factor	Resulting Service Population		Portion of Total Cost (\$)
	(#)	(Unit)		(#)	(%)	
Single Family	775	Dwelling Unit	2.20	1,705	65.7%	\$6,131,135
Multi-Family	350	Dwelling Unit	1.90	665	25.6%	\$2,381,322
Senior Living Units	95	Unit	1.10	105	4.0%	\$377,577
Commercial	9,125	m ² gross floor area	0.0106	91	3.5%	\$327,204
Institutional	6,000	m ² gross floor area	0.0050	30	1.2%	\$107,879
Industrial	0	ha	0	0	0.0%	\$0
Totals				2,596	100%	\$9,336,147

DCC CALCULATION PER LAND USE

Land Use Category	Projected Growth (#)	Portion of Total Cost (\$)	Resulting DCC (\$ per unit)	(Unit)
Multi-Family	350	\$2,381,322	\$6,832.35	Dwelling Unit
Senior Living Units	95	\$377,577	\$3,974.80	Unit
Commercial	9,125	\$327,204	\$36.86	per m ² of gross floor area
Institutional	6,000	\$107,879	\$17.88	per m ² of gross floor area
Industrial	0	\$0	\$0.00	per ha of site area
Totals		\$9,336,147		

6.3 COST CHARGE CALCULATIONS

Table 5 presents a list of the water projects by name and description along with a numbering system containing a notation of anticipated construction year and project number.

For each project, an assessment of the benefit to existing users is made. Examples are presented below:

- N2017-5 Englishman River Water Service. An allocation of 34% benefit to existing users has been used. This was calculated taking the estimated “build-out” Max Day demand (10,344 m³/day), subtracting the estimated “new-development” Max Day demand (6,816 m³/day), then dividing the difference (3,528 m³/day) by 10,344 m³/day (the estimated “build-out” Max Day demand). For the purpose of this calculation the estimated demands are ERWS surface water supply demands only and do not include any available groundwater supplies. These ERWS demands were estimated and from projections made by the Associated Engineering pre-design team, which included Koers & Associates and Kerr Wood Leidel.
- N2015-5, Wallbrook Well No. 2 Upgrades are considered to be 100% benefit to new development. The cost estimate is \$150,000 plus a \$100,000 allowance for land acquisition, but not including an allowance for iron or manganese reduction.
- Trunk watermain projects N2015-4, Collingwood Drive Loop Main, N2017-4 and N2018-5 Bonnington Drive Loop Main, and N2019-2 and N2021-4 Schooner Cove Drive Loop Main are required to service new development. The benefit to existing users is estimated at 25%, based on the mains servicing an additional 1,800 new units compared to the approximately 600 existing units.
- N2015-2, Harlequin/Sea Lion Loop and Footbridge, is assessed at 75% to existing users as it is a system improvement, leaving 25% benefitting new development through improved flow capability for the relatively small potential additional development or redevelopment it serves.
- N2016-3 and N2018-1 West Bay PRV and Building Upgrade, provide some improvement to existing users and a much larger design capacity to suit growth, and are therefore assessed at 25% benefit to existing users.
- N2021-5, Fairwinds Reservoir, is assessed at 50% benefit to existing users. This involves the construction of a new water reservoir, providing additional storage required to service the future Nanoose Bay Peninsula demands.

The resulting total annual net DCC Recoverable and cost to Existing Users is shown in the last two columns (H & I). The cumulative total for each is also shown. The portion of the total cumulative cost attributed to each land-use categories is calculated based on its percentage of the equivalent service population.

The unit DCC for each land use is calculated by dividing the calculated total DCC cost for each land-use by the land-use projected total growth. A summary of the DCC per land-use is shown in Table 6.

Table 6 – DCC Summary

DCC Category	Charge	Unit
Single Family	\$7,911.14	Dwelling Unit
Multi Family	\$6,832.35	Dwelling Unit
Senior Living Units	\$3,974.50	Unit
Commercial	\$35.86	per m ² of gross floor area
Institutional	\$17.98	per m ² of gross floor area
Industrial	\$0.00	per ha of site area

DCCs for Single Family residential development would be collected at the subdivision stage. Cost charges for residential units are expected to be applied to all forms of single-family development, including bare-land strata developments.

DCCs for Multi-Family land uses, including mobile and modular homes, would be collected at the time of building permit issuance, when the exact number of units in the development is known.

DCCs for Senior Living land uses, would be collected at the time of building permit issuance, when the exact number of units in the development is known.

DCCs for Commercial and Institutional land uses would be collected at the time of building permit issuance, when charges related to floor space are easily calculated.

DCC for Industrial and Public Utility land uses would be collected at the time of building permit issuance.

A summary of the existing users and DCC recoverable annual costs are summarized in Table 7 on the following page.

Table 7 – Existing Users & DCC Recoverable Annual Costs Comparison

Existing User Fees		DCC Net Recoverable	
Year	Cost	Year	Cost
2015	\$614,021	2015	\$481,018
2016	\$182,171	2016	\$28,996
2017	\$4,006,423	2017	\$6,836,080
2018	\$222,212	2018	\$433,366
2019	\$586,469	2019	\$175,308
2020	\$190,213	2020	\$122,429
2021	\$1,271,845	2021	\$1,253,249
2022	\$627,487	2022	\$3,935
2023	\$131,649	2023	\$9,228
2024	\$151,090	2024	\$30,971
2025	\$450,831	2025	\$23,478
2026	\$276,464	2026	\$14,398
2027	\$386,604	2027	\$2,367
2028	\$296,407	2028	\$14,849
2029	\$357,281	2029	\$12,682
2030	\$428,420	2030	\$16,387
2031	\$524,778	2031	\$21,405
Total	\$10,704,363	Total	\$9,480,147

7.1 SUMMARY

To receive expedient approval of the amended DCC bylaw, the Ministry of Community Services publication *Development Cost Charge - Best Practices Guide* should be followed in amending the bylaw preparation, including stakeholder consultation and public notifications.

The completed 'Ministry Submission Summary Checklist' a copy of which is presented in Appendix B, should be completed and forwarded with the amended bylaw for the Ministry's review and approval.

The DCCs are established to Year 2031 and are on a revolving time basis.

If development occurs prior to the implementation of the ERWS, additional well capacity will be required. This capacity expansion may be required before sufficient DCC funds are available. In accordance with the BPG, the works could be installed by the developer. A DCC rebate would then be paid to the developer for the incremental portion of the costs beyond the local requirement. This would occur following acceptance of the completed well works.

Several trunk watermains are required to service adjacent lands in the Lakes District and Schooner Cove neighbourhoods. It is anticipated that these trunk mains will require being in service prior to sufficient DCC funds being generated. If installed by the developer, a DCC rebate would be paid to the developer for the incremental portion of the costs beyond the local requirement. This would occur following acceptance of the completed trunk works and registration of the applicable portion of subdivision lands.

In-stream protection is to be provided to any complete subdivision application, provided application fees have been paid, as per the Local Government Act Section 943.

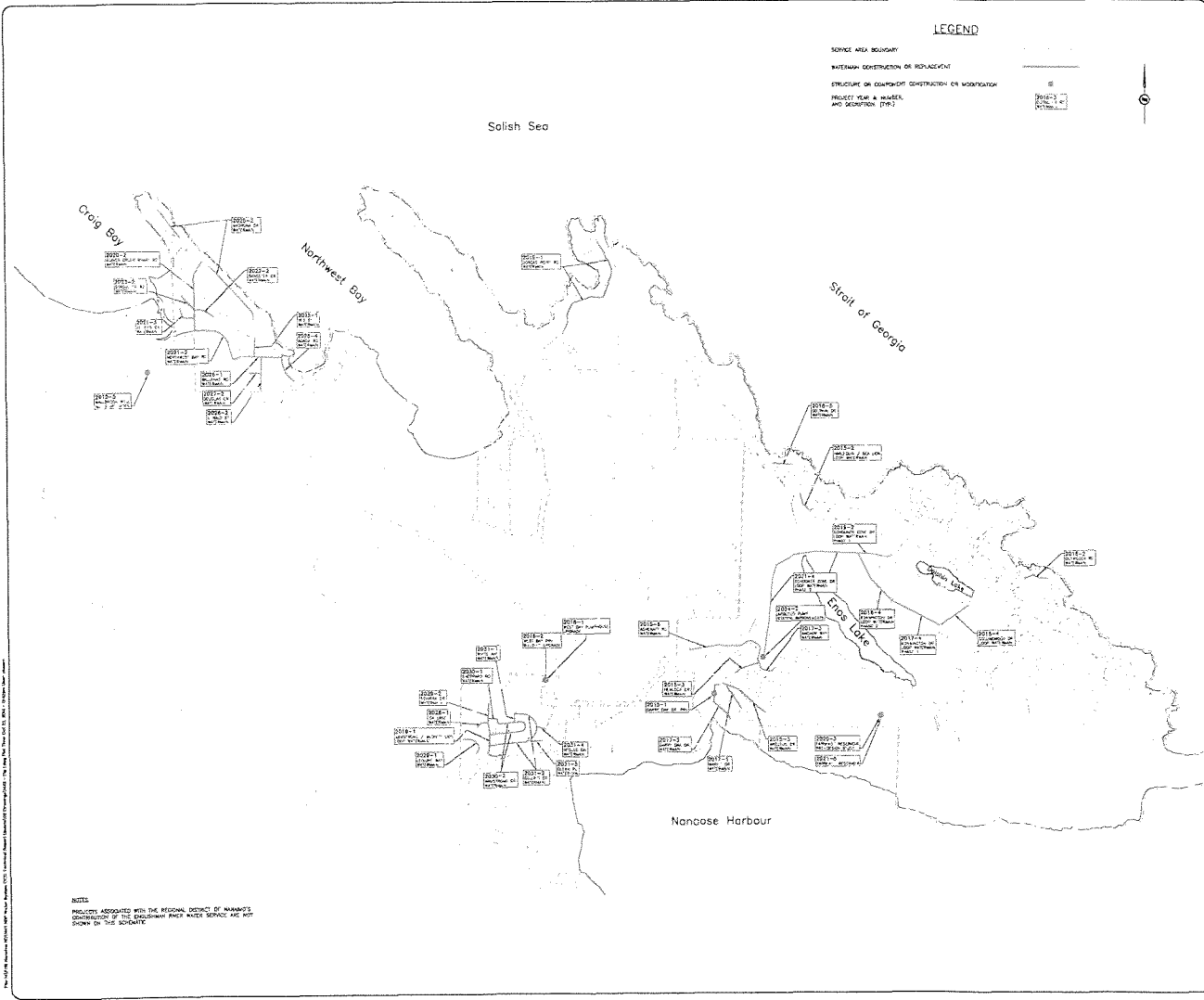
When a DCC bylaw is implemented or amended, those parties paying DCCs will be affected by the new or amended charges. As project funding is generally arranged in the early stages of a development, sometimes even in advance of obtaining rezoning, cost increases can have a significant impact on a project's viability. As such a "grace period" is recommended before new or amended DCCs are brought in. The "grace period" is a length of time providing notification before the new or amended DCCs are adopted. The "grace period" is provided by the municipality as an acknowledgement to the development industry the impact DCCs may have on their business.

Table 6 provides a summary of the proposed DCC for each function by development (land-use) category.

Table 7 provides a comparison of the annual cost of the DCC program to existing system users and DCC recoverable costs. The existing user's column includes the capital works projects' percentage benefit to existing plus the 1% municipal assist factor applied against the developers' portion of the costs. These are the total funds the District needs to provide in order to carry out the DCC projects listed in the tables.

APPENDIX A

Water System Improvements Schematic



KOERS & ASSOCIATES ENGINEERING LTD
Consulting Engineers

LEGEND

SERVICE AREA BOUNDARY

WATERMAIN CONSTRUCTION OR REPLACEMENT

STRUCTURE OR COMPONENT CONSTRUCTION OR MODIFICATION

PROJECT YEAR & NUMBER AND DESCRIPTION (PP-3)

RECORD OF REVISIONS

REV.	DATE	BY	ENG.	DESCRIPTION
1	22SEP14	CACH	KD	ADDED 2013-6 AND 2018-5

REV.	DATE	BY	ENG.	DESCRIPTION
B	22OCT14	CACH	KD	100% SUBMISSION
A	10SEP14	CACH	KD	FINAL DWT

RECORD OF SCALE

SCALE	DATE	BY	ENG.	DESCRIPTION
1:15,000	SEP 2014	CACH	KD	

PROJECT NO: 1443 (old No. 1055)

DESIGNED	KD
CHECKED	CD
APPROVED	CD
DATE	SEP 2014
SCALE	1:15,000

REGIONAL DISTRICT OF NANAIMO

PROJECT
**NBP WATER SYSTEM
 DCC TECHNICAL
 REPORT UPDATE**

THLC
**WATER SYSTEM
 IMPROVEMENTS
 SCHEMATIC
 (TO 2031)**

DR'WING NO	REV	SHEET
1443 - Fig. 1	1	1/1

NOTE
 PROJECTS ASSOCIATED WITH THE REGIONAL DISTRICT OF NANAIMO'S OPERATIONS OF THE DISTRICT'S WATER SERVICE ARE NOT SHOWN ON THIS SCHEMATIC

APPENDIX B

Ministry Submission Summary Checklist

**MUNICIPALITY/REGIONAL DISTRICT
MINISTRY OF COMMUNITY SERVICES
SUBMISSION SUMMARY CHECKLIST**
(to be completed by local government)
DCC BYLAW(S) NO.(S)

- Is this bylaw a **New DCC Bylaw**
 Major DCC Bylaw Amendment
 Minor DCC Bylaw Amendment

Please complete checklist by marking the appropriate boxes, and providing references to background material and other requested information. If DCCs are established on a basis other than the DCC Best Practices Guide, provide a brief explanation for the approach used. If space is insufficient, reference pages in submission where this is covered or append additional pages.

	DCC RECOMMENDED BEST PRACTICE	Submission Page reference
1.	Did the development of this DCC bylaw include: <input checked="" type="checkbox"/> a full public process? Yes <input checked="" type="checkbox"/> input from stakeholders? Yes <input type="checkbox"/> Council input only?	3 & 4
	Why? Local developers and the general public have been kept advised of the proposed DCC bylaw implementation. The RDN intends to follow the Stakeholder Participation Strategy identified in the best practices guide.	3 & 4
2.	Are the Road DCCs established: <input type="checkbox"/> on a municipal-wide basis? No <input type="checkbox"/> on an area specific basis?	
	Why? Waterworks DCCs only	
3.	Are the Storm drainage DCCs established: <input type="checkbox"/> on a municipal-wide basis? No <input type="checkbox"/> on an area specific basis?	
	Why? Waterworks DCCs only	
4.	Are the Sanitary sewer DCCs established: <input type="checkbox"/> on a municipal-wide basis? <input type="checkbox"/> on an area specific basis?	
	Why? Waterworks DCCs only	

	DCC RECOMMENDED BEST PRACTICE	Submission Page reference
5.	Are Water DCCs established: <input checked="" type="checkbox"/> on a municipal-wide basis? Yes <input type="checkbox"/> on an area specific basis?	21
	Why? Waterworks only	21
6.	Are Parkland and parkland improvement DCCs established: <input type="checkbox"/> on a municipal-wide basis? No <input type="checkbox"/> on an area specific basis?	
	Why? Waterworks only	
7.	Is the DCC time frame: <input checked="" type="checkbox"/> a revolving program (<u>17</u> Years)? Yes <input type="checkbox"/> a build out program (_____ Years)? <input type="checkbox"/> other?	1
	Why? DCC program is tied into the same 20-year capital expenditure plan developed in 2011, to year 2031.	1
8.	Are residential DCC categories established on the basis of: <input type="checkbox"/> density gradient? <input checked="" type="checkbox"/> building form? <input type="checkbox"/> other?	13
	Why? This is the traditional approach, with established records of average population per unit available to assist in the projection estimates.	13
9.(a)	Are residential DCCs imposed on the basis of: <input checked="" type="checkbox"/> development units? Yes <input type="checkbox"/> floor space? <input type="checkbox"/> other?	13
	Why? Unit projection information is available.	13

	DCC RECOMMENDED BEST PRACTICE	Submission Page reference
9.(b)	Are commercial and institutional DCCs imposed on the basis of: <input checked="" type="checkbox"/> floor space? Yes, per square metre of gross building floor space. <input type="checkbox"/> other?	14
	Why? Reliable, as records of equivalent to residential impacts are available.	14
9.(c)	Are industrial DCCs imposed on the basis of: <input checked="" type="checkbox"/> gross site area? Yes, per square meter of gross site area. <input type="checkbox"/> other?	16
	Why? Reliable, as historical record of equivalent to residential impacts are available.	16
10.	Is the DCC program consistent with: <input checked="" type="checkbox"/> the <i>Local Government Act</i> ? Yes <input checked="" type="checkbox"/> Regional Growth Strategy? Yes <input checked="" type="checkbox"/> Official Community Plan? Yes <input type="checkbox"/> Master Transportation Plan? <input type="checkbox"/> Master Parks Plan? <input type="checkbox"/> Liquid Waste Management Plan? <input type="checkbox"/> Affordable Housing Policy? <input checked="" type="checkbox"/> Five Year Financial Plan Yes	2 – 9, 18, 27 11, 16 4, 9, 12 - 16 21
	Why not? Other plans are not applicable to this DCC bylaw.	
11.	Are DCC recoverable costs, consistent with Ministry policy, clearly identified in the DCC documentation: <input checked="" type="checkbox"/> Cost allocation between new and existing? Yes <input checked="" type="checkbox"/> Grant Assistance? Yes <input checked="" type="checkbox"/> Developer Contribution? Yes <input checked="" type="checkbox"/> Municipal assist Factor? Yes <input checked="" type="checkbox"/> Interim Financing? Yes <input type="checkbox"/> Other:	19 18 22, 23 19 5, 17
	Why? To conform to the BPG.	
	Is capital cost information provided for: <input type="checkbox"/> Roads? <input type="checkbox"/> Storm Drainage? <input type="checkbox"/> Sanitary Sewer? <input checked="" type="checkbox"/> Water? Yes <input type="checkbox"/> Parkland? <input type="checkbox"/> Parkland improvements?	After 23

	DCC RECOMMENDED BEST PRACTICE	Submission Page reference																								
12.	<p>Are DCC recoverable costs which include interest clearly identified in the DCC documentation as follows:</p> <p><input checked="" type="checkbox"/> Interest on long-term debt is <i>excluded</i>? Yes <input type="checkbox"/> For specific projects, interest on long-term debt is <i>included</i>? <input type="checkbox"/> Other?</p> <p>If interest on long-term debt is included for specific projects, does the DCC submission include: n/a at this time</p> <p><input type="checkbox"/> A council/board resolution authorizing the use of interest? <input type="checkbox"/> Confirmation that the interest applied does not exceed the MFA rate <u>or</u> if borrowing has already been undertaken, the actual rate providing it does not exceed the MFA rate? <input type="checkbox"/> Confirmation that the amortization period does not exceed the DCC program time frame? <input type="checkbox"/> Evidence that the current DCC reserve fund balance is insufficient for the work in question? <input type="checkbox"/> Demonstration that the project is an exceptional circumstance (fixed capacity, out-of-sequence, or Greenfield)? <input type="checkbox"/> Evidence of public consultation and disclosure in the financial plan and DCC report regarding inclusion of interest?</p>	5																								
13.	<p>Does the municipal assist factor reflect:</p> <p><input checked="" type="checkbox"/> the community's' financial support towards the financing of services for development? Yes <input type="checkbox"/> other?</p>	19																								
	<p>Why? Low assist factor is considered appropriate at this time, with the very healthy development climate on Vancouver Island.</p>	19																								
	<p>Has a municipal assist factor been provided for:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;"><input type="checkbox"/> Roads?</td> <td style="width: 20%;">Assist factor</td> <td style="width: 20%; text-align: right;">_____ %</td> <td style="width: 20%;"></td> </tr> <tr> <td><input type="checkbox"/> Storm Drainage?</td> <td>Assist factor</td> <td style="text-align: right;">_____ %</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Sanitary Sewer?</td> <td>Assist factor</td> <td style="text-align: right;">_____ %</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Water? Yes</td> <td>Assist factor</td> <td style="text-align: right;">_____ 1 _____ %</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Park land?</td> <td>Assist factor</td> <td style="text-align: right;">_____ %</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Park land improvements?</td> <td>Assist factor</td> <td style="text-align: right;">_____ %</td> <td></td> </tr> </table>	<input type="checkbox"/> Roads?	Assist factor	_____ %		<input type="checkbox"/> Storm Drainage?	Assist factor	_____ %		<input type="checkbox"/> Sanitary Sewer?	Assist factor	_____ %		<input checked="" type="checkbox"/> Water? Yes	Assist factor	_____ 1 _____ %		<input type="checkbox"/> Park land?	Assist factor	_____ %		<input type="checkbox"/> Park land improvements?	Assist factor	_____ %		19
<input type="checkbox"/> Roads?	Assist factor	_____ %																								
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<input type="checkbox"/> Sanitary Sewer?	Assist factor	_____ %																								
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<input type="checkbox"/> Park land?	Assist factor	_____ %																								
<input type="checkbox"/> Park land improvements?	Assist factor	_____ %																								
14.	<p>Are DCCs for single family developments to be collected:</p> <p><input checked="" type="checkbox"/> at the time of subdivision approval? Yes <input type="checkbox"/> other?</p>	6																								
	<p>Why? Recommended by the BPG. Subdivision approval collection creates an orderly flow of funds to allow for completion of the required works in a timely schedule, to achieve the necessary level of service.</p>	6																								

	DCC RECOMMENDED BEST PRACTICE	Submission Page reference
15.	Are DCCs for multi-family land uses to be collected: <input type="checkbox"/> at the time of subdivision? <input checked="" type="checkbox"/> at the time of building permit issuance? Yes	6
	Why? As the BPG. Charges related to floorspace and the exact number of units are easily calculated at the building permit stage.	6
16.	Is a DCC monitoring and accounting system to provide a clear basis for the tracking of projects and the financial status of DCC accounts: <input type="checkbox"/> in place? <input checked="" type="checkbox"/> to be set up? Yes	8
	Why? This is a new DCC bylaw. System will be set up once bylaw is implemented.	
17.	Is a suitable period of notification before a new DCC bylaw is in effect, known as a grace period: <input checked="" type="checkbox"/> provided for? Yes <input type="checkbox"/> other?	7
	Why not?	
18.(a)	Does the DCC bylaw set out the situations in which a DCC credit or rebate are to be given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	8
18.(b)	If no, has Council adopted a policy statement that clearly identifies situations in which a DCC credit or rebate should be given or would be considered by Council? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, a copy of the policy statement is included with this submission.	Ref. _____
	If no, why not?	

	DCC RECOMMENDED BEST PRACTICE	Submission Page reference
19.	<p>Has a process to provide for minor routine amendments to the DCC bylaw to reflect changes in construction and other capital costs:</p> <p><input checked="" type="checkbox"/> been established? Yes <input type="checkbox"/> not considered necessary? <input type="checkbox"/> other?</p>	9
	Why? To reflect changes in inflation, or changes in construction costs.	9
20.	<p>Has a process to provide for major amendments to the DCC bylaw, involving a full review of DCC issues and methodology, to be completed not more than once every five years:</p> <p><input checked="" type="checkbox"/> been established? Yes <input type="checkbox"/> not considered necessary? <input type="checkbox"/> other?</p>	10
	Why? To review DCC assumptions, updated development projections, program costs, reserve funds, system update studies, project timing, new projects, costs.	10
	<p>Contact _____ Position _____ Phone _____ *Signed by _____ Position _____ (*Signature of the Head of engineering, finance or planning for the local government.)</p> <p>Signed by (second signature optional) _____ Position _____ Date _____</p>	

MUNICIPALITY

SUMMARY OF DCCs - BYLAW NO(S).

	Residential (per single family dwelling)	Commercial (per square metre)	Industrial (per square metre) [per hectare]	Institutional (per square metre)
Roads				
Storm Drainage				
Sanitary Sewer				
Water	\$7,911.14	\$35.86	-	\$17.98
Park Land				
Park Land Improvements – Included in Park Land				
Total	\$7,911.14	\$35.86		\$17.98

Note: If not on a municipal-wide basis, please indicate minimum and maximum charges.

For amendment bylaw, please indicate nature of change	Existing	Proposed
• New DCC service added		
• Time horizon		
• Capital costs		
• Weighting of types of development (residential, commercial, industrial, etc.)		
• Potential development		
• Allocation of benefit between existing and potential units of development		
• Assist factor		
• Inclusion of Specific Interest Charges		
• Provide that a charge is payable where there is fewer than 4 self-contained dwelling units		
• Establish an amount higher than the \$50,000 minimum provided for in the <i>Local Government Act</i> .		
• Is a suitable period of notification before a new DCC bylaw in effect, known as a grace period?		
Other: (please list) • •		

Attachment C:

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1715

**A BYLAW TO IMPOSE DEVELOPMENT COST CHARGES
WITHIN THE NANOOSE BAY PENINSULA WATER SERVICE AREA**

WHEREAS the Board may, pursuant to Section 933 of the *Local Government Act*, impose development cost charges under the terms and conditions of that section;

AND WHEREAS development cost charges may be imposed for the sole purpose of providing funds to assist the Regional District to pay the capital cost of providing, constructing, altering or expanding water facilities, including treatment plants, trunk lines, pump stations and other associated works in order to serve, directly or indirectly, the development for which the charges are imposed;

AND WHEREAS in establishing the development cost charges under this bylaw, the Board has considered the future land use patterns and development, and the phasing of works and services within the boundaries of the Nanoose Bay Peninsula Water Service Area;

AND WHEREAS the Board is of the opinion that the development cost charges imposed under this bylaw:

- (a) are not excessive in relation to the capital costs of prevailing standards of service,
- (b) will not deter development, and
- (c) will not discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land,

within the Regional District of Nanaimo.

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

1. CITATION

This bylaw may be cited as "Nanoose Bay Peninsula Water Service Area Development Cost Charge Bylaw No. 1715, 2014".

2. INTERPRETATION

In this bylaw:

"Building" means any structure and portion thereof, including mechanical rooms, that is used or intended to be used for the purpose of supporting or sheltering any use or occupancy.

"Commercial Use" means the use of land or buildings for any retail, tourist accommodation, restaurant, personal or professional services, commercial entertainment or commercial recreational use, and any other business use which is not an industrial or institutional use.

"DCC" means a development cost charge.

"Dwelling Unit" means one self-contained unit with a separate entrance intended for year-round occupancy, and the principal use of such dwelling unit is residential, with complete living facilities for one or more persons, including permanent provisions for living, sleeping, cooking and sanitation.

"Gross Floor Area" means the total of the horizontal areas of all floors in a building, including the basement, measured to the outside of the exterior walls of the building.

"Industrial Use" means the use of land or buildings for any manufacturing, processing, repair, storage, wholesaling or distribution of goods.

"Institutional Use" means the use of land or buildings for any school, hospital, correctional facility, care facility, or for the purposes of a public body or publicly regulated utility, but does not include "assisted living" uses.

"Lot" means a parcel created by registration of subdivision under the *Land Title Act* (British Columbia) or the Bare Land Strata regulation under the *Strata Property Act* (British Columbia)

"Mobile Home Park" means an unsubdivided parcel of land, not subdivided pursuant to the *Strata Property Act* and amendments thereto, on which are situated three or more mobile homes for the purposes of providing residential accommodation, but specifically excludes a hotel;

"Multiple Family Residential" means a building or buildings containing two or more dwelling units on a parcel and includes row housing, cluster housing, townhouses, apartment and "assisted living" uses.

"Senior Living Units" means a building or buildings used for multiple family residential use, where there may be common facilities and a cafeteria or eating area, but where residents are ambulatory and live in private rooms or units which can be locked and which are not automatically accessible to care staff.

3. CHARGES

Every person who obtains:

- a) approval of the subdivision for any purpose of a parcel of land under the *Land Title Act* or the *Strata Property Act* which creates fee simple or bare land strata lots which are zoned to permit no more than two dwelling units, or
- b) a building permit authorizing the construction, alteration or extension of a building, including a building containing less than four self-contained dwelling units and that will, after the construction, alteration or extension, be put to no other use other than the residential use in those dwelling units, or

- c) a building permit for any new floor area which has a construction value in excess of \$50,000.00 or where the total of the building permits issued for the same parcel of land within the preceding 2 years exceeds \$50,000.;

shall pay, at the time of the approval of the subdivision or the issuance of the building permit, the applicable development cost charges as set out in Schedule 'A' attached to and forming part of this bylaw.

- 4. The charges outlined on Schedule 'A' will apply to properties outlined on Schedule 'B', attached to and forming a part of this bylaw.
- 5. The charges outlined on Schedule 'A' will be based on the actual use of the building not the zoning category of the property; and,
 - a) where there is more than one use, each use is subject to the charge based on the actual use and there may be more than one category applied per building.
 - b) mezzanines, storage or similar areas within a building are subject to development cost charges based on the same use that the majority area of the building contains.
 - c) where a building is vacant and its future use cannot be determined, development cost charges are payable in accordance with the zoning category for the land upon which the building is situated.

6. **EXCEPTIONS**

- a) Section 3 does not apply to a subdivision or building in respect of which the imposition of a development cost charge is prohibited by statute.
- b) If by statute or by operation of law, this Bylaw does not apply to an application to subdivide or an application for a building permit made prior to the adoption of this bylaw, any bylaw repealed by this bylaw shall remain unrepealed and in force and effect in relation to such applications, so far as is necessary to impose development cost charges under that bylaw at the time of subdivision approval or issuance of the building permit.

7. **EFFECTIVE DATE**

This bylaw will come into full force and effect 60 days from the adoption of the bylaw.

8. **SEVERABILITY**

In the event that any portion of this bylaw is declared invalid it shall be severed and the remainder of the bylaw shall continue in full force and effect.

9. **REPEAL**

On the effective date of this bylaw "Nanoose Bay Bulk Water Local Service Area Development Cost Charge Bylaw No. 1088, 1997", and all amendments thereto are hereby repealed.

Introduced for first and second readings this day of .

Read a third time this day of .

Approved by the Inspector of Municipalities this day of .

Adopted this day of .

CHAIRPERSON

CORPORATE OFFICER

DRAFT

Chairperson

Corporate Officer

SCHEDULE 'A'

Development Cost Charges for Wastewater Treatment/Sanitary Sewer Works and Services

1. Pursuant to Section of this bylaw, development cost charges shall be levied in those areas that will be serviced by water works and services as outlined on the map attached hereto as Schedule 'B'.
2. The assist factor for those works and services shall be 1%.
3. All charges shall be paid in full prior to the approval of a subdivision or building permit unless paid by way of installments in accordance with BC Reg 166/84.
4. The Development Cost Charge Schedule is as follows:

Category	Subdivision	Building Permit
Single Family	\$7,911.14 per lot being created	\$7,911.14 per residential unit constructed
Multi-Family		\$6,832.35 per residential unit constructed
Commercial		\$35.86 per square meter of building gross floor area
Industrial (all uses except Airport)		\$0.00 per square meter of building gross floor area
Institutional		\$17.98 per square meter of building gross floor area
Senior Living Units		\$3,974.50 per residential unit constructed

RDN REPORT		
CAO APPROVAL		<input checked="" type="checkbox"/>
EAP		
COW		
NOV 18 2014		
RHD		
BOARD	<input checked="" type="checkbox"/>	

MEMORANDUM

TO: Mike Donnelly
Manager, Water & Utility Services

DATE: November 17, 2014

FROM: Deb Churko, ASCT
Engineering Technologist

FILE: 5500-20-FC-01

SUBJECT: **Bylaws No. 813.53, 869.10, 889.69, and 1021.11 - Petition Requests from Three Electoral Area 'G' property owners to be included in Sewer and Streetlighting Service Areas**

PURPOSE

To consider three requests:

- 1) To include 1032 Robertson Blvd (Lot 3, DL 81, Nanoose Dist, Plan 1799) into the French Creek Sewer and Northern Community Sewer Service Areas for the purpose of sanitary sewer connection, and into the Morningstar Streetlighting Service Area for streetlighting service;
- 2) To include 683 Wembley Road (Lot A, DL 81, Nanoose Dist, Plan 48067) into the French Creek Sewer and Northern Community Sewer Service Areas for the purpose of sanitary sewer connection; and
- 3) To include 1479 Bay Drive (Lot 2, DL 22, Nanoose Dist, Plan 26956) into the Pacific Shores Sewer and Northern Community Sewer Service Areas for the purpose of sanitary sewer connection.

BACKGROUND

The properties at 1032 Robertson Blvd and 683 Wembley Road are located near Morningstar Golf Course, just west of Parksville, B.C., and the property located at 1479 Bay Drive is located off of Northwest Bay Road near the eastern boundary of the City of Parksville (see Location Plan in Figure 1). All three subject properties have been occupied by one single family dwelling for over 20 years, but have never been connected to the Regional District of Nanaimo (RDN) sanitary sewer system. The owners have petitioned the RDN to be included in the French Creek, Pacific Shores, and Northern Community Sewer Local Service Areas, respectively, for the purpose of joining the community sewer system. The owner of 1032 Robertson Blvd has also applied to join the adjacent Morningstar Streetlighting Service Area.

The properties on Robertson Blvd and Wembley Road are located within the engineered sewer catchment area for the French Creek Pollution Control Centre, and servicing is supported by the *Electoral Area 'G' Official Community Plan (OCP) Bylaw No. 1540, 2008*. The Bay Drive property is located outside of the Urban Containment Boundary where services are not normally provided (as per the *Regional Growth Strategy*) unless they are to address a health or environmental concern. All three subject properties are located adjacent to an RDN community sewer service area boundary, thereby making a connection to the community sewer possible.

Capital Charges have been paid by each property owner, pursuant to *French Creek Sewer Local Service Area Capital Charge Bylaw No. 1330, 2003* (for sewage collection), and *Northern Community Sewer Local Service Area Capital Charge Bylaw No. 1331, 2003* (for sewage treatment).

ALTERNATIVES

1. Accept the applications for sewer and streetlight service.
2. Do not accept the applications for sewer or streetlight service. The owners would explore options for privately-owned and operated on-site sewage treatment and disposal, and in the case of 1032 Robertson Blvd: privately owned and operated ornamental streetlighting.

FINANCIAL IMPLICATIONS

Under Option 1, if the applications are approved for inclusion into the sewer and streetlighting service areas, there are no financial implications to the RDN. All costs associated with connection to the community sewer and streetlighting service would be at the expense of the applicants. The owners have each paid Capital Charges for sewer in the amount of \$2,891 per lot.

Capital Charges are normally payable on the full development potential of a lot at the time a property joins the local service area. However, in the case of 1032 Robertson Blvd and 683 Wembley Road (which are both subdividable), a restrictive covenant has been registered on the Land Title (under Section 219 of the *Local Government Act*) indicating that Capital Charges have been paid for the parent lot, and that additional Capital Charges will be payable to the Regional District in the future when subdivision and/or multi-family development is being considered. The property at 1479 Bay Drive cannot be subdivided further. Once a property has been included in the service area, cost recovery for sewer and streetlighting service is done through parcel taxes. Additionally, annual user fees are also collected for sewer use.

Under Option 2, if the applications for sewer and streetlighting service are not approved, the owners would explore options for privately-owned and operated on-site sewage treatment and disposal, and ornamental streetlights. The initial Capital Charges paid by the property owners would be refunded.

SUSTAINABILITY AND STRATEGIC PLAN IMPLICATIONS

By including the subject properties in the French Creek, Pacific Shores, and Northern Community Sewer Service Areas, domestic sewage would be collected by the community sewer system and treated at the French Creek Pollution Control Centre. This meets one of the goals of *Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500 (1987)*, which will help avoid potential future problem areas from on-site sewage disposal systems installed in an urban setting.

The Bay Drive property is located on the oceanfront, in a Watercourse Protection Development Permit Area (DPA), and a drinking water well is present on the same property. Both the *Regional Growth Strategy* and the *Nanoose Bay Official Community Plan Bylaw No. 1400 (2005)* support the provision of community sewer services to land outside of the Urban Containment Boundary in order to address a health or environmental concern. By gaining a connection to the community sewer service, the property at 1479 Bay Drive would no longer be utilizing on-site sewage treatment and disposal near the marine foreshore, near a watercourse, or near a drinking water well.

By expanding the local streetlighting service area to include 1032 Robertson Blvd, more streetlights would be installed in the Morningstar area. New streetlighting installations are required to be low-energy use, and dark-sky compliant under the RDN Engineering Specifications. Staff suggest that the installation of up to 10 new streetlights would have very little impact to the sustainability of the existing Morningstar Streetlighting Service Area. An expansion to the adjacent Morningstar Area would make the streetlighting service not only possible, but desirable.

DEVELOPMENT IMPLICATIONS

The properties at 1032 Robertson Blvd and 683 Wembley Road are potentially subdividable with community sewer service, pursuant to *Bylaw No. 500*. These two properties are located within a "Neighbourhood Residential" land use designation pursuant to the *Electoral Area 'G' Official Community Plan (OCP) Bylaw No. 1540, 2008*, where servicing is supported. An application has been received by the Regional District for rezoning 1032 Robertson Blvd to a higher density. However, sewer servicing to the parent parcel is the only application being considered in this report.

The property located at 1479 Bay Drive cannot be subdivided further, even with community sewer service.


SUMMARY/CONCLUSIONS

Petitions have been received from the owners of 1032 Robertson Blvd, 683 Wembley Road, and 1479 Bay Drive to amend the boundaries of the French Creek, Pacific Shores, and Northern Community Sewer Service Areas, respectively, in order to connect to the Regional District community sewer service. The *Regional Growth Strategy* and respective *Official Community Plans* support the connection of these properties to community sewer. All costs associated with the connection of the subject properties to community sewer would be paid by the owners. The owners have paid Capital Charges on the parent parcel(s), and signed covenants have been received and registered on the land titles of 1032 Robertson Blvd and 683 Wembley Road to ensure that future payment of Capital Charges is received on the full development potential of the lands. Cost recovery for sewer servicing is done through parcel taxes and annual user fees.

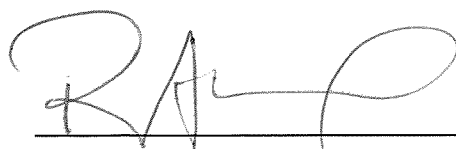
The owner of 1032 Robertson Blvd have also petitioned the RDN to include the subject property into the Morningstar Streetlighting Service Area. There are no cost implications to the RDN. Cost recovery for streetlight service is done through parcel taxes.

RECOMMENDATIONS


1. That "French Creek Sewerage Facilities Local Service Boundary Amendment Bylaw No. 813.53, 2014" be introduced and read three times.
2. That "Morningstar Streetlighting Local Service Boundary Amendment Bylaw No. 869.10, 2014" be introduced and read three times.
3. That "Regional District of Nanaimo Northern Community Sewer Local Service Boundary Amendment Bylaw No. 889.69, 2014" be introduced and read three times.
4. That "Pacific Shores Sewer Local Service Boundary Amendment Bylaw No. 1021.11, 2014" be introduced and read three times.



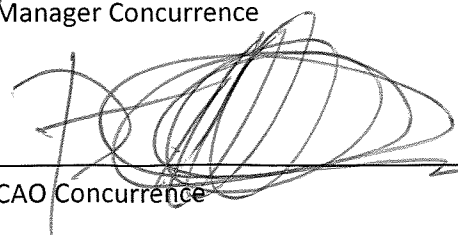
Report Writer



General Manager Concurrence



At Manager Concurrence



CAO Concurrence

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 813.53

**A BYLAW TO AMEND THE BOUNDARIES OF THE
FRENCH CREEK SEWER SERVICE**

WHEREAS the Regional District of Nanaimo established the French Creek Sewer Service pursuant to Bylaw No. 813, cited as “French Creek Sewerage Facilities Local Service Establishment Bylaw No. 813, 1990”;

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

- Lot 3, District Lot 81, Nanoose District, Plan 1799; and
- Lot A, District Lot 81, Nanoose District, Plan 48067.

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

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

1. Amendment

“French Creek Sewerage Facilities Local Service Establishment Bylaw No. 813, 1990” is amended as follows:

By amending Schedule ‘A’ of Bylaw No. 813 to add the lands shown outlined in black on Schedule ‘A’ of this bylaw.

2. Citation

This bylaw may be cited for all purposes as “French Creek Sewerage Facilities Local Service Boundary Amendment Bylaw No. 813.53, 2014”.

Introduced and read three times this 25th day of November, 2014.

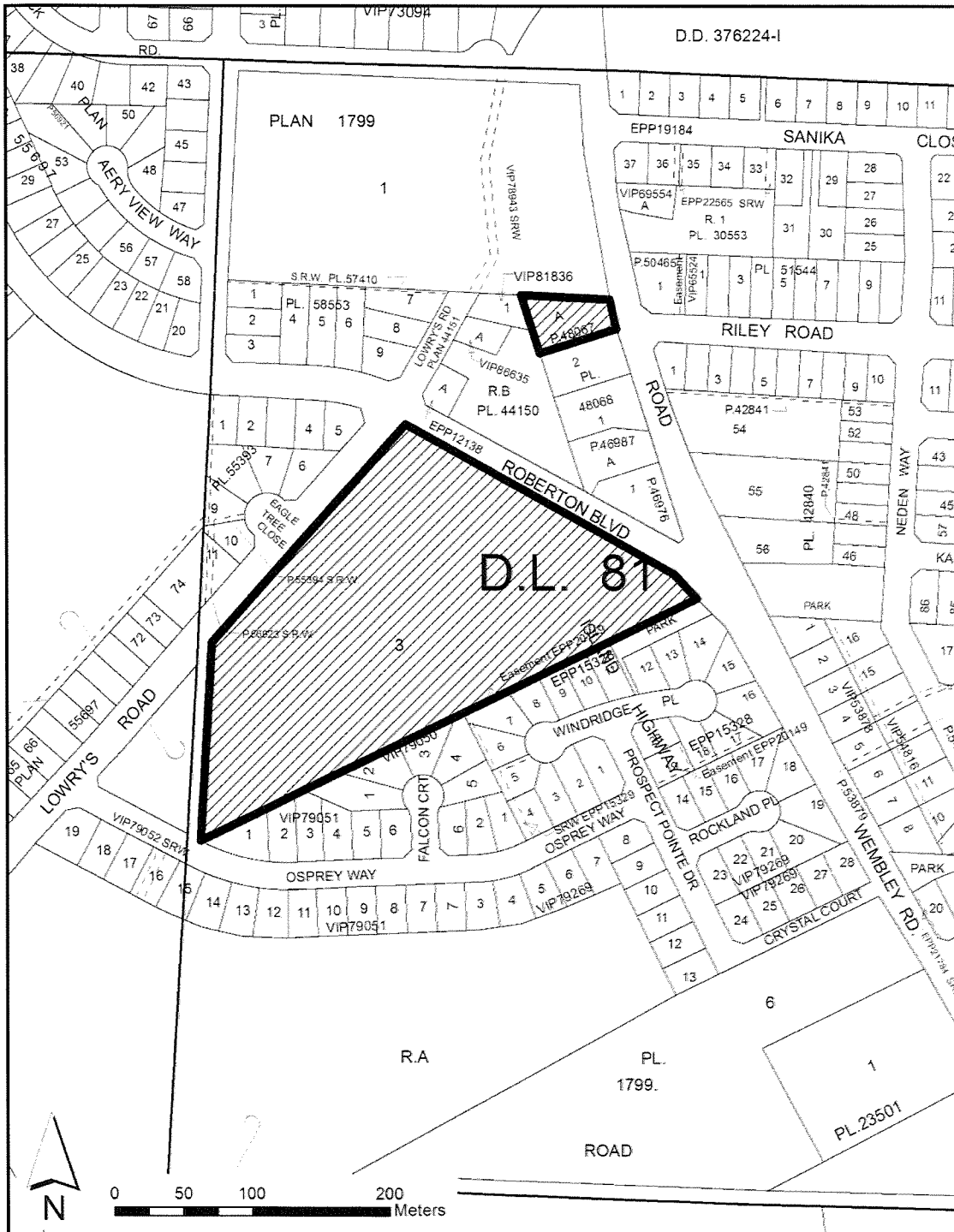
Adopted this ____ day of _____, 2014.

CHAIRPERSON

CORPORATE OFFICER

Chairperson

Corporate Officer



REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 869.10

A BYLAW TO AMEND THE BOUNDARIES OF THE
MORNINGSTAR STREETLIGHTING SERVICE

WHEREAS the Regional District of Nanaimo established the Morningstar Streetlighting Service pursuant to Bylaw No. 869, cited as "Morningstar Streetlighting Local Service Area Establishment Bylaw No. 869, 1992";

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

- Lot 3, District Lot 81, Nanoose District, Plan 1799;

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

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

1. Amendment

"Morningstar Streetlighting Local Service Area Establishment Bylaw No. 869, 1992" is amended as follows:

By amending Schedule 'A' of Bylaw No. 869 to add the land shown outlined in black on Schedule 'A' of this bylaw.

2. Citation

This bylaw may be cited as "Morningstar Streetlighting Local Service Boundary Amendment Bylaw No. 869.10, 2014".

Introduced and read three times this 25th day of November, 2014.

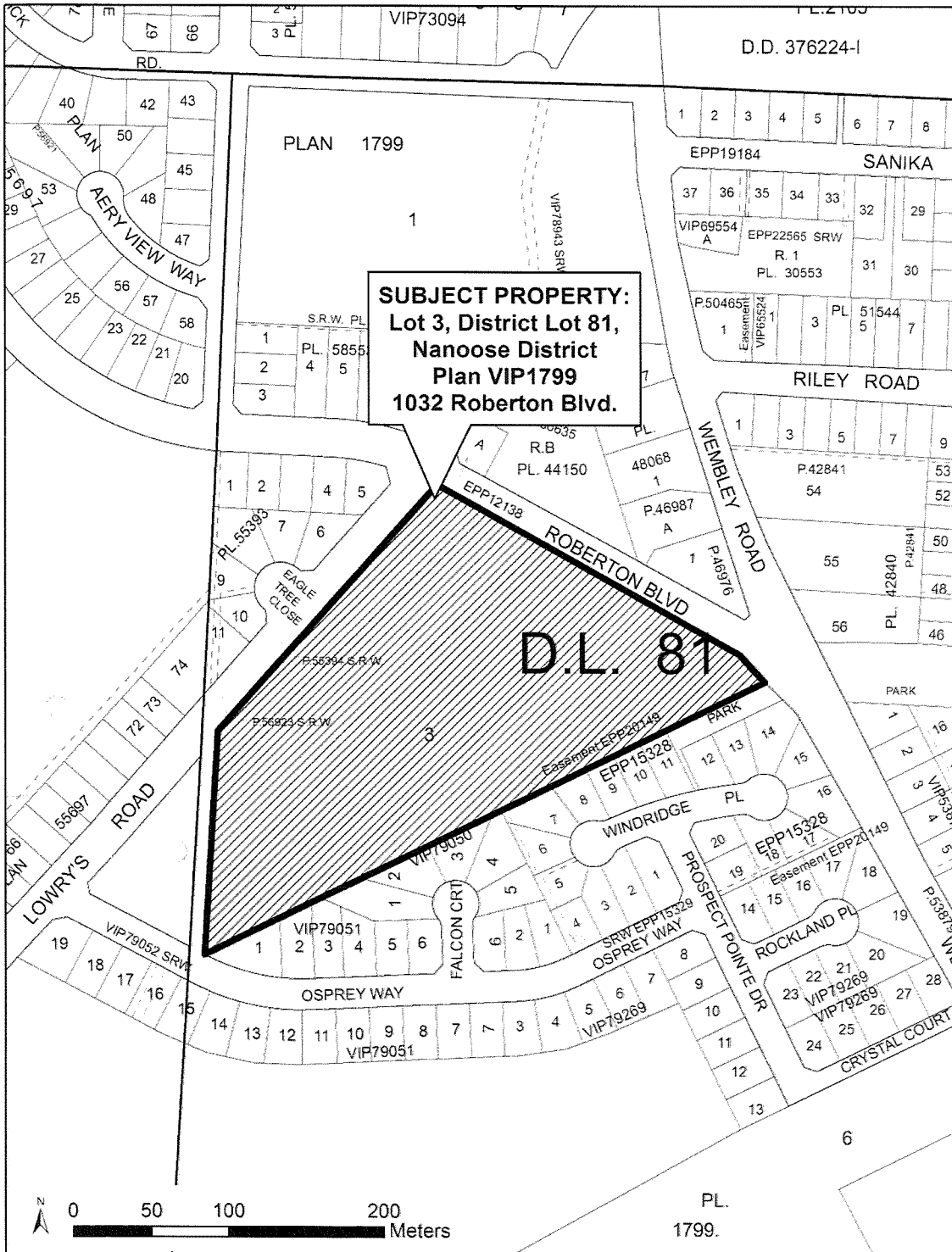
Adopted this ____ day of _____, 2014.

CHAIRPERSON

CORPORATE OFFICER

Chairperson

Corporate Officer



REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 889.69

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

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

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

- Lot 3, District Lot 81, Nanoose District, Plan 1799;
- Lot A, District Lot 81, Nanoose District, Plan 48067; and
- Lot 2, District Lot 22, Nanoose District, Plan 26956

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

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

1. Amendment

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

- (1) By amending Schedule 'C' of Bylaw No. 889 (Benefitting Areas) to *add* the lands outlined in black on Schedule 'A' of this bylaw; and
- (2) By amending Schedule 'D' of Bylaw No. 889 (Non-Benefitting Areas) to *remove* the lands outlined in black on Schedule 'A' of this bylaw.

2. Citation

This bylaw may be cited as "Regional District of Nanaimo Northern Community Sewer Local Service Boundary Amendment Bylaw No. 889.69, 2014".

Introduced and read three times this 25th day of November, 2014.

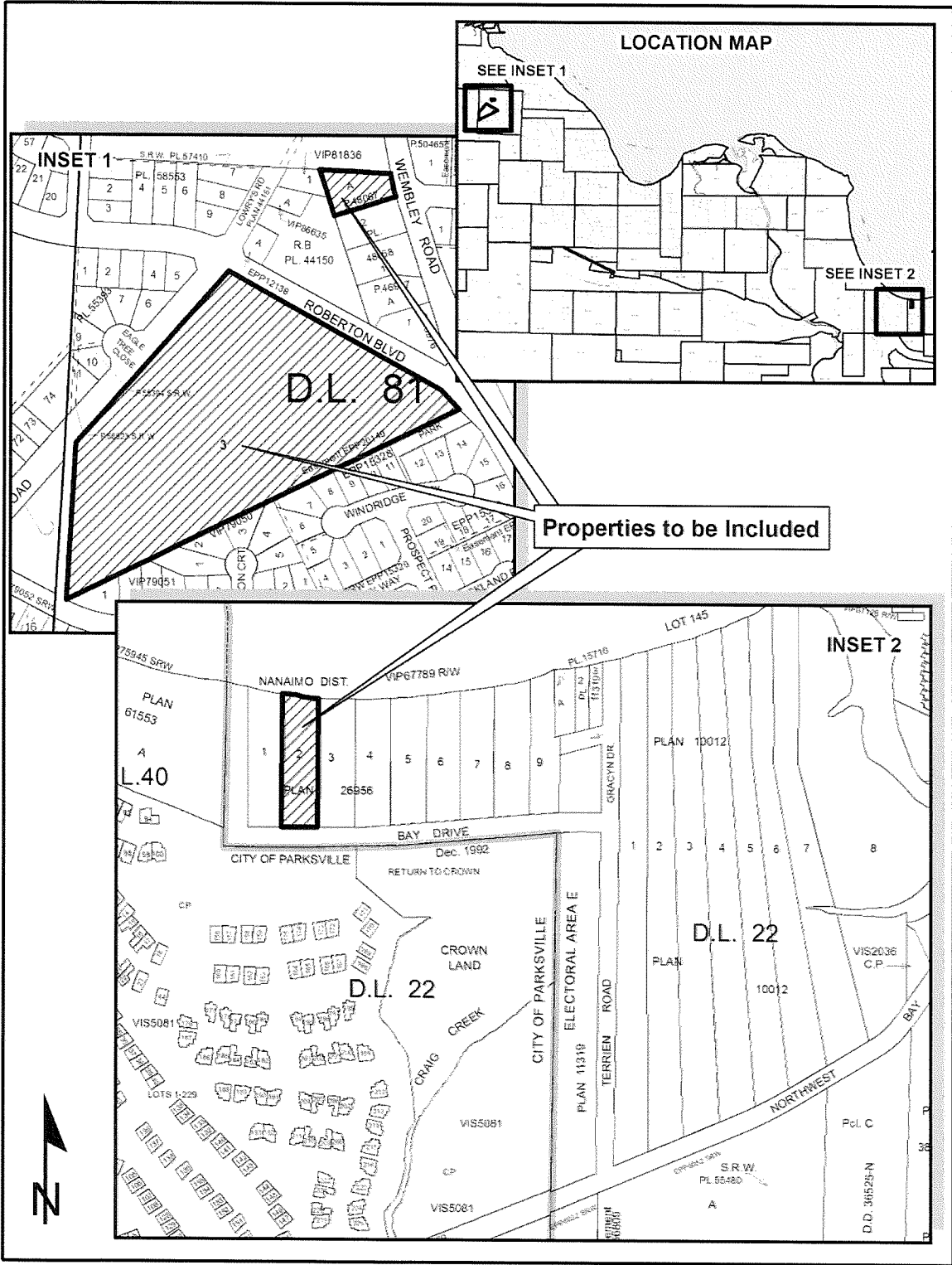
Adopted this ____ day of _____, 2014.

CHAIRPERSON

CORPORATE OFFICER

Chairperson

Corporate Officer



REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1021.11

**A BYLAW TO AMEND THE PACIFIC SHORES
SEWERAGE FACILITIES LOCAL SERVICE AREA
ESTABLISHMENT BYLAW NO. 1021**

WHEREAS the Regional District of Nanaimo established the Pacific Shores Sewer Service pursuant to Bylaw No. 1021, cited as "Pacific Shores Sewer Local Service Area Establishment Bylaw No. 1021, 1996";

AND WHEREAS the Board of the Regional District of Nanaimo has been petitioned by the property owner to extend the boundary of the local service area to include the land shown outlined in black on Schedule 'A' of this bylaw and legally described as:

- Lot 2, District Lot 22, Nanoose Land District, Plan 26956;

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

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

1. Amendment

"Pacific Shores Sewer Local Service Area Establishment Bylaw No. 1021, 1996" is amended as follows:

By amending Schedule 'A' of Bylaw No. 1021 to add the land shown outlined in black on Schedule 'A' of this bylaw.

2. Citation

This bylaw may be cited for all purposes as "Pacific Shores Sewer Local Service Boundary Amendment Bylaw No. 1021.11, 2014".

Introduced and read three times this 25th day of November, 2014.

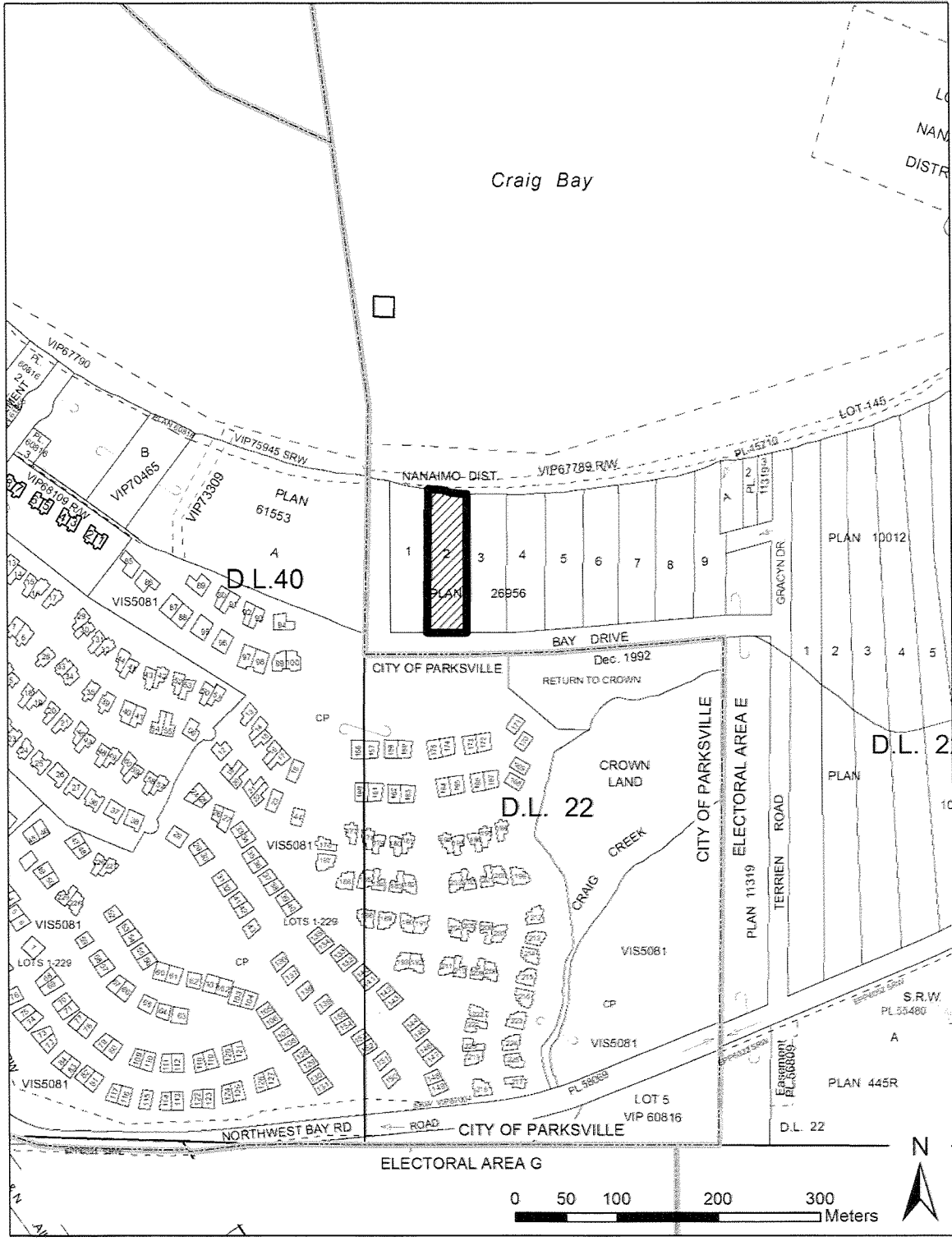
Adopted this ____ day of _____, 2014.

CHAIRPERSON

CORPORATE OFFICER

Chairperson

Corporate Officer





RDN REPORT	
CAO APPROVAL	
EAP	
COW	
NOV 20 2014	
RHD	
BOARD	

MEMORANDUM

TO: Joan Harrison
Director, Corporate Services

DATE: November 19, 2014

FROM: Jacquie Hill
Manager, Administrative Services

FILE: 4200-20-2014 Election

SUBJECT: Report of Election Results – 2014 Local Government Elections

PURPOSE:

To present the results of the 2014 Local Government Elections as required under s. 148 of the *Local Government Act*.

BACKGROUND:

A summary of the declaration of official election results from the November 15, 2014 Local Government Elections has been prepared and is attached for information (Attachment 1). The attachments show the determination of official election results as declared by voting pursuant to s. 136 of the *Local Government Act* and include a compilation of the information contained on the ballot accounts for each Electoral Area election. The following list indicates those persons elected or acclaimed to the positions of Electoral Area Director for the Board of the Regional District of Nanaimo for a four year term ending December 2018, and the results of the Nanoose Bay Peninsula Water Service Area (NBPWSA) Capital Improvements and Northern Community Marine Search and Rescue Contribution Service referendum questions:

Regional Director Elections:

Alec McPherson	Director, Electoral Area A	Elected
Howard Houle	Director, Electoral Area B	Acclaimed
Maureen Young	Director, Electoral Area C	Acclaimed
Bob Rogers	Director, Electoral Area E	Elected
Julian Fell	Director, Electoral Area F	Elected
Joe Stanhope	Director, Electoral Area G	Acclaimed
Bill Veenhof	Director, Electoral Area H	Elected

Referendums:

NBPWSA Capital Improvements Loan Authorization Bylaw No. 1714	Passed
Northern Community Marine Search and Rescue Contribution Service Bylaw No. 1706	Passed

ALTERNATIVES:

There are no alternatives to be provided; this report is provided for information purposes only (to report as required under the *Local Government Act*).

CONCLUSION:

Nanoose Bay Peninsula Water Service Area Capital Improvements Loan Authorization Bylaw No. 1714 (Attachment 2) and Northern Community Marine Search and Rescue Contribution Service Establishment Bylaw No. 1706 (Attachment 3) received assent of the electors and are being brought forward for consideration of adoption.

RECOMMENDATIONS:

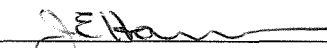
1. That the 2014 official election results be received for information.
2. That "Nanoose Bay Peninsula Water Service Area Capital Improvements Loan Authorization Bylaw No. 1714, 2014" be adopted.
3. That "Northern Community Marine Search and Rescue Contribution Service Establishment Bylaw No. 1706, 2014" be adopted.



Report Writer



Director Concurrence




CAO Concurrence

Regional District of Nanaimo

Electoral Area A
 Regional District Director
 Declaration of Official Election Results

Voting Place:	Jean Louis, Rosmy	McPherson, Alec	Total Votes Cast
Advance Voting Opportunity - RDN Office: Nov. 5, 2014 & Nov. 12, 2014 (Includes Mail Ballot Voting)	13	17	30
Advance Voting Opportunity - South Wellington Elementary: Nov. 5, 2014	18	41	59
General Voting Day - South Wellington Elementary: Nov. 15, 2014	96	111	207
General Voting Day - North Cedar Intermediate School: Nov. 15, 2014	397	519	916
Total Number of Valid Votes Cast	524	688	1212
% of Vote	43.2%	56.8%	
Total Number of Ballots Cast	1,256		
Total Number on Voters List (not including Instant Registrations)	5,573		
New Registrations	112		
Total Eligible Voters	5,685		
Voter Turnout	22.1%		

This determination of official election results was made by the Chief Election Officer on Wednesday, November 19, 2014 at 2:00 pm and is based on the ballot accounts as amended or prepared by the Chief Election Officer.



Chief Election Officer

Regional District of Nanaimo

Electoral Area E
 Regional District Director
 Declaration of Official Election Results

Voting Place:	Mayne, Ed	Rogers, Bob	Wiebe, Gordon	Total Votes Cast
Advance Voting Opportunity - RDN Office: Nov. 5, 2014 & Nov. 12, 2014 (Includes Mail Ballot Voting)	12	20	12	44
Advance Voting Opportunity - Oceanside Place: Nov. 5, 2014 & Nov. 12, 2014	24	28	25	77
Advance Voting Opportunity - Qualicum Beach Civic Centre: Nov. 5, 2014	0	0	0	0
General Voting Day - Nanoose Place: Nov. 15, 2014	323	639	363	1325
Total Number of Valid Votes Cast	359	687	400	1446
% of Vote	24.8%	47.5%	27.7%	
Total Number of Ballots Cast	1,450			
Total Number on Voters List (not including Instant Registrations)	5,037			
New Registrations	63			
Total Eligible Voters	5,100			
Voter Turnout	28.4%			

This determination of official election results was made by the Chief Election Officer on Wednesday, November 19, 2014 at 2:00 pm and is based on the ballot accounts as amended or prepared by the Chief Election Officer.



Chief Election Officer

Regional District of Nanaimo

Electoral Area F
 Regional District Director
 Declaration of Official Election Results

Voting Place:	Ethier, Rick	Fell, Julian	Total Votes Cast
Advance Voting Opportunity - RDN Office: Nov. 5, 2014 & Nov. 12, 2014 (Includes Mail Ballot Voting)	2	3	5
Advance Voting Opportunity - Oceanside Place: Nov. 5, 2014 & Nov. 12, 2014	14	55	69
Advance Voting Opportunity - Qualicum Beach Civic Centre: Nov. 5, 2014	3	24	27
General Voting Day - Coombs Rodeo Grounds Community Hall: Nov. 15, 2014	133	408	541
General Voting Day - Lighthouse Community Centre: Nov. 15, 2014	6	27	33
Total Number of Valid Votes Cast	158	517	675
% of Vote	23.4%	76.6%	
Total Number of Ballots Cast	680		
Total Number on Voters List (not including Instant Registrations)	5,343		
New Registrations	32		
Total Eligible Voters	5,375		
Voter Turnout	12.7%		

This determination of official election results was made by the Chief Election Officer on Wednesday, November 19, 2014 at 2:00 pm and is based on the ballot accounts as amended or prepared by the Chief Election Officer.




Chief Election Officer

Electoral Area H
 Regional District Director
 Declaration of Official Election Results

Voting Place:	Mussell, Donald	Veenhof, Bill	Total Votes Cast
Advance Voting Opportunity - RDN Office: Nov. 5, 2014 & Nov. 12, 2014 (Includes Mail Ballot Voting)	2	2	4
Advance Voting Opportunity - Oceanside Place: Nov. 5, 2014 & Nov. 12, 2014	2	13	15
Advance Voting Opportunity - Qualicum Beach Civic Centre: Nov. 5, 2014	10	40	50
General Voting Day - Lighthouse Community Centre: Nov. 15, 2014	112	620	732
Total Number of Valid Votes Cast	126	675	801
% of Vote	15.7%	84.3%	
Total Number of Ballots Cast	803		
Total Number on Voters List (not including Instant Registrations)	2,986		
New Registrations	42		
Total Eligible Voters	3,028		
Voter Turnout	26.5%		

This determination of official election results was made by the Chief Election Officer on Wednesday, November 19, 2014 at 2:00 pm and is based on the ballot accounts as amended or prepared by the Chief Election Officer.



Chief Election Officer

Referendum: Nanoose Bay Peninsula Water Service Area Capital Improvements - Bylaw No. 1714
(Portion of Electoral Area 'E')

Declaration of Official Results

Voting Place:	Yes	No	Total Votes Cast
Advance Voting Opportunity - RDN Office: Nov. 5, 2014 & Nov. 12, 2014 (Includes Mail Ballot Voting)	33	8	41
Advance Voting Opportunity - Oceanside Place: Nov. 5, 2014 & Nov. 12, 2014	55	14	69
Advance Voting Opportunity - Qualicum Beach Civic Centre: Nov. 5, 2014	0	0	0
General Voting Day - Nanoose Place: Nov. 15, 2014	883	201	1084
Total Number of Valid Votes Cast	971	223	1194
% of Vote	81.3%	18.7%	
Total Number of Ballots Cast	1,210		
Total Number on Voters List (not including Instant Registrations)	3,691		
New Registrations	63		
Total Eligible Voters	3,754		
Voter Turnout	32.2%		

This determination of official election results was made by the Chief Election Officer on Wednesday, November 19, 2014 at 2:00 pm and is based on the ballot accounts as amended or prepared by the Chief Election Officer.



Chief Election Officer

Referendum: Northern Community Marine Search and Rescue Contribution Service - Bylaw No. 1706
Electoral Area 'H'

Declaration of Official Results

Voting Place:	Yes	No	Total Votes Cast
Advance Voting Opportunity - RDN Office: Nov. 5, 2014 & Nov. 12, 2014 (Includes Mail Ballot Voting)	4	0	4
Advance Voting Opportunity - Oceanside Place: Nov. 5, 2014 & Nov. 12, 2014	12	0	12
Advance Voting Opportunity - Qualicum Beach Civic Centre: Nov. 5, 2014	34	13	47
General Voting Day - Lighthouse Community Centre: Nov. 15, 2014	534	128	662
Total Number of Valid Votes Cast	584	141	725
% of Vote	80.6%	19.4%	
Total Number of Ballots Cast	803		
Total Number on Voters List (not including Instant Registrations)	2,986		
New Registrations	42		
Total Eligible Voters	3,028		
Voter Turnout	26.5%		

This determination of official election results was made by the Chief Election Officer on Wednesday, November 19, 2014 at 2:00 pm and is based on the ballot accounts as amended or prepared by the Chief Election Officer.



Chief Election Officer

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1714

**A BYLAW TO AUTHORIZE THE BORROWING OF
TWO MILLION SIX HUNDRED THOUSAND DOLLARS (\$2,600,000)
FOR THE NANOOSE BAY PENINSULA WATER SERVICE AREA**

WHEREAS the Board of the Regional District of Nanaimo (the "Regional District") established the Nanoose Bay Peninsula Water Service Area pursuant to Bylaw No. 867, cited as "Nanoose Bay Peninsula Water Service Area Establishment Bylaw No. 867, 1992" for the purpose of operating works and facilities for the supply, storage, distribution and treatment of water in a portion of Electoral Area 'E';

AND WHEREAS the Board wishes to undertake and carry out capital improvement and upgrades requirements to the water supply and distribution system (the "Works");

AND WHEREAS the estimated cost of the Works, including expenses incidental thereto, is the sum of Two Million Six Hundred Thousand Dollars (\$2,600,000);

AND WHEREAS that the financing is to be undertaken by the Municipal Finance Authority of British Columbia pursuant to proposed agreements between the Authority and the Regional District;

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

1. This bylaw may be cited for all purposes as the "Nanoose Bay Peninsula Water Service Area Capital Improvements Loan Authorization Bylaw No. 1714, 2014".
2. The Board is hereby empowered and authorized to undertake and carry out or cause to be carried out the capital improvement and upgrades requirements to the water supply and distribution system and without limiting the generality of the foregoing:
 - (a) to borrow upon the credit of the Regional District a sum not exceeding Two Million Six Hundred Thousand Dollars (\$2,600,000).
3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 20 years.
4. The borrowing authorized relates to the Nanoose Bay Peninsula Water Service Area pursuant to Bylaw No. 867, cited as "Nanoose Bay Peninsula Water Service Area Establishment Bylaw No. 867, 1992".

Introduced and read three times this 22nd day of July, 2014.

Approved by the Inspector of Municipalities this 28th day of August, 2014.

Received the assent of the electors under section 801.2 of the *Local Government Act* this 15th day of November, 2014.

Adopted this day of , 2014.

CHAIRPERSON

CORPORATE OFFICER

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1706

**A BYLAW TO ESTABLISH A MARINE SEARCH AND
RESCUE CONTRIBUTION SERVICE**

WHEREAS pursuant to section 796 and 800 of the *Local Government Act* a Regional District may, by bylaw, establish and operate any service that the Board considers necessary or desirable for all or part of the Regional District;

AND WHEREAS the Board of the Regional District of Nanaimo wishes to establish a service for the purpose of providing a contribution to marine search and rescue in Electoral Area 'H';

AND WHEREAS the approval of the Inspector of Municipalities has been obtained under section 801 of the *Local Government Act*;

AND WHEREAS the assent of the electors in the participating area has been obtained under section 801.2 of the *Local Government Act*;

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

Citation

1. This bylaw may be cited for all purposes as the "Northern Community Marine Search and Rescue Contribution Service Establishment Bylaw No. 1706, 2014".

Service

2. A service to provide a contribution to societies providing marine search and rescue in the service area is hereby established (the "Service").

Boundaries

3. The boundaries of the service area are the boundaries of Electoral Area 'H'.

Participating Area

4. Electoral Area 'H' is the sole participating area for the Service.

Cost Recovery

5. As provided in section 803 of the *Local Government Act*, the annual cost of providing the Service may be recovered by one or more of the following:
 - (a) property value taxes imposed in accordance with Division 4.3 of the *Local Government Act*;

- (b) parcel taxes imposed in accordance with Division 4.3 of the *Local Government Act*;
- (c) fees and charges imposed under section 363 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.

Maximum Requisition

6. In accordance with Section 800.1(1)(e) of the *Local Government Act*, the maximum amount that may be requisitioned annually for the cost of the Service is the greater of :
- (a) the sum of five thousand dollars (\$5,000); or
 - (b) the amount equal to the amount that could be raised by a property value tax rate of \$0.006 per \$1,000 applied to the net taxable value of land and improvements in the service area.

Introduced and read three times this 22nd day of July, 2014.

Approved by the Inspector of Municipalities this 28th day of August, 2014.

Received the assent of the electors under section 801.2 of the *Local Government Act* this 15th day of November, 2014.

Adopted this day of , 2014.

CHAIRPERSON

CORPORATE OFFICER