

REGIONAL DISTRICT OF NANAIMO

COMMITTEE OF THE WHOLE

TUESDAY, MAY 10, 2011

7:00 PM

(RDN Board Chambers)

A G E N D A

PAGES

CALL TO ORDER

DELEGATIONS

Meryl Chahley, Meyers Norris Penny, re Annual Audit Report.

MINUTES

4 - 10 Minutes of the regular Committee of the Whole meeting held April 12, 2011.

BUSINESS ARISING FROM THE MINUTES

COMMUNICATIONS/CORRESPONDENCE

UNFINISHED BUSINESS

CORPORATE ADMINISTRATION SERVICES

FINANCE AND INFORMATION SERVICES

FINANCE

11 - 16 Bylaw 1498.01 – Extends the Boundaries of the Duke Point Sewer Development Cost Charges Service to Include an Area ‘A’ Property (1965 Walsh Road).

17 - 33 Nanaimo Regional Hospital District - 2010 Audited Financial Statements.

34 - 37 Nanaimo Regional Hospital District – VIHA Request to Amend 2010/2011 Minor Capital Equipment List.

38 - 90 Regional District of Nanaimo – 2010 Annual Report & Statement of Financial Information.

DEVELOPMENT SERVICES

BUILDING & BYLAW

91 - 93 Building Inspection Service - Proposed Expansion to Include Lumber Grading.

RECREATION AND PARKS SERVICES

PARKS

Regional Parks & Trails - Island Corridor Foundation License of Occupation. (Report to be circulated)

REGIONAL AND COMMUNITY UTILITIES

WASTEWATER

- 94 - 95 Northern & Southern Community Wastewater Services - 2011 Open House Summary.
- 96 - 98 Greater Nanaimo Pollution Control Centre Digester 3 Project – Construction Award.

WATER

- 99 - 147 Drinking Water & Watershed Protection Service – Watershed Snapshot Report 2010.
- 148 - 173 Bylaws No. 1639 & 1640 – Establishes General Rates & Regulations for RDN Water Services.

TRANSPORTATION AND SOLID WASTE SERVICES

SOLID WASTE

- 174 - 175 Solid Waste Disposal Service - Extend Contract to Haul Waste from Church Road Transfer Station.
- 176 - 178 Solid Waste Disposal Service - Award Tender for Regional Landfill Cell One Closure.

COMMISSION, ADVISORY & SELECT COMMITTEE

Grants-in-Aid Committee.

- 179 - 181 Minutes of the Grants-in-Aid Committee meeting held May 4, 2011. (for information)

That the following District 68 grants be awarded:

<i>Name of Organization</i>	<i>Amount Recommended</i>
<i>BC Competitive Trail Riding Association</i>	<i>\$ 600</i>
<i>Gabriola Arts Council</i>	<i>1,000</i>
<i>Hope Centre</i>	<i>800</i>
<i>Jonanco Hobby Workshop Association</i>	<i>600</i>
<i>Poetry Gabriola Society</i>	<i>1,000</i>
	<i><u>\$ 4,000</u></i>

That the following District 69 grants be awarded:

<i>Name of Organization</i>	<i>Amount Recommended</i>
<i>Arrowsmith Agricultural Association</i>	<i>\$ 1,000</i>
<i>Arrowsmith Community Enhancement Society</i>	<i>250</i>
<i>Coombs 100 Year Celebration (French Creek Community PAC)</i>	<i>500</i>
<i>Errington War Memorial Hall Association</i>	<i>1,500</i>
<i>Forward House Community Society</i>	<i>2,000</i>
<i>Friends of Nanoose Library Society</i>	<i>1,200</i>
<i>Lighthouse Community Centre Society</i>	<i>2,000</i>
<i>Oceanside Volunteer Association</i>	<i>1,000</i>
<i>Parksville & District Association for Community Living</i>	<i>2,000</i>
<i>Parksville-Qualicum Beach & District Branch of the SPCA</i>	<i>600</i>
<i>Vancouver Island Opera</i>	<i>1,000</i>
	<u><i>\$ 13,050</i></u>

ADDENDUM

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

NEW BUSINESS

BOARD INFORMATION (Separate enclosure on blue paper)

ADJOURNMENT

IN CAMERA

That pursuant to Section 90(1)(e) of the Community Charter the Board proceed to an In Camera Committee of the Whole meeting to consider items related to land issues.

REGIONAL DISTRICT OF NANAIMO
MINUTES OF THE COMMITTEE OF THE WHOLE
MEETING HELD ON TUESDAY, APRIL 12, 2011 AT 7:00 PM
IN THE RDN BOARD CHAMBERS

Present:

Director J. Stanhope	Chairperson
Director J. Burnett	Electoral Area A
Director G. Rudischer	Electoral Area B
Director M. Young	Electoral Area C
Director G. Holme	Electoral Area E
Director L. Biggemann	Electoral Area F
Director D. Bartram	Electoral Area H
Director M. Lefebvre	City of Parksville
Director T. Westbroek	Town of Qualicum Beach
Alternate	
Director B. Dempsey	District of Lantzville
Director B. Holdom	City of Nanaimo
Director B. Bestwick	City of Nanaimo
Director J. Kipp	City of Nanaimo
Director D. Johnstone	City of Nanaimo
Director L. Sherry	City of Nanaimo
Director M. Unger	City of Nanaimo

Also in Attendance:

C. Mason	Chief Administrative Officer
M. Pearse	Senior Manager, Corporate Administration
N. Avery	General Manager, Finance & Information Services
J. Finnie	General Manager, Regional & Community Utilities
D. Trudeau	General Manager, Transportation & Solid Waste
D. Lindsay	A/C General Manager, Development Services
T. Osborne	General Manager, Recreation & Parks
N. Hewitt	Recording Secretary

CALL TO ORDER

Chairperson welcomed Alternate Director Brian Dempsey to the meeting.

DELEGATIONS

Melissa Noel, Coastal Invasive Plant Committee, re Invasive Plant Management – Update for Local Governments.

Ms. Noel presented a visual and verbal overview of the Coastal Invasive Plant Committee and requested that the Regional District and Coastal Invasive Plant Committee work together in partnership.

MINUTES

MOVED Director Holme, SECONDED Director Westbrook, that the minutes of the regular Committee of the Whole meeting held March 8, 2011 be adopted.

CARRIED

COMMUNICATIONS/CORRESPONDENCE

Oceanside Development & Construction Association (ODCA), re RDN Liaison to ODCA.

MOVED Director Holme, SECONDED Director Holdom, that the correspondence from the Oceanside Development and Construction Association be received.

CARRIED

FINANCE AND INFORMATION SERVICES

FINANCE

Proposed Amendment to Community Charter – Authority to Borrow Temporarily Between Reserves.

MOVED Director Holdom, SECONDED Director Burnett, that the following resolution be sent to the Ministry of Community, Sport and Cultural Development:

WHEREAS the Regional District of Nanaimo considers it desirable for Regional Districts to have the authority to transfer funds under section 189(4.1) and (4.2) of the *Community Charter* between capital reserve funds established in respect of different services as a means to address infrastructure requirements of an essential nature and/or to minimize the cost of long term borrowing on its residents;

NOW THEREFORE BE IT RESOLVED that the Minister of Community, Sport and Cultural Development be requested to confer on regional districts the authority under section 189(4.1) of the *Community Charter* to transfer by bylaw funds held in capital reserve funds, between funds established in respect of different services provided that the regional district bylaw to authorize the transfer includes repayment terms to ensure return of the money used to the transferor reserve fund no later than the date when the funds are required for purposes of the transferor reserve fund and an interest rate that meets the requirements of section 189(4.2) of the *Community Charter*. "

CARRIED

Bylaws No. 1632, 1633, 1634 & 1635 – Establish a Regional Library Capital Financing Service and Authorize Borrowing & Issuance of Securities in Relation to the Service.

MOVED Director Holme, SECONDED Director Holdom, that the Regional District of Nanaimo support borrowing funds to be provided to the Vancouver Island Regional Library.

CARRIED

MOVED Director Holme, SECONDED Director Holdom, that "Regional Library Capital Financing Service Establishment Bylaw No. 1632, 2011" be introduced, read three times and forwarded to the Inspector of Municipalities for approval and proceed to the Alternative Approval Process to receive elector assent.

CARRIED

MOVED Director Holme, SECONDED Director Holdom, that "Regional Library Capital Financing Service Loan Authorization Bylaw No. 1633, 2011" be introduced, read three times and forwarded to the Inspector of Municipalities for approval and proceed to the Alternative Approval Process to receive elector assent.

CARRIED

MOVED Director Holme, SECONDED Director Holdom, that "Regional Library Capital Financing Service Security Issuing Bylaw No. 1634, 2011" be introduced and read three times.

CARRIED

MOVED Director Holme, SECONDED Director Holdom, that "Regional Library Capital Financing Service Temporary Borrowing Bylaw No. 1635, 2011" be introduced and read three times.

CARRIED

MOVED Director Holme, SECONDED Director Holdom, that elector- assent for Bylaws No. 1632 and 1633 and the Indebtedness Agreement be obtained by using the alternative approval process for the entire service area.

CARRIED

MOVED Director Holme, SECONDED Director Holdom, that the Chair and Senior Manager, Corporate Administration be authorized to execute the Indebtedness Agreement attached to this report if approved.

CARRIED

MOVED Director Holme, SECONDED Director Holdom, that the Elector Response Form as attached to this report be approved.

CARRIED

Strategic Priorities Fund – Grant Application Recommendations.

MOVED Director Holdom, SECONDED Director Johnstone, that the Regional District of Nanaimo support a funding application for the Greater Nanaimo Pollution Control Center 3rd digester at a cost of \$8.1 million, to the General Strategic Priorities Fund program.

CARRIED

MOVED Director Holdom, SECONDED Director Johnstone, that the Regional District of Nanaimo support a funding application for the Arrowsmith Water Service aquifer storage reservoir detailed design at a cost of \$1.6 million, to the General Strategic Priorities - Innovations Fund program.

CARRIED

MOVED Director Holdom, SECONDED Director Johnstone, that the Regional District of Nanaimo support a funding application for a Regional Transportation Data Model & Transportation Plans at a cost of \$400,000, to the General Strategic Priorities – Capacity Building program.

CARRIED

DEVELOPMENT SERVICES

PLANNING

Official Community Plan Referral - Town of Qualicum Beach Bylaw No. 700.

MOVED Director Westbroek, SECONDED Director Lefebvre, that the Regional District of Nanaimo Board receive this report for information and that the comments provided in the report be forwarded to the Town of Qualicum Beach.

CARRIED

Area Agriculture Plan Update.

MOVED Director Burnett, SECONDED Director Bartram, that the Board appoint the Agricultural Advisory Committee as the steering committee for the Area Agricultural Plan.

CARRIED

REGIONAL AND COMMUNITY UTILITIES

WASTEWATER

Bylaw No. 889.60 – Reduces the Boundaries of the Northern Community Sewer Service by Excluding Fifty-Six Area ‘E’ Properties.

MOVED Director Holme, SECONDED Director Holdom, that "Regional District of Nanaimo Northern Community Sewer Local Service Boundary Amendment Bylaw No. 889.60, 2011" be introduced and read three times.

CARRIED

Greater Nanaimo Pollution Control Centre – Approval of Planning Grant Application to Update Odour Management Strategy.

MOVED Director Sherry, SECONDED Director Unger, that the Board support an application to the Ministry of Community, Sport, and Cultural Development for an Infrastructure Planning (Study) Grant application for the Odour Management Strategy Update for the Greater Nanaimo Pollution Control Centre.

CARRIED

Bylaw No. 975.55 – Reduces the Boundaries of the Pump & Haul Service by Excluding an Area ‘B’ Property (1383 Sea Lover’s Lane).

MOVED Director Rudischer, SECONDED Director Bartram, that the "Regional District of Nanaimo Pump & Haul Local Service Amendment Bylaw No. 975.55, 2011" be introduced and read three times.

CARRIED

WATER

Nanoose Bay Peninsula Water Service - Bill Adjustment for Area ‘E’ Property (3660 Dolphin Drive).

MOVED Director Holme, SECONDED Director Bartram, that a water bill reduction at 3660 Dolphin Drive in the amount of \$1,488.51 be approved.

CARRIED

MOVED Director Holme, SECONDED Director Bartram, that no further water bill reductions will be considered for this property prior to May 31, 2017.

CARRIED

Bylaw No. 1636 – Sets Rates & Regulations for the Whiskey Creek Water Service.

MOVED Director Biggemann, SECONDED Director Bartram, that "Regional District of Nanaimo Whiskey Creek Water Service Area Rates and Regulations Bylaw No. 1636, 2011" be introduced and read three times.

CARRIED

MOVED Director Biggemann, SECONDED Director Bartram, that "Regional District of Nanaimo Whiskey Creek Water Service Area Rates and Regulations Bylaw No.1636, 2011" be adopted.

CARRIED

TRANSPORTATION AND SOLID WASTE SERVICES

SOLID WASTE

Bylaw No. 1591.01 – Amends the Solid Waste & Recycling Collection Service Rates & Regulations Bylaw.

MOVED Director Westbroek, SECONDED Director Holme, that "Solid Waste and Recycling Collection Service Rates and Regulations Amendment Bylaw No. 1591.01, 2011" be introduced and read three times.

CARRIED

MOVED Director Westbroek, SECONDED Director Holme, that "Solid Waste and Recycling Collection Service Rates and Regulations Amendment Bylaw No. 1591.01, 2011" be adopted.

CARRIED

COMMISSION, ADVISORY & SELECT COMMITTEE

District 69 Recreation Commission.

MOVED Director Bartram, SECONDED Director Biggemann, that the minutes of the District 69 Recreation Commission meeting held March 17, 2011 be received for information.

CARRIED

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

MOVED Director Burnett, SECONDED Director Holdom, that the minutes of the Electoral Area 'A' Parks, Recreation and Culture Commission meeting held March 9, 2011 be received for information.

CARRIED

MOVED Director Burnett, SECONDED Director Young, that the following Electoral Area 'A' Recreation and Culture Grants be approved:

<i>Community Group</i>	<i>Amount Recommended</i>
Cedar Family of Community Schools (families first programs)	\$ 1,500
Cedar Community Policing (drug awareness fair)	\$ 750
Comets Sports, Recreation and Culture Society (summer basketball camp)	\$ 800
Cedar 4-H Senior Advisory Council (Beban barnyard)	\$ 1,500
Cedar Community Association (defibrillator)	\$ 1,500
Friends of Morden Mine (brochures)	\$ 750

CARRIED

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

MOVED Director Young, SECONDED Director Holdom, that the minutes of the East Wellington/Pleasant Valley Parks and Open Space Advisory Committee meeting held February 21, 2011 be received for information.

CARRIED

Nanoose Bay Parks and Open Space Advisory Committee.

MOVED Director Holme, SECONDED Director Holdom, that the minutes of the Nanoose Bay Parks and Open Space Advisory Committee meeting held February 7, 2011 be received for information.

CARRIED

MOVED Director Holme, SECONDED Director Bartram, that the RDN Parks Department organize a workshop of District 69 Parks and Open Space Advisory Committees for the purpose of sharing experiences in developing and implementing projects for their areas be referred back to staff for a report.

MOVED Director Holme, SECONDED Director Bartram, that this issue be referred back to staff for a report.

CARRIED

MOVED Director Holme, SECONDED Director Bartram, that the RDN Parks staff submission concerning the Fairwinds OCP amendment be made available to the Electoral Area 'E' Parks and Open Space Advisory Committee for information.

CARRIED

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

MOVED Director Biggemann, SECONDED Director Holdom, that the minutes of the Electoral Area 'F' Parks and Open Space Advisory Committee meeting held February 28, 2011 be received for information.

CARRIED

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

MOVED Director Bartram, SECONDED Director Lefebvre, that the minutes of the Electoral Area 'H' Parks and Open Space Advisory Committee meeting held January 26, 2011 be received for information.

CARRIED

Drinking Water & Watershed Protection Advisory Committee.

MOVED Director Bartram, SECONDED Director Young, that the minutes of the Drinking Water & Watershed Protection Advisory Committee meeting held March 31, 2011 be received for information.

CARRIED

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

Board of Directors, Oceanside Development & Construction Association (ODCA), re RDN Liaison to ODCA.

MOVED Director Westbroek, SECONDED Director Bartram, that the request for a RDN liaison on the Oceanside Development and Construction Association be referred back to staff for a report.

CARRIED

Coastal Invasive Plant Committee, re Invasive Plant Management.

MOVED Director Bartram, SECONDED Director Holdom, that the request for a partnership between the Coastal Invasive Plant Committee and the Regional District be referred back to staff for a report.

CARRIED

NEW BUSINESS

Island Railway.

MOVED Director Sherry, SECONDED Director Lefebvre, that staff send correspondence to Premier Christie Clark and to Transportation Minister, Blair Lekstrom requesting a \$15 million infrastructure investment to secure the future of Island Rail.

CARRIED

Electric Cars.

MOVED Director Lefebvre, SECONDED Director Westbrook, that staff prepare a report that looks into the authority of the RDN to regulate the use of electric vehicles on roads in electoral areas.

CARRIED

ADJOURNMENT

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

CARRIED

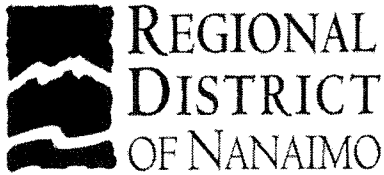
MOVED Director Holme, SECONDED Director Bartram, that pursuant to Section 90(1)(e) of the Community Charter the Board proceed to an In Camera meeting to consider items related to land matters.

CARRIED

TIME: 8:00 PM

CHAIRPERSON

SR. MGR., CORPORATE ADMINISTRATION



RDN REPORT		
CAO APPROVAL <i>(Signature)</i>		
EAP		
COW	✓	May 10/11
MAY - 4 2011		
RHD		
BOARD		

MEMORANDUM

TO: Carol Mason
Chief Administrative Officer

DATE: April 29, 2011

FROM: Nancy Avery
General Manager, Finance & Information Services

File:

SUBJECT: Bylaw 1498.01 – Amend the Boundaries of the Duke Point Sewer Development Cost Charges Collection Area

PURPOSE:

To obtain approval to revise schedules showing where Development Cost Charges for the Duke Point Sewer Service shall be collected.

BACKGROUND:

The Cedar Sewer Service area was recently amended to remove one property and add another. Bylaw No. 1498 which establishes where development cost charges for future expansion of the Duke Point wastewater treatment plant are assessed in Area A should have been amended at the same time. The amendment bylaw attached to this report will ensure the boundaries for development cost charges are consistent with the boundaries of the sewer service area. Staff have noted that Bylaw No. 1498 must be amended if there are any future amendments to the boundaries of a sewer service area in Electoral Area 'A'.

Bylaw 1498 is amended as follows:

- 1) The map illustration on Schedule B is not the typical map format used in Regional District bylaws and is being updated to ensure format consistency. This map contains one property which has a different development cost charge rate than others in the service area. This property is the original development property which paid for the majority of the sewer collector line and has had a slightly lower rate established as a result.
- 2) A new map (Schedule D) will be added to the bylaw, which will outline the remainder of the properties in the Cedar Sewer Service area that are subject to development cost charges in accordance with the bylaw.

ALTERNATIVES:

1. Approve Bylaw No. 1498.01 as presented.
2. Make no changes at this time.

FINANCIAL IMPLICATIONS:

Alternative 1

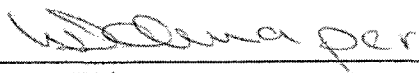
There are no financial implications at this time. The property which was recently added has a house located on the property. The property may also be subdivided due to its size. If the existing house is connected, it will be assessed a capital charge to support the future expansion of the Duke Point plant. If the property is subdivided and a connection to the vacant property is requested, the development cost charge will apply.

SUMMARY/CONCLUSIONS:


The Cedar Sewer Service area was recently amended to remove one property and to add another. Staff have identified that Bylaw No. 1498, which establishes the boundaries in Electoral Area A from which development cost charges for the future expansion of the Duke Point treatment plant are to be collected, do not coincide with the current boundaries of the Cedar Sewer Service area. Amendment Bylaw No. 1498.01 will update an existing schedule to make the map format consistent with Regional District standards and will add a new Schedule D showing the current properties in the Cedar Sewer Service area which may be subject to a development cost charge. Staff recommend approving the bylaw as presented.

RECOMMENDATION:

That "Duke Point Sewer Service Area Development Cost Charges Amendment Bylaw No. 1498.01, 2011" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.



Report Writer



CAO Concurrence

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1498.01

**A BYLAW TO AMEND THE BOUNDARIES OF THE DUKE POINT
SEWER SERVICE DEVELOPMENT COST CHARGES BYLAW**

WHEREAS the Board of the Regional District of Nanaimo imposed Development Cost Charges in the Duke Point Sewer Service area pursuant to Bylaw No. 1498, cited as “Duke Point Sewer Local Service Area Development Cost Charges Bylaw No. 1498, 2007”;

AND WHEREAS changes in the properties subject to Bylaw No. 1498 charges have occurred since its adoption and the Board deems it desirable to amend Schedule ‘B’ of that bylaw;

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

1. Amendment:

“Duke Point Sewer Local Service Area Development Cost Charges Bylaw No. 1498, 2007” is amended as follows:

- (a) by renumbering existing paragraph 2 (ii) as 2 (iii)
- (b) by deleting Sections 2(i) and (ii) and replacing them with the following:

2. APPLICATION

- (i) The charges outlined on Schedule ‘A’ apply to the properties outlined on Schedule ‘B’ of this bylaw.
 - (ii) The charges outlined on Schedule ‘C’ apply to the properties shown on Schedule ‘D’ of this bylaw.
- (c) by deleting Schedule ‘B’ and replacing it with the Schedule ‘B’ attached to this bylaw.
 - (d) by adding Schedule ‘D’ attached to this bylaw.
 - (e) by deleting the words “local service” wherever they appear and replacing them with the word “service”.

2. **Citation**

This bylaw may be cited for all purposes as "Duke Point Sewer Service Area Development Cost Charges Amendment Bylaw No. 1498.01, 2011".

Introduced and read three times this 24th day of May, 2011

Approved by the Inspector of Municipalities this day of , 2011.

Adopted this day of , 2011.

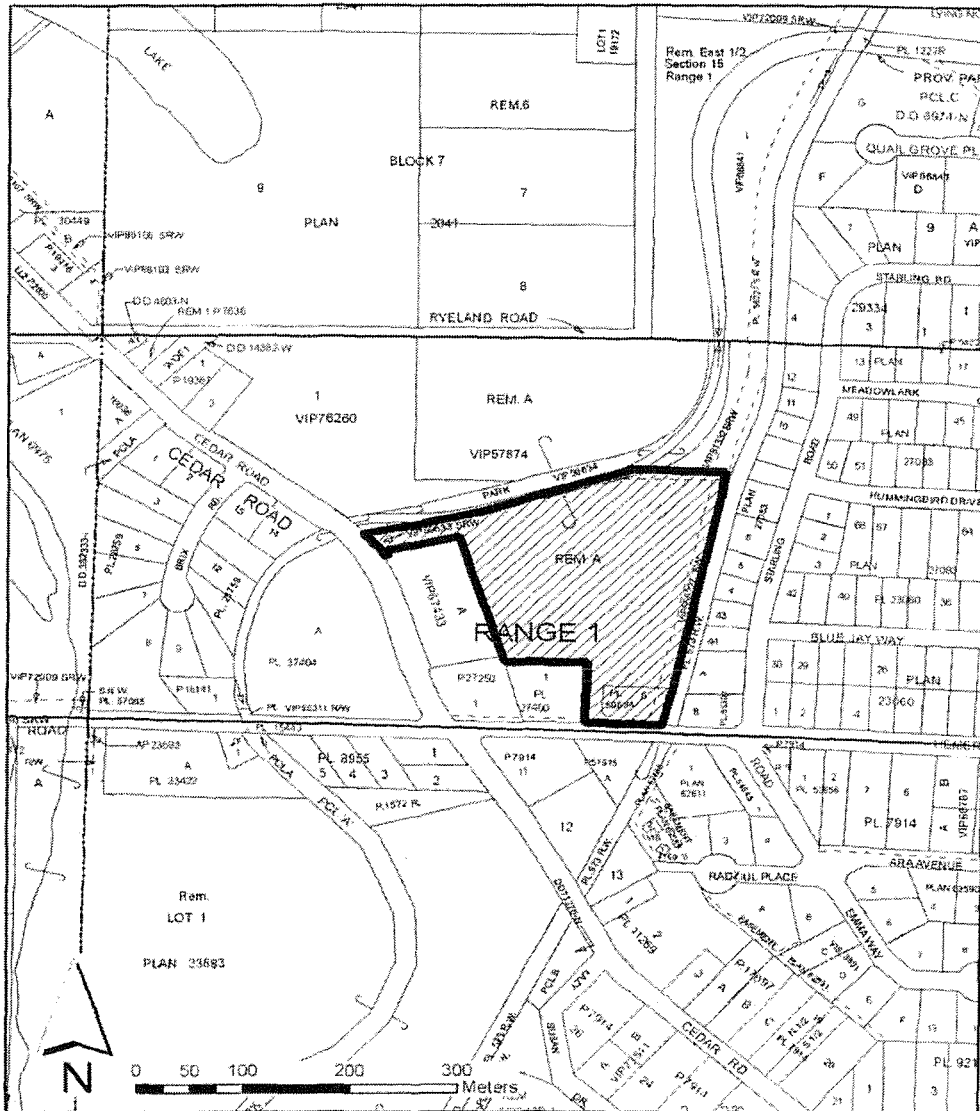
CHAIRPERSON

SR. MGR., CORPORATE ADMINISTRATION

Schedule 'B' to accompany "Duke Point Sewer Service
Development Cost Charges Amendment Bylaw No. 1498.01, 2011".

Chairperson

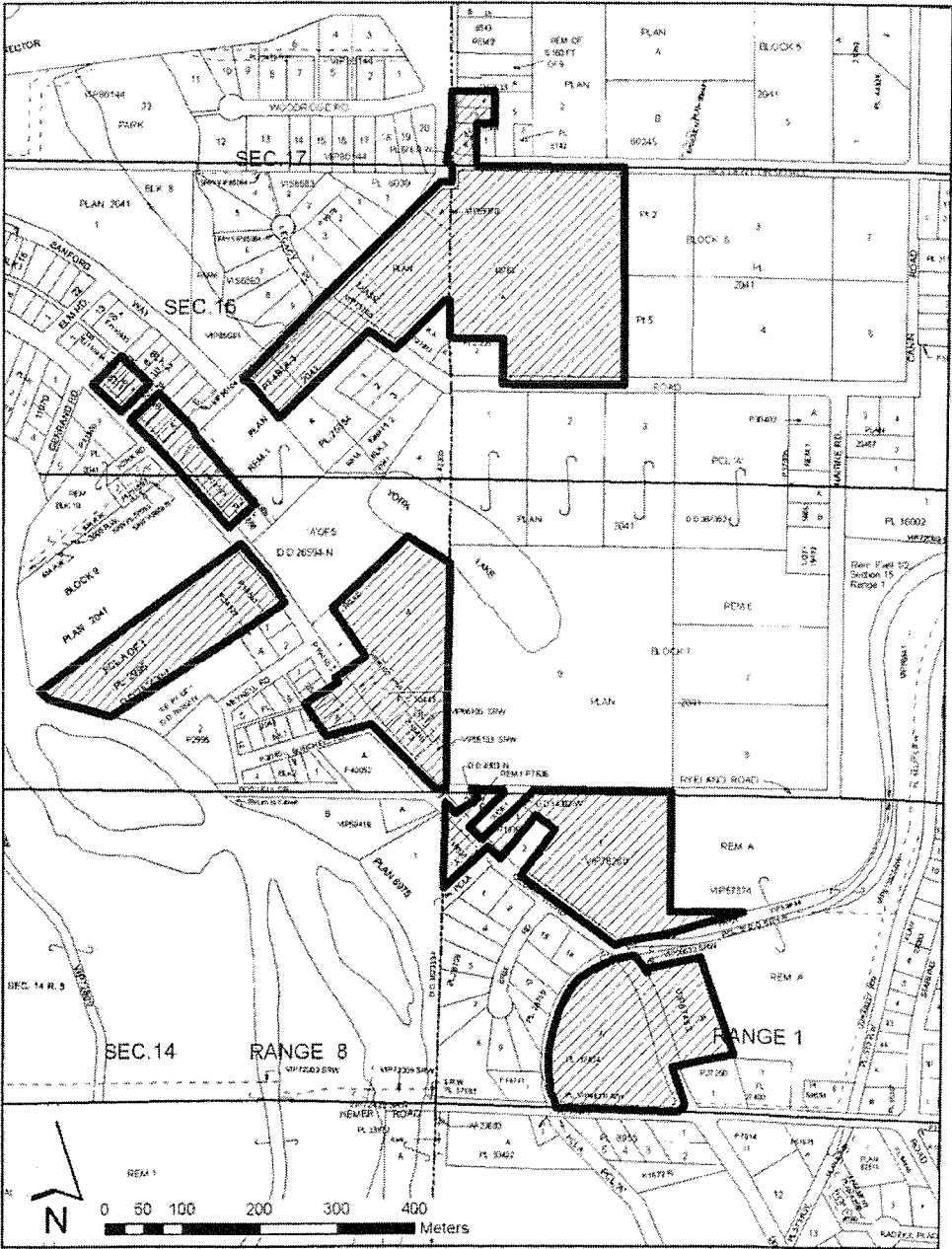
Sr. Mgr., Corporate Administration

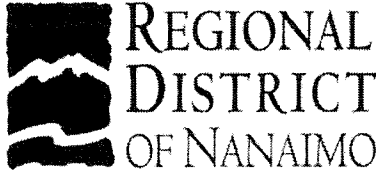


Schedule 'D' to accompany "Duke Point Sewer Service
Development Cost Charges Amendment Bylaw No. 1498.01, 2011".

Chairperson

Sr. Mgr., Corporate Administration





CAO APPROVAL	
EAP	
COW	✓ May 10 '11
APR 27 2011	
RHD	
BOARD	

**NANAIMO REGIONAL
HOSPITAL DISTRICT
MEMORANDUM**

TO: N.Avery
General Manager, Finance & Information Services

DATE: April 16, 2011

FROM: W.Idema
Manager, Financial Reporting

FILE:

SUBJECT: 2010 Audited Financial Statements

PURPOSE:

To present the 2010 audited financial results for the Nanaimo Regional Hospital District.

BACKGROUND:

The *Hospital District Act* requires a Regional Hospital District to prepare audited financial statements. The audited financial statements and the report of audit findings from the firm of Meyers Norris Penny LLP, which carried out the audit work, are attached to this report.

Auditor Opinion Letter (Page 2)

The Regional Hospital District, in the same manner as the Regional District maintains a system of internal accounting controls designed to provide reasonable assurance of the safekeeping of assets, the propriety of expenditures and revenues, and the accuracy of the financial records. The audit firm of Meyers Norris Penny LLP is responsible for reporting to the Board the results of their audit. As in prior years, the auditor's report is unqualified, assuring readers that based on the audit procedures conducted; the financial statements are considered to be free of material errors and are prepared in accordance with generally accepted accounting standards.

Consolidated Statement of Financial Position (Page 3)

The Regional Hospital District is a financing entity which results in the balance sheet showing a Net Debt and Accumulated Deficit position. The "deficit" position occurs because most expenditures for the Hospital District are financed by short and long term debt. Short term debt arises from amounts that have been reimbursed to the Vancouver Island Health Authority for capital projects or purchases and which are financed with the Municipal Finance Authority on a short term basis before entering into long term debt. Short term debt is converted to long term debenture debt periodically as the project or equipment expenditures reach a conclusion.

The outstanding balance of short term debt is made up primarily of funds advanced to date for the redevelopment of the emergency department and the construction of the renal clinic at the Nanaimo Regional General Hospital. The Regional Hospital District share of these two projects is \$18.6 million dollars.

Transactions for the Regional Hospital District are accounted for in three funds – the Revenue Fund (annual capital grants and debt servicing), Capital Grant Fund (accumulated grants to Vancouver Island Health Authority which have not been claimed for reimbursement) and a Capital Loan Fund (short and

long term debt to finance major capital equipment and projects). Note 7 to the financial statements itemizes the Accumulated Deficit as follows:

Revenue Fund	\$2,196,310
Capital Grant Fund	4,985,285
Capital Loan Fund	<u>(21,022,002)</u>
	\$(13,840,407)
Other accrued liabilities (interest on long term debt)	<u>(72,505)</u>
Accumulated Deficit	<u>\$13,912,912</u>

At its meeting held February 22, 2011 the Hospital District Select Committee and subsequently the Regional District Board approved using \$1.4 million of the Revenue Fund surplus to pay down short term financing on the emergency department redevelopment, thereby eliminating the requirement for long term debt in this amount. Outstanding long term debt totals \$21 million, with retirement dates ranging from 2011 to 2027. In 2010, \$3.3 million of original debt was retired. Original long term debt of \$4.9 million will be retired in 2011.

Consolidated Statement of Operations (Page 4)

This statement includes all of the transactions associated with the approved annual budget (Revenue Fund), capital financing (Capital Loan Fund) and minor equipment/project grants (Capital Grant Fund).

Capital Grants funded by property taxes were budgeted at \$3.2 million – including expenditures funded by long term debt, grants in the year totalled \$5.6 million. Interest on long term debt was less than budgeted because short term financing was used for a longer period than anticipated.


The remainder of the statements and schedules are self explanatory.

SUMMARY/CONCLUSIONS:

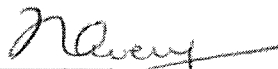
This report summarizes the results of the audited statements for the Regional Hospital District for the year ended December 31, 2010. The firm of Meyers Norris Penny LLP has conducted an audit in accordance with generally accepted auditing standards and has provided an unqualified opinion on the financial statements.

RECOMMENDATION:

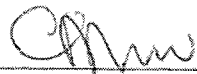
That the report on the 2010 audited financial statements of the Nanaimo Regional Hospital District be approved and received as presented.



 Report Writer



 General Manager concurrence



 CAO concurrence



April 6, 2011

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

Re: **Audit Findings Report to the Board of Directors**
Year ending December 31, 2010

Dear Sirs/Mesdames:

We are pleased to submit to you this report for discussion of our audit of the financial statements of Nanaimo Regional Hospital District (the "Hospital District") for the year ended December 31, 2010. In this report we cover those significant matters which, in our opinion, you should be aware of as members of the Board of Directors.

1. The Audit

Our responsibility, as auditor of the Hospital District, is to report to the Board of Directors on the fair presentation of the 2010 financial statements, in accordance with Canadian generally accepted accounting principles. To properly discharge this responsibility, we designed our audit process to assess the risk of material misstatement within the statements by examining and assessing the effectiveness of the Hospital District's controls and accounting systems and the evidence supporting the amounts and disclosures in the statements, including the appropriateness of accounting principles and significant estimates made by management.

We have considered the Hospital District's internal control as part of the financial statement audit. This included obtaining an understanding of the internal controls (regardless of whether we intended to rely on them for the purpose of our audit); evaluating the design of these controls; and determining whether they have been implemented. This understanding was sufficient to allow us to identify and assess the risks of material misstatement of the financial statements and to design and perform audit procedures. We have not determined whether relevant controls are operating effectively, as such, our understanding of internal controls should not be relied upon for any other purposes.

Wherever possible, we relied on the effectiveness of controls within the reporting systems in order to reduce the extent of our audit testing. Our audit procedures, consisting of separate examination of each material year-end balance, key transaction, and other event considered significant to the financial statements, were concentrated in areas where risks were identified, and therefore, differences were most likely to arise.

Management has provided us with written representations, acknowledging, among other things, their responsibility for the implementation and maintenance of appropriate reporting systems and controls, including those designed to detect and prevent fraud, and to ensure the appropriateness of the amounts recorded in the accounting records, and the amounts and disclosures in the financial statements.

2. Audit Results

We have satisfactorily completed our audit and are prepared to sign our Auditors' Report after the Board of Directors's review and approval of the financial statements. A substantive approach was used in auditing the Hospital District's financial statements; thus, the Hospital District's controls were not relied upon.



CHARTERED ACCOUNTANTS & BUSINESS ADVISORS
96 WALLACE STREET, P.O. BOX 514, NANAIMO, BC V9R 5L5
1-877-340-3330 PH. (250) 753-8251 FAX (250) 754-3999 www.mnp.ca

Nanaimo Regional Hospital District

Final materiality calculated and used to assess the significance of misstatements or omissions identified during the audit and determine the level of audit testing performed was \$110,000. The independent audit report will provide an unqualified opinion to the Board of Directors. Key matters noted during our audit are summarized in the table below.

SUBJECTS	2010	2009
Material uncertainties related to events or conditions that may cast significant doubt on entity's ability to continue as a going concern	None	None
Illegal or fraudulent acts	None noted	None noted
Non-compliance with laws and regulations	None	None
Fraud by employees/management with key roles in control activities	None noted	None noted
Differences that may:		
- Have a material effect on comparative information and the current period financial statements	None	None
- Cause future statements to be materially misstated	None	None
- Indicate significant deficiencies in controls	None	None
Irregularities having a material financial statement effect	None	None
Limitations placed on the scope of our audit	None	None
Significant transactions not in the ordinary course of business	None	None
Unusual significant transactions given the entity and its environment	None	None
Non-monetary transactions	None	None
Transactions that increase risk	None	None
Concerns with management breach of corporate conduct	None	None
Conflicts of interest	None	None
Disagreements with management	None	None
Emphasis of matter or other matter paragraph included in the independent auditor's report	None	None
Matters influencing audit appointment	None	None
Difficulties encountered during the audit	None	None
Disagreements with management's accounting estimates	None	None
Disagreements with management's adoption of accounting policies or emphasis on the need for a particular accounting treatment	None	None
Significant deficiencies in the entity's risk assessment process within the design and implementation of controls	None	None
Significant deficiencies in controls resulting from inappropriate response by management regarding implementing controls over significant risks	None	None
Matters giving rise to questions regarding the honesty and integrity of management	None	None

There were no unadjusted differences of any significance noted.

3. Auditor Independence

We confirm to the Board of Directors that we are independent of the Hospital District. Our letter to the Board of Directors discussing our independence is included as Appendix A to this report.

4. New and Proposed Reporting and Auditing Developments

For your information, we have included a summary of recent financial reporting and auditing developments which may impact your Hospital District's future financial statements.

Nanaimo Regional Hospital District

Introduction to CASs

Canadian Auditing Standards (CASs) were developed as a result of the adoption of International Standards on Auditing (ISAs), developed and issued by the International Auditing and Assurance Board (IAASB). CASs are consistent with the International Framework for Assurance Engagements and are to be applied in the audit of financial statements and other historical information.

When developing CASs, the Auditing and Assurance Board (AASB) recognized that there may be circumstances when it would be appropriate to modify proposed ISAs when adopting them as CASs. The AASB has developed guidelines for identifying the instances when it would consider it appropriate to "Canadianize" the auditing standards.

The effective date for the new CASs will be for audits of financial statements for periods ending on or after December 14, 2010.

We would like to take this opportunity to formally acknowledge the excellent cooperation and assistance we received from the management and staff of the Hospital District.

We appreciate having the opportunity to meet with you and respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

Yours truly,

Meyers Norris Penny LLP

MEYERS NORRIS PENNY LLP

/jvo

To the Members of the Board of the Nanaimo Regional Hospital District.

This statement is provided to clarify and outline the roles and responsibilities of the management team, the elected Board of Directors and the independent auditors in relation to the preparation and review of the Nanaimo Regional Hospital District's annual financial results.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgements and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgement is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Regional Hospital Board of Directors is composed entirely of Directors who are neither management nor employees of the Regional Hospital District. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for delegating authority for the approval of the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management. The Board is also responsible for the appointment of the Regional Hospital District's external auditors. The external auditors have full and free access to the Board and management to discuss their audit findings.

Meyers Norris Penny LLP, an independent firm of Chartered Accountants, has been appointed by the Regional Hospital District Board of Directors to audit the consolidated financial statements and report to them; their report follows.

March 13, 2011

 CGA

Gen. Mgr., Finance & Information Services

Independent Auditors' Report

To the Members of the Board of the Nanaimo Regional Hospital District

We have audited the accompanying consolidated financial statements of the Nanaimo Regional Hospital District, which comprise the consolidated statement of financial position as at December 31, 2010 and the consolidated statements of operations and cash flows and related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Nanaimo Regional Hospital District as at December 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Meyer Norris Penny LLP

Nanaimo, British Columbia

April 6, 2011

Chartered Accountants

NANAIMO REGIONAL HOSPITAL DISTRICT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2010

	<u>2010</u>	<u>2009</u>
Financial Assets		
Cash	\$ 1,333,635	\$ 5,532,975
Short term investments	6,019,241	-
Accounts receivable	1,713	1,713
	7,354,589	5,534,688
Financial Liabilities		
Short term debt (Note 2)	3,797,763	3,436,845
Accounts payable	172,995	100,056
Accrued liabilities (Note 4)	72,505	98,736
Long term debt (Schedule D, Note 3)	17,224,238	15,848,545
	21,267,501	19,484,182
Net Debt and Accumulated Deficit (Note 7)	\$ (13,912,912)	\$ (13,949,494)

Approved:



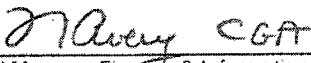
General Manager Finance & Information Services

See notes to consolidated financial statements

NANAIMO REGIONAL HOSPITAL DISTRICT
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budget</u> (unaudited)	<u>2010</u>	<u>2009</u>
Revenues			
Property tax revenues	\$ 6,294,940	\$ 6,294,940	\$ 6,023,865
Grants-in-lieu of taxes	26,000	31,278	29,989
Interest on investments	35,000	52,301	37,606
Other revenue	-	843,878	136,072
	<u>6,355,940</u>	<u>7,222,397</u>	<u>6,227,532</u>
Expenses			
Administration	15,150	19,650	14,500
Debenture issue costs	149,975	49,339	-
Grants to health care facilities	3,151,800	5,606,033	3,812,950
Short term loan interest and bank charges	245,495	32,814	38,564
Interest on long-term debt	2,300,930	1,477,979	1,549,826
	<u>5,863,350</u>	<u>7,185,815</u>	<u>5,415,840</u>
Surplus for the year	492,590	36,582	811,692
Opening, Net Debt and Accumulated Deficit	<u>(13,949,494)</u>	<u>(13,949,494)</u>	<u>(14,761,186)</u>
Ending, Net Debt and Accumulated Deficit	<u>(13,456,904)</u>	<u>(13,912,912)</u>	<u>(13,949,494)</u>

Approved:



General Manager Finance & Information Services

See notes to consolidated financial statements

**NANAIMO REGIONAL HOSPITAL DISTRICT
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>2010</u>	<u>2009</u>
Operating transactions		
Surplus for the year (Pg 4)	\$ 36,582	\$ 811,692
Decrease in accounts receivable	-	8,233
Increase (decrease) in accounts payable	72,939	95,028
Decrease in accrued liabilities	<u>(26,231)</u>	<u>(29,793)</u>
Net increase in cash from operations	<u>83,290</u>	<u>885,160</u>
Financing transactions		
Increase in short term debt	360,918	616,200
Long term debt proceeds	3,083,688	-
Repayment of long-term debt	<u>(1,081,654)</u>	<u>(1,099,021)</u>
Debt actuarial adjustments	<u>(626,341)</u>	<u>(592,199)</u>
Net increase (decrease) in cash from financing	<u>1,736,611</u>	<u>(1,075,020)</u>
Net change in cash and investments	1,819,901	(189,860)
Cash and investments, beginning	<u>5,532,975</u>	<u>5,722,835</u>
Cash and investments, ending	<u>\$ 7,352,876</u>	<u>\$ 5,532,975</u>
CASH AND INVESTMENTS CONSIST OF:		
Cash	\$ 1,333,635	\$ 5,532,975
Short term investments	<u>6,019,241</u>	<u>-</u>
	<u>\$ 7,352,876</u>	<u>\$ 5,532,975</u>

Approved



General Manager Finance & Information Services

See notes to consolidated financial statements

NANAIMO REGIONAL HOSPITAL DISTRICT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

The Nanaimo Regional Hospital District ("the Regional Hospital District") is incorporated under the Hospital District Act. Its principal activities are to finance capital construction projects and capital equipment purchases for health care facilities within the Regional District. These activities are funded through current property taxes or property tax revenues set aside as reserves and debenture debt.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards (GAAP) as recommended by the Public Sector Accounting Board (PSAB).

(b) Long-term debt

Long term debt is obtained through the Municipal Finance Authority of British Columbia (MFA) whose policy is to issue debt denominated in Canadian dollars.

(c) Short-term investments are carried at the lower of cost and market value which approximates market value. All investments are held by the Revenue Fund and all interest earned is credited to the Revenue Fund to support operations.

(c) Financial instruments

Financial instruments consist of cash, accounts receivable, short term investments, short term debt, accounts payable, accrued liabilities and long term debt. Unless otherwise noted, it is management's opinion that the Nanaimo Regional Hospital District is not exposed to significant currency or credit risk arising from these financial instruments. The Hospital District is exposed to interest rate risk primarily through its variable rate short term financing with the Municipal Finance Authority. Interest rate risk is the risk that the Regional District may incur higher costs if interest rates increase more than anticipated over the course of short term financing.

(d) Revenue recognition

Property tax revenues are recognized in the period in which they are levied. Grants in lieu of property taxes are recognized when received. Interest revenue is recognized when earned.

(e) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring management estimates

NANAIMO REGIONAL HOSPITAL DISTRICT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

are the determination of accrued liabilities. Actual results may vary from the estimates and adjustments will be reported and reflected in operations as they become known.

2. SHORT TERM DEBT

Short term debt is secured through the interim financing facility of the Municipal Finance Authority for capital initiatives approved under loan authorizations. Interest is calculated daily on a variable rate basis at prime less 1.25%. In 2010 the rate fluctuated between 1.1% and 1.7% as at December 31, 2010. Short-term borrowing is replaced by long-term debenture debt periodically when balances and interest rates are considered appropriate.

3. LONG TERM DEBT

All long term debt is issued through the Municipal Finance Authority of British Columbia. The Authority is the borrowing agent for municipalities and regional districts in the Province of British Columbia. All debenture debt issued by the Municipal Finance Authority is sinking fund debt. Long term debt may only be repaid earlier than maturity where the Municipal Finance Authority refinances an issue which includes a particular debenture debt issued by the Regional Hospital District.

Issued and outstanding debt including issue numbers, maturity dates and sinking fund balances are listed on Schedule D to these consolidated financial statements.

Payments of principal on issued debt of the Regional Hospital District for the next five years are approximately as follows:

2011	1,090,698
2012	918,632
2013	872,825
2014	844,336
2015	766,708

4. ACCRUED LIABILITIES

Accrued liabilities arise from accrued interest on outstanding debenture debt. Accrued liabilities are not recorded in the accounting records, nor in the annual budget but are recorded in these consolidated financial statements and will be funded on a cash paid basis through future years' tax requisitions. This presentation meets the PSAB standard for financial statement presentation.

5. APPROPRIATED EQUITY

The Hospital District has committed all of the Capital Grant Funds to approved capital purchases for the Vancouver Island Health Authority.

NANAIMO REGIONAL HOSPITAL DISTRICT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

6. MUNICIPAL FINANCE AUTHORITY RESERVE DEPOSITS

The Municipal Finance Authority (MFA) requires the Regional Hospital District to establish a fund equal to one half the annual instalment of principal and interest of debentures issued. The cash portion of the fund is equal to one percent of the total principal with the remainder made up of a non-interest bearing promissory note. The MFA calculates interest and expenses on the cash requirements. Due to their contingent nature neither the asset nor liability are recorded in the consolidated financial statements. The balance of the MFA debt reserve fund is as follows:

	<u>2010</u>	<u>2009</u>
Cash	\$ 393,054	\$ 402,379
Demand note	<u>1,150,755</u>	<u>1,248,188</u>
	<u>\$ 1,543,809</u>	<u>\$ 1,650,567</u>

7. ACCUMULATED DEFICIT

The Accumulated Deficit of \$13,912,912 (2009: \$13,949,494) is made up of the following individual fund equity amounts.

	<u>2010</u>	<u>2009</u>
Revenue Fund (Schedule A)	\$ 2,196,310	1,446,926
Capital Grant Fund (Schedule B)	4,985,285	4,034,249
Capital Loan Fund (Schedule C)	<u>(21,022,002)</u>	<u>(19,331,933)</u>
	(13,840,407)	(13,850,758)
Accrued liabilities	<u>(72,505)</u>	<u>(98,736)</u>
Accumulated Deficit	<u>\$ (13,912,912)</u>	<u>\$ (13,949,494)</u>

The Revenue Fund includes those transactions which are funded primarily by the annual property tax requisition and includes debt repayments and capital grant contributions to the Vancouver Island Health Authority.

The Capital Grant Fund includes amounts disbursed or to be disbursed directly to the Vancouver Island Health authority in accordance with approved capital plans.

The Capital Loan Fund includes amounts related to debenture debt raised to finance capital expenditures approved through bylaws adopted by the Regional Hospital District for the purposes of the Vancouver Island Health Authority.

NANAIMO REGIONAL HOSPITAL DISTRICT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

8. A consolidated statement of changes in net debt has not been prepared as the Regional Hospital District does not have any non-financial assets and a reconciliation of Net Debt to Accumulated Deficit does not provide any further meaningful information.

NANAIMO REGIONAL HOSPITAL DISTRICT
SCHEDULE OF REVENUE FUND ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE A

	<u>Budget</u> (unaudited)	<u>2010</u>	<u>2009</u>
Revenues			
Property tax revenues	\$ 6,294,940	\$ 6,294,940	\$ 6,023,865
Grants-in-lieu of taxes	26,000	31,278	29,989
Interest on investments	35,000	52,301	37,606
Other revenue	-	843,878	136,072
	<u>6,355,940</u>	<u>7,222,397</u>	<u>6,227,532</u>
Expenditures			
Administration	15,150	19,650	14,500
Short term loan interest and bank charges	395,470	82,152	38,563
Long term debt interest	2,300,930	2,130,552	2,171,818
Grants to Health Authority	-	7,205	-
	<u>2,711,550</u>	<u>2,239,559</u>	<u>2,224,881</u>
Operating Surplus	<u>3,644,390</u>	<u>4,982,838</u>	<u>4,002,651</u>
Transfer to Capital Grant Fund (Pg 11)	3,151,800	3,151,800	3,060,000
Transfer to Capital Loan Fund for debt principal (Pg 12)	1,081,655	1,081,654	1,099,021
	<u>4,233,455</u>	<u>4,233,454</u>	<u>4,159,021</u>
Surplus(Deficit) for the year	(589,065)	749,384	(156,370)
Add: Prior years' surplus	<u>1,446,926</u>	<u>1,446,926</u>	<u>1,603,296</u>
Surplus, Ending (Note 7)	<u>\$ 857,861</u>	<u>\$ 2,196,310</u>	<u>\$ 1,446,926</u>

See notes to consolidated financial statements

NANAIMO REGIONAL HOSPITAL DISTRICT
 SCHEDULE OF CAPITAL GRANT FUND ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE B

	<u>2010</u>	<u>2009</u>
FUND BALANCE, BEGINNING	\$ 4,034,249	\$ 4,109,263
Add: Transfer from Revenue Fund (Pg 10)	3,151,800	3,060,000
Less: Grants to Vancouver Island Health Authority	<u>(2,200,764)</u>	<u>(3,135,014)</u>
FUND BALANCE, ENDING (Note 7)	<u>\$ 4,985,285</u>	<u>\$ 4,034,249</u>

See notes to consolidated financial statements

NANAIMO REGIONAL HOSPITAL DISTRICT
 SCHEDULE OF CAPITAL LOAN FUND ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE C

	<u>2010</u>	<u>2009</u>
FUND BALANCE, BEGINNING, as previously reported	\$ (19,331,933)	\$ (20,345,216)
Grants to Health Authority	(3,398,064)	(677,937)
Debt principal repayments	1,081,654	1,099,021
Debt actuarial adjustments	<u>626,341</u>	<u>592,199</u>
FUND BALANCE, ENDING (Note 7)	<u>\$ (21,022,002)</u>	<u>\$ (19,331,933)</u>

See notes to consolidated financial statements



RDN REPORT	
CAO APPROVAL <i>(Signature)</i>	
EAP	
COW	✓ May 10 '11
MAY -2 2011	
RHD	
BOARD	

**NANAIMO REGIONAL
HOSPITAL DISTRICT
MEMORANDUM**

TO: N. Avery
General Manager, Finance & Information Services

DATE: April 26, 2011

FROM: W. Idema
Manager, Financial Reporting

FILE:

SUBJECT: Request to amend the 2010/2011 Minor Capital Equipment Grant Funding

PURPOSE:

Obtain approval to amend the 2010/2011 minor capital equipment list.

BACKGROUND:

The 2010/11 approval for capital grants was for an amount of \$3,151,800 made up of \$2,009,920 for equipment funding and \$1,141,880 for capital projects. Additionally, it should be noted that for the current 2011/12 funding year, the capital grant funding was approved at a lower amount of \$2,046,355 in order to specifically allocate \$1,200,000 to the Emergency Room Redevelopment project.

For the prior 2010/2011 year, the Vancouver Island Health Authority (VIHA) has sent correspondence requesting a change to the list to accommodate items which have since been identified as more urgent priorities. The net changes requested will reduce the funds allocated to specific items by \$288,350 and increase the "unallocated" contingency by the same amount. There is no change to the overall approved amount for 2010/2011.

ALTERNATIVES:

1. Approve the request as presented.
2. Provide alternative direction.

FINANCIAL IMPLICATIONS:

Alternative 1

Three larger items will be adjusted downward. VIHA is recommending a reduction in the number of ICU beds, pressure reducing mattresses and deferral of two ultrasound machines. Items which will be substituted include surgical saws and drills (\$60,000), ICU equipment (\$99,124) and several lower value items as listed on page 2 of the attached correspondence. The net remaining after the adjustments is \$288,350. This will be held as a contingency for further adjustments as necessary throughout the year.

The requested equipment purchases are eligible for funding and staff recommends approving the changes as presented.

SUMMARY/CONCLUSIONS:

The Vancouver Island Health Authority has submitted a request to revise the 2010/2011 minor capital equipment list to address recently identified alternative items. Two ultrasound machines will be deferred pending further review and certain surgical and ICU equipment will be substituted. The net change of the adjustments is \$288,350. This amount will be shown as "unallocated" and is available for other adjustments which may be necessary during the year. Staff has reviewed the recommended items for consistency with the typical use of these capital grants and recommends proceeding as proposed.

RECOMMENDATIONS:

1. That the 2010/2011 capital equipment list totaling \$3,151,800 be amended as shown in the correspondence from the Vancouver Island Health Authority date April 20, 2011.



Report Writer



General Manager concurrence



CAO concurrence



Our Vision: Healthy People, Healthy Island Communities, Seamless Service

April 20, 2011

Nancy Avery
 General Manager, Finance & Information Services
 Regional District of Nanaimo
 6300 Hammond Bay Road
 Nanaimo, BC V9T 6N2

Dear Nancy Avery:

Re: Revision of 2010/11 Equipment Funding

The Vancouver Island Health Authority (VIHA) submitted a preliminary equipment list in the spring of 2010 to the Nanaimo Regional Hospital District. This preliminary list was then approved at a total funding amount of \$2,009,920 for the 2010-2011 fiscal year. Since that approval VIHA has revised and finalized items on the list resulting in a change to the funding request. We have listed a brief summary of the significant changes. These changes have resulted in an increase in the unallocated amount within the 2010/11 Equipment pool.

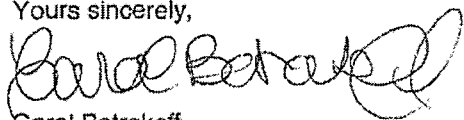
Budget Ref #	Description	RHD % of Total Value	Original Value RHD Portion	Change	Ending Value	Date of Change	Reason for Change
10-0035	Drills, Saws, Reamers	100%	-	60,000	60,000	Mar 2011	Urgent request from Operating Room for replacement of Sagittal Saws and Drills
10-0103	ICU Beds (9)	100%	470,800	(99,124)	371,676	Mar 2011	Partial funding reallocation request from ICU for more urgent Prismaflex Machine
10-0179	CRRT Prismaflex Machine (1)	100%	-	99,124	99,124	Mar 2011	Partial funding reallocation request from ICU for more urgent Prismaflex Machine
10-0164	Pressure Reducing Mattresses (6)	100%	340,000	(222,000)	118,000	Mar 2011	Initial approval included mattresses for facilities not within the NRHD, these have been removed
10-0139	Jaundice Meter	100%	8,500	(8,500)	-	Mar 2011	Item is for non-designated facility. Removed from list

Nanaimo Regional General Hospital
 1200 Dufferin Crescent, Nanaimo, BC V9S 2B7

Budget Ref #	Description	RHD % of Total Value	Original Value RHD Portion	Change	Ending Value	Date of Change	Reason for Change
09VI222	Ultrasound Replacements (2)	40%	120,000	(120,000)	-	Mar 2011	From equipment >100k list. Will be purchased pending further review of program needs. VIHA will submit request at that time
10-0036a	Linen Carts (50)	100%	5,600	22,400	28,000	Mar 2011	Quantity required is 50. Original allocation of 10 incorrect.
10-0121	Specialty Wheelchairs	100%	33,750	(33,750)	-	Mar 2011	Not required at this time.
10-0122	Stretchers	100%	31,500	(31,500)	-	Mar 2011	Not required at this time.
10-0195	Physio Rehab Equipment	100%	-	6,000	6,000	Mar 2011	Request from Physio Manager for replacement of equipment in gym area
10-0203	Overhead Lift Tracking	100%	-	1,500	1,500	Mar 2011	Additional patient lift required - Dufferin Place
10-0204	Office Chairs (5)	100%	-	2,500	2,500	Mar 2011	Infection control standards require replacing cloth chairs with vinyl - Dufferin Place
10-0213	Broslow Pediatric Cart (1)	100%	-	7,000	7,000	Mar 2011	Equipment required for Pediatric Trauma Room
10-0214	Treatment Light (1)	100%	-	5,000	5,000	Mar 2011	Equipment required for Pediatric Trauma Room
10-0215	Phillips Portable Monitor (1)	100%	-	23,000	23,000	Mar 2011	Equipment required for Pediatric Trauma Room
	Unallocated		1,297	288,350	289,647	Mar 2011	See above for change details

Thank you for considering our request, and for your continued support.

Yours sincerely,



Carol Botrakoff
Manager, Capital Finance



RDN REPORT	
CAQ APPROVAL <i>[Signature]</i>	
EAP	
COW	<i>[Signature]</i>
MAY 03 2011	
RHD	
BOARD	

MEMORANDUM

TO: Nancy Avery
General Manager of Finance and Information Services

DATE: April 26, 2011

FROM: Wendy Idema
Manager, Financial Reporting

FILE:

SUBJECT: 2010 Regional District Annual Report (Audited Financial Statements), Board & Committee Member Expenses and Remuneration and Statement of Financial Information

PURPOSE:

To provide comments on the financial performance of the Regional District of Nanaimo for the fiscal year ending December 31, 2010 and to present statutory reports covering Board remuneration and other financial information.

BACKGROUND:

Regional Districts are required by Section 814.1 of the *Local Government Act* to present at a public meeting of the Board the results of the annual audit and a report on Board and Committee member expenses and remuneration. As a public body in British Columbia, a report in compliance with the *Financial Information Act* (Statement of Financial Information) is also required. The Statement of Financial Information (SOFI) contains extracts from the annual financial report, the schedule of Board expenses and remuneration, schedules of employee expenses and remuneration (over \$75,000), a schedule of supplier payments (over \$25,000) and information on community grants provided in the year.

The full edition of the annual financial report (provided under separate cover) consists of departmental highlights, a set of consolidated financial statements, notes to the statements, supplementary departmental revenue and expense schedules as well as statistical data.

All of these reports will be posted to the Regional District's web site for public access. Hard copies can be requested at a nominal charge of \$2.00 plus HST.

The first attachment to this report is the auditor's report to the Board of Directors. This report summarizes key elements of the audit procedures and contains a discussion of their conclusions on the information included in the financial statements.

The second attachment to this report is the Statement of Financial Information (SOFI). As noted above, the consolidated financial statements are part of the SOFI. Page numbers referred to in the remainder of this report are the page numbers shown at the bottom of the statements included in the SOFI.

AUDITORS' REPORT TO THE CHIEF ADMINISTRATIVE OFFICER

This report provided by the firm of Meyers Norris Penny LLP, provides the Board with an overview of the audit process and a summary of their findings. Pages 2 to 4 discuss the areas of audit emphasis and the auditors' conclusions with respect to accounting estimates and recording of transactions.

Pages 5 and 6 of the report summarize the key matters reviewed with management during the audit and indicate that no areas of concern were found. Pages 8 and 9 show the adjusted and unadjusted summary of differences. Adjustments are only made for material items that arise during the audit process.

The Regional District of Nanaimo received an unqualified opinion on the consolidated financial statements for 2010 and the auditors' report concludes there are no areas of significant concern that require further adjustment.

STATEMENT OF FINANCIAL INFORMATION

CONSOLIDATED FINANCIAL STATEMENTS

Auditor Opinion Letter (Page 2)

The consolidated financial statements allow the Regional District to assess the overall results of all of our activities for the fiscal year ending December 31, 2010. The objective of the statements is to fairly present the financial position of the Regional District as a whole.

The Regional District maintains a system of accounting controls designed to provide reasonable assurance of the safekeeping of assets, to properly and fully account for revenues and expenses and to ensure the financial records are accurate. The firm of Meyers Norris Penny LLP is responsible for reporting to the Board the results of their audit of the controls and transaction accounting. As in prior years, the auditor's report is unqualified, assuring readers that based on the audit procedures conducted, the financial statements are considered to be free of material errors.

Consolidated Statement of Financial Position (Page 3)

The Statement of Financial Position shows an Accumulated Surplus position of \$165,676,302 as at December 31st, 2010. The Accumulated Surplus is the consolidated value of balances in the operating or Revenue Fund, the Capital Fund, Reserve Funds and the net book value of tangible capital assets. The largest component of the Accumulated Surplus is the investment in capital assets of \$151,913,099. Note 22 to the financial statements outlines the categories and current net value of the Regional District's capital assets.

In 2010, the Regional District invested \$16.1 million dollars in additions and improvements to its capital infrastructure stock. The value of capital assets on these statements is the historical cost of acquisition less amortization. Historical cost is used because it can be easily found in an entity's accounting records, however, it is widely recognized that it is not a good measure of the potential impact of replacing those assets. Given the very long lives of many public assets, it is a challenge to establish the precise balance between taxpayers of today and those of the future. Like all local governments the Regional District is constantly assessing the life span of its assets and budgeting for their eventual replacement in our long term financial plans.

For many of our services, capital reserves have been established and regular contributions are being made through the annual budget. Additionally the financial plans which are developed each year anticipate the actual cost to replace capital assets and reflect borrowing where necessary. Using a combination of cash

reserves as well as borrowing for major capital infrastructure, results in future generations paying for assets that they use in their lifetime.

Net Financial Assets

The Regional District is reporting a "Net Financial Asset" position of \$13.5 million dollars, \$2.8 million higher than 2009. An overall increase in cash and investments from \$108 million to \$112 million is the main contributor to the increase. The Regional District raises funds annually for future capital replacement and all of those funds are invested until required.

Unfunded Liabilities – (Note 9 – pgs 11/12)

Public bodies are required to calculate the value of certain types of liabilities, in particular liabilities associated with using up landfill space and liabilities for the future payment of retirement related employee benefits. Similar to recording the "cost" of amortization, recording the value of these future liabilities is a means of showing that there are financial obligations which are not completely captured in the regular accounting transactions of the Regional District.

The largest unfunded liability for the Regional District of Nanaimo is the cost to close and monitor the regional solid waste landfill, currently estimated at \$9.9 million. At this time it is projected that not all of the closure costs will be covered by reserves set aside for that purpose. However, because part of the plan includes construction of a nature park, should borrowing be required at the time of final closure, it will be reflected in the continuing benefit to the region of the park amenity. Once the landfill is closed, except as a backup facility, the annual maintenance and environmental monitoring costs will be covered by a combination of disposal fees and property taxes, in relatively the same manner as we cover annual costs now.

The Regional District provides a retirement benefit of a portion of unused sick leave. In 2010 the retirement leave obligation was fully funded at \$1.6 million. This balance is funded by a charge on wages in all departments and the charge may be reduced if the funded liability can be maintained at this level on an ongoing basis.

Long Term Debt

In 2010 new long term debt totalling \$2.0 million was secured following the completion of construction of Dashwood fire hall #2 (Meadowood) and the Cedar Sewer trunk line. Excluding the addition of those two new issues, long term debt for Regional District services declined by \$2.0 million. Approximately \$1.0 million of debt for the Northern Community Sewer Service (French Creek wastewater treatment plant) was retired in 2010.

The per capita debt load for direct Regional District debt declined from approximately \$398 to \$365 in 2010 and the total per capita debt load for all municipal and Regional District debt declined from \$388 to \$367 per capita in 2010.

Deferred Revenues – (Note 10 – page 12)

Deferred revenues increased by about \$0.5 million to \$23.1 million.

Approximately \$1.2 million was collected under Development Cost Charges bylaws with \$965,800 applied to capital projects in the year.

A portion of the balance of deferred revenue represents receipts from the Community Works program which have not yet been applied to approved projects. At the end of 2010, the unallocated balance of Community Works funds for the Electoral Areas was \$3.0 million.

Finally at the end of 2010 approximately \$500,000 remained from funds received under the Public Transit Infrastructure Program. These funds were approved for use in 2011 to reduce debt servicing on new busses and electronic fareboxes.

Consolidated Statement of Operations and Accumulated Surplus (Page 4)

The Consolidated Statement of Operations and Accumulated Surplus shows at a glance how revenues are raised and the types of services to which we allocate resources. Like most local governments, the Regional District is primarily a provider of basic services including solid and liquid waste disposal facilities, water and sewer collection and distribution systems, public transportation, recreation facilities and fire protection.

The Surplus for the Year (\$13.9 million dollars) is less than the budget surplus of \$20.4 million dollars. The most visible difference is the budget versus actual revenues for Developer contributions. Developer contributions represent the anticipated use of Development Cost Charge reserve funds on hand, for capital projects. The use of those funds is recorded once expenditures have been made – in 2010 a total of \$6.7 million was forecast and \$1.1 million was applied by year end.

The actual values for “Wastewater & Solid Waste management” expenses are higher than the budget as a result of recording amortization against capital assets. Budget values in the financial plan establish the property taxation requirements for a fiscal year. Budgeted expenditures include debt principal repayments and the purchase of capital assets, but do not include amortization. For consolidated financial reporting purposes debt principal and capital asset purchases are not classified as operating expenses. In their place, amortization is reflected to reflect the portion of capital assets used up in the year. As a non-cash expenditure which has no impact on property tax rates, amortization is not reflected in the annual budget values. Note 17 on page 15 of the financial statements contains a reconciliation of the budgeted surplus shown on this statement to the surplus reflected in the financial plan.

BOARD AND COMMITTEE MEMBER REPORT ON REMUNERATION AND EXPENSES

Remuneration rates are reviewed and established by a Board appointed committee, for the three year period between elections. Remuneration reported in the schedule attached to this report (page 26 of SOFI) was initially established in 2008. Base remuneration rates have increased by the rate of the Consumer Price Index each year following the year of local elections. Additional meeting per diems and meal allowances remained the same throughout this period.

The Regional District also reimburses members for mileage, ferry fares, business meals, computer and telecommunications equipment operating costs and attendance at the annual UBCM, AVICC and FCM conventions.

The base remuneration rates for 2010 were as follows:

	Base Remuneration	EA Director Allowance	Total
Municipal Director	\$10,280	N/A	\$10,280
Electoral Area Director	\$10,280	\$5,655	\$15,935
Chairperson	\$10,280	\$14,395	\$24,675
Other Public/Advisory Committee Meetings	\$70 per meeting attended		

On average, between 30% to 40% of the total remuneration received by a Director over the course of a year, is a result of their attendance at special committee meetings, public hearings and public information meetings held outside of the regular meeting schedule. The total for remuneration for all Directors and/or Committee members was 6.4% lower in 2010 (\$249,400) than in 2009 (\$266,530) – reflecting somewhat fewer additional committee meetings.

SUMMARY:


The 2010 Consolidated Financial Statements have been prepared and audited within the framework of the accounting policies applicable to local governments in B.C. These statements present, in all significant respects, the financial position of the Regional District of Nanaimo as at December 31, 2010. This is supplemented and confirmed by the Auditors' Report to the Chief Administrative Officer dated April 6, 2011. The report on Board and Committee members' expenses and remuneration and the Statement of Financial Information attached to this report comply in all respects with the requirements of the *Local Government Act* and the *Financial Information Act*. Staff recommend that these reports be approved and received.

RECOMMENDATION:

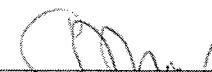
That the 2010 Annual Financial Report, Statement of Board and Committee Members Expenses and Remuneration and the Statement of Financial Information be approved and received as presented.



Report Writer



General Manager Concurrence



C.A.O. Concurrence

Regional District of Nanaimo
Report to the Board of Directors
December 31, 2010



April 6, 2011

Members of the Board of Directors of the Regional District of Nanaimo

Dear Members of the Board:

We are pleased to submit to you this report for discussion of our audit of the consolidated financial statements of the Regional District of Nanaimo ("the Regional District") for the year ended December 31, 2010. In this report we cover those significant matters which, in our opinion, you should be aware of as members of the Board of Directors.

We have completed our audit of the consolidated financial statements of the Regional District and are prepared to sign our Auditors' Report. Our report provides an unqualified opinion to the Board of Directors of the Regional District.

We would like to express our appreciation for the excellent cooperation we have received from management and employees with whom we worked.

We also appreciate having the opportunity to meet with you and to respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

Yours truly,

Meyers Norris Penny LLP

MEYERS NORRIS PENNY LLP

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Regional District of Nanaimo

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For the year ended December 31, 2010

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The matters raised in this and other reports that will flow from the audit are only those which have come to our attention arising from or relevant to our audit that we believe need to be brought to your attention. They are not a comprehensive record of all the matters arising, and in particular we cannot be held responsible for reporting all risks in your business or all control weaknesses. This report has been prepared solely for your use and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for any other purpose.

1. Auditor Responsibilities

As auditors of the Regional District of Nanaimo (the "Regional District"), we report to the Board of Directors on the results of our examination of the Regional District's annual consolidated financial statements. This report addresses our audit of the Regional District, and, accordingly, discusses issues that are of relevance to the Board of Directors of the Regional District of Nanaimo.

- Our audit procedures included a review of all significant accounting and management reporting systems. Where possible, reliance was placed on the controls within these systems to reduce the extent of our testing of transactions and year-end balances. Each material year-end balance, key transaction and other event considered significant to the consolidated financial statements was separately examined.
- The audit process focused and placed reliance on certain controls utilized by the Regional District's management. It involved an identification of overall and specific risks related to the operations of the Regional District and its management reporting systems. This risk assessment enabled us to concentrate our audit procedures on the areas where the differences were most likely to arise.
- During the course of this audit, we have:
 - Examined, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements;
 - Assessed the accounting principles used;
 - Assessed the significant estimates made by management;
 - Obtained an understanding of the entity and its environment, including management's internal controls (regardless of whether we intend to rely on them for the purpose of the audit), sufficient to identify and assess the risks of material misstatement of the consolidated financial statements and to design and perform audit procedures. We have not determined whether relevant controls are operating effectively.
 - Reviewed and assessed those accounting systems deemed necessary to support our audit opinion;
 - Evaluated the overall consolidated financial statement presentation;
 - Performed a subsequent events review with management;
 - Reviewed and assessed the status of contingencies, commitments and guarantees;
 - Reviewed and assessed exposure to environmental liabilities; and
 - Obtained written representation from management regarding the audited consolidated financial statements.

2. Engagement Status

We have completed our audit of the consolidated financial statements of the Regional District and are prepared to sign our Auditors' Report. Our report provides an unqualified opinion to the Board of Directors.

- **Final materiality calculated and used to assess the significance of misstatements or omissions identified during the audit and determine the level of audit testing performed was \$750,000 (2009 - \$440,000).**
- Materiality has increased over the prior year due to several factors:
 - the revenue base upon which we calculate materiality increased from \$61million to \$68 million (11% increase).
 - based on fact that no material unrecorded amounts or issues in prior years we have used a higher percentage of the revenue base as a guideline (2010 - 1.1 %) (2009 - 0.7%). General guidelines are 1/2 - 2%.

- Changes to Canadian Auditing Standards permit a higher materiality limit for the review of consolidated values in the financial statements. For audit testing and verification purposes (that is, individual transactions), the materiality limit is lower at \$675,000.
- There were no limitations placed on the scope of our audit, which was carried out in accordance with Canadian generally accepted auditing standards.
- We have satisfactorily completed our audit test procedures for each of the major account balances and transaction streams. A combined approach was used in auditing the Regional District's consolidated financial statements, therefore the Regional District's internal controls were relied upon.
- No irregularities came to our attention that would have materially affected the results for the year or the presentation of the consolidated financial statements.
- There were two errors resulting in the overstatement of income in the amount of \$124,870 which are not reflected in the consolidated financial statements. These items were identified late in the final review stage of the audit, are individually and cumulatively, not considered material to the financial statements and for audit efficiency purposes have not been adjusted. The items are described in Appendix B. One error resulting in an understatement of expenses of \$224,877 was identified early in the audit and is reflected in the financial statements. All of these items, their cause and effect, have been discussed with management to ensure management can put in place controls and review processes which will reduce the probability of the errors occurring in a subsequent year. The cumulative net effect of unadjusted differences and disclosure differences or omissions identified during our audit has not resulted in material misstatement, and therefore does not affect our independent audit report. All immaterial differences were reported to and discussed with management.
- Nothing has come to our attention that would suggest there is non-compliance with laws and regulations that would have a material effect on the financial statements.
- Nothing has come to our attention that would suggest the existence of any conflicts of interest, unusual related party transactions, or illegal or questionable payments.
- During the planning and initial phases of our audit, we met management to obtain their perspective on the business risks and challenges facing the Regional District.
- During the course of our audit and at audit finalization, we reviewed the results and consolidated financial statements with management.
- At the time of release of this report, we are finalizing the update of legal letters and other limited documents required to fully complete our audit.
- We do not expect the finalization of the above outstanding matters to be of any concern.
- We would like to formally acknowledge the excellent cooperation and assistance we received from the management and staff of the Regional District.

3. Areas of Audit Emphasis

The following lists the key areas of our audit emphasis for the Regional District:

- Landfill Closure and Post-Closure Liabilities
- Employee Retirement Benefits

4. Significant Audit and Financial Reporting Matters

4.1 Unfunded Liabilities - Landfill Closure and Post-Closure Liabilities

Audit Procedures:

As in prior years, our audit work in this area included a detailed review of management's methodology used in the calculation of the estimate of these liabilities and a check of the mathematical accuracy. We also assessed the various factors for reasonability by reviewing the external engineer's report and by discussing the factors and results with the Manager of Solid Waste.

We identified an error in calculation on the unfunded liability for Landfill Closure costs. The error resulted from applying an incorrect percentage in the calculation related to the remaining unused capacity of the landfill. The error, if left uncorrected would have resulted in the surplus for the year being overstated by approximately \$224,877. The error was found during the normal course of our testing and review and was not a late adjustment, nor was it indicative of fraud or intentional misstatement. Please see Appendix "B" for further details.

Financial Reporting:

The unfunded liabilities for landfill closure costs and post-closure monitoring costs represent a significant liability in the Regional District's financial statements. For 2010 the estimate for landfill closure costs was \$6,521,426, and for post closure maintenance costs was \$3,418,535 for a total landfill liability of \$9,939,961 (2009 - \$9,435,788). These costs are an estimate, based on factors such as landfill capacity, remaining unused capacity, projected future costs to close and to monitor the site, and an appropriate discount rate used to determine a present value of these future costs. It is also important to note that the landfill remaining unused capacity amount used in the calculations is based on the impact of board-approved capital projects as at the reporting date. Projects not yet approved that may further increase capacity and useful life are not factored into the calculation.

Changes to the underlying assumptions and estimates or legislative changes in the new term could have a material impact on the provision recognized. For example, if the assumption of the estimated annual monitoring costs of \$575,000 were to change by 1% (\$5,750), the estimated landfill liability would change by approximately \$34,000 which is significantly below the current materiality level of \$750,000. Based on the methodology used, actual annual monitoring costs would have to vary by \$126,000 (21.9% change) to create a material difference.

Similarly a one point percentage change in the estimate of the percentage of landfill used (2010 – 58%) either as an increase or a decrease results in a \$171,000 impact to the liability. That is, if the percentage of the landfill used should have been estimated at 59%, the liability would be understated by \$171,000 as the liability grows larger as the percentage of the landfill used increases. If the percentage of the landfill used should have been estimated at 57% than the liability would be overstated by \$171,000. A one year change in the planned year of closure (currently 2030) would also impact the liability either upwards or downwards by \$177,600. The liability should be higher if it takes less than the currently anticipated 20 years to reach full closure. Additionally a one point change in the discount rate downward from the currently used 2.8% would have the most significant impact with an increase to the liability of \$1,247,000 whereas a one point change upward would decrease the liability by \$894,000. The discount rate of 2.8% is used to obtain a value in today's dollars of what the future estimated liability will be and is based on a blend of the MFA's 10 year & 15 year lending rates (4.3%) less a 1.50% adjustment for estimated inflation.

We have concluded that the accounting related to the Landfill Closure and Post-Closure Liabilities was appropriate.

4.2 Employee Retirement Benefits

Audit Procedures:

As in prior years, our audit work in this area included a detailed review of management's methodology in calculating these liabilities and a check of the mathematical accuracy. We also evaluated the various factors for reasonability by reviewing the payroll data with the payroll clerk and by discussing the assumptions used with the Manager of Financial Reporting.

Financial Reporting:

Employee retirement benefits include payouts of accumulated, unused sick leave upon an employee's retirement.

As at December 31, 2010, estimated sick leave reserve and management severance reserve was \$1,493,508 (2009 - \$1,419,673). An expense and corresponding liability is recorded now for the estimate of the future costs of these payouts, related to current service by current employees. This liability is an estimate, based on factors such as number of current employees in various age groups, number of recent employees over age 40 who have been employed with the Regional District until retirement, and an appropriate discount rate used to determine a present value of these future costs.

Changes to the underlying assumptions and estimates or union contract changes in the new term could have a material impact on the reserve recorded. Again the liability needs to be valued in today's (2010) dollars and a discount rate is used to bring the future value of the estimated obligation to a present value. The discount rate used is based on a weighted average of MFA lending rates less core inflation for the number of years to retirement for various age groups of employees. A change in the discount rate assumption of 1 point upward would mean a decrease in the reserve of approximately \$67,000 whereas a one point change downward would increase the liability by \$74,500. Additionally, a change in the payout factor by one point (2010 – 64.89%) would result in a like change of \$23,000. The estimate also includes assumptions regarding retirement dates, hours worked and sick time. Given that the District employs approximately 300 employees, it is unlikely an unexpected change in any one employee's assumptions could have a material impact on the reserve.

We have concluded that the accounting related to Employee Retirement Benefits was appropriate.

5. Significant Management Estimates

The following is a summary of significant management estimates and provisions at December 31, 2010:

- Allowance for doubtful accounts - no allowance recorded.
- Provision for legal contingencies - no provision deemed necessary.
- Amortization period of property, plant and equipment - amortized over the estimated useful lives of the respective assets. All depreciable assets were amortized using the straight line method with useful lives ranging from 5 to 75 years.
- Landfill closure and post-closure costs - estimated at present value of future costs related to actual landfill usage to date and to estimated future capacity based upon approved capital expansion projects.
- Employee retirement benefits - estimated at present value of estimated future costs related to actual employee service to date.

All significant estimates made by management were reviewed for the current period and no material differences were noted. The methodologies and processes used by management were consistent with those employed in the prior fiscal year.

6. Management's Representations

At the conclusion of our audit, we raised, among other questions, the following key questions with management of the Regional District. The responses indicated that there were no specific or significant items that should be reflected in the consolidated financial statements or brought to the attention of the Board of Directors as a result of this inquiry. The significant questions were as follows:

- Are there any potential major losses due to the permanent impairment in the value of assets for which no provision has been made in the accounts (i. e., are asset values appropriate)?
- Are there any significant outstanding liabilities for which no accrual has been made in the accounts?
- Are there any significant contingent liabilities, which would require disclosure in the 2010 consolidated financial statements?

Report to the Board of Directors

- Have there been any significant non-monetary transactions during the year, as well as non-monetary transactions with related parties, and have all non-monetary transactions been disclosed?
- Does management know of any situations of conflicts of interest, or illegal or other questionable payments?
- Does management know of any situations of non-compliance with statutory or regulatory requirements, including financial reporting requirements?
- Has management appropriately disclosed all subsequent events?
- Is management satisfied that estimates used in the preparation of the consolidated financial statements are sufficiently and adequately supported?
- Is management satisfied that revenues and expenses are not materially misstated?
- Does management understand that they are responsible for the implementation and operation of controls that are designed to prevent and detect fraud? Has there been any fraud or possible irregularities involving management or employees who have a significant role in the system of controls, or that could have a material effect on the consolidated financial statements? What is management's assessment of the risk that the consolidated financial statements may be materially misstated as a result of fraud?

7. Other Matters Important to the Board of Directors

Summary of key matters noted or arising during the course of our audit:

SUBJECTS	2010	2009
Material uncertainties related to events or conditions that may cast significant doubt on entity's ability to continue as a going concern	None	None
Illegal or fraudulent acts	None	None
Non-compliance with laws and regulations	None	None
Fraud by employees/management with key roles in control activities	None	None
Differences that may:		
- Have a material effect on comparative information and the current period financial statements	None	None
- Cause future statements to be materially misstated	None	None
- Indicate significant deficiencies in controls	None	None
Irregularities having a material consolidated financial statement effect	None	None
Limitations placed on the scope of our audit	None	None
Significant transactions not in the ordinary course of business, or other unusual related party transactions	None	None
Unusual significant transactions given the entity and its environment	None	None
Non-monetary transactions	None	None
Transactions that increase risk	None	None
Breaches of corporate code of conduct or other sources of concern	None	None
Conflicts of interest	None	None
Disagreements with management	None	None
Matters influencing audit appointment	None	None
Difficulties encountered during the audit	None	None
Disagreements with management's accounting estimates	None	None

Report to the Board of Directors

Disagreements with management's adoption of accounting policies or emphasis on the need for a particular accounting treatment	None	None
Significant deficiencies in the entity's risk assessment process within the design and/or implementation of controls	None	None
Significant deficiencies in controls resulting from inappropriate response by management regarding implementing controls over significant risks	None	None
Matters giving rise to questions regarding the honesty and integrity of management	None	None
Emphasis of matter or other matter paragraph included in the independent auditor's report	None	None

8. Auditor Independence

We confirm to the Board of Directors that we are independent of the Regional District.

Our letter to the Board of Directors discussing our independence is included as Appendix A to this report.



Appendix A - Auditor Independence Letter

April 6, 2011

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

Dear Members of the Board:

We have been engaged to audit the consolidated financial statements of Regional District of Nanaimo ("the Regional District") for the year ending December 31, 2010.

CAS 260 *Communication with Those Charged with Governance* ("the Standard"), requires that we communicate at least annually with you regarding all relationships between the Regional District and Meyers Norris Penny LLP that, in our professional judgment, may reasonably be thought to bear on our independence. In determining which relationships to report, the Standard requires us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute and applicable legislation, covering such matters as:

- (a) Holding a financial interest, either directly or indirectly, in a client;
- (b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) Economic dependence on a client; and
- (e) Provision of services in addition to the audit engagement.

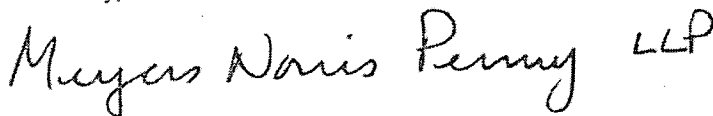
We are not aware of any relationship between the Regional District and Meyers Norris Penny LLP that, in our professional judgment, may reasonably be thought to bear on our independence, which have occurred from January 1, 2010 to April 6, 2011.

Generally Accepted Auditing Standards require that we confirm our independence to the Audit Committee. Accordingly, we hereby confirm that Meyers Norris Penny LLP is independent with respect to the Regional District within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of B.C. as of April 6, 2011.

This report is intended solely for the use of the Board of Directors, management and others within the Regional District and should not be used for any other purposes.

We look forward to discussing with you the matters addressed in this letter as well as other matters that may be of interest to you. We will be prepared to answer any questions you may have regarding our independence as well as other matters.

Yours truly,



MEYERS NORRIS PENNY LLP

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Appendix B - Summary of Differences

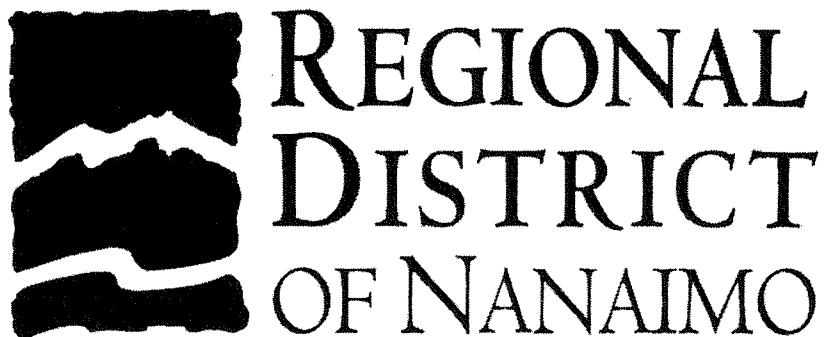
Significant Adjusted Differences

Differences Noted	Consolidated Financial Statement Items Affected	Accumulated Surplus increase (Decrease)	Surplus for the Year Increase (Decrease)
Change to calculation of landfill closure costs for a formula error.	Unfunded liabilities and Wastewater and solid waste management expenses	(224,877)	(224,877)
		-	-
Total Adjusted Differences			(224,877)

Significant Unadjusted Differences

Differences Noted	Consolidated Financial Statement Items Affected	Accumulated Surplus increase (Decrease)	Surplus for the Year Increase (Decrease)
MIA insurance: possible RDN costs for various claims outstanding based on lawyer assessments.	Accounts payable and expenses	(95,000)	(95,000)
Retirement benefits were calculated using wage rates in effect before the new Collective Bargaining Agreement ratified in March 2011. Wage rates increased retroactively by 2% based on the new agreement resulting in an error as the calculation was not reperformed.		(29,870)	(29,870)
Current year impact of prior year differences	Opening accumulated surplus and surplus for the year	-	36,327
Total Unadjusted Differences			(88,543)

We would be pleased to discuss with you further any matters mentioned at your convenience. This communication is prepared solely for the information of those charged with governance and is not intended for any other purpose. We accept no responsibility to any third party who uses this communication.



The information contained in this booklet represents the Regional District of Nanaimo's filing under the Financial Information Act for the year ended December 31st, 2010 and has been presented to and approved by the Board of the Regional District of Nanaimo at a meeting held May 24, 2011.

The financial summary information included in this report is extracted from the 2010 audited annual financial statements prepared by the Regional District. The full text of the financial statements may be obtained from the Regional District offices or through its website at www.rdn.bc.ca. A fee is payable for information provided in hard copy.

Signed in accordance with the requirements of the Financial Information Regulation, Schedule 1, and Section 9(2).

Joe Stanhope
Chairperson

Nancy Avery
General Manager Finance & Information Services

**REGIONAL DISTRICT OF NANAIMO
STATEMENT OF FINANCIAL INFORMATION
For the year ended December 31, 2010**

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Management's Responsibility

To the Members of the Board of the Regional District of Nanaimo:

This statement is provided to clarify and outline the roles and responsibilities of the management team, the elected Board of Directors and the independent auditors in relation to the preparation and review of the Regional District of Nanaimo's annual financial results.

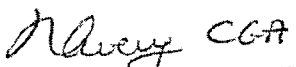
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Regional Board of Directors is composed entirely of Directors who are neither management nor employees of the Regional District. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for delegating the authority for approval of the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management. The Board is also responsible for recommending the appointment of the Regional District's external auditors. The external auditors have full and free access to, the Board and management to discuss their audit findings.

Meyers Norris Penny LLP, an independent firm of Chartered Accountants, has been appointed by the Regional Board of Directors to audit the consolidated financial statements and report to them; their report follows.

April 6, 2011


General Manager Finance & Information Services

Independent Auditors' Report

To the Members of the Board of the Regional District of Nanaimo:

We have audited the accompanying consolidated financial statements of the Regional District of Nanaimo, which comprise the consolidated statement of financial position as at December 31, 2010 and the consolidated statements of operations and accumulated surplus, change in net financial assets, cash flows and related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Regional District of Nanaimo as at December 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Murray Norris Penny LLP

Nanaimo, British Columbia

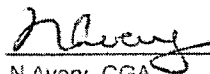
April 6, 2011

Chartered Accountants

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2010**

		<u>2010</u>	<u>2009</u>
Financial Assets			
Cash and short-term deposits	(Note 2)	\$ 28,114,149	\$ 38,405,114
Accounts receivable	(Note 3)	7,720,075	4,818,733
Investments	(Note 4)	35,550,252	21,780,760
Municipal debt receivable	(Note 12)	40,342,070	42,921,851
Other assets	(Note 5)	21,189	197,974
		<u>111,747,735</u>	<u>108,124,432</u>
Financial Liabilities			
Short term loans	(Note 6)	194,716	259,716
Accounts payable	(Note 7)	5,611,775	3,057,291
Other liabilities	(Note 8)	3,411,012	3,103,297
Unfunded liabilities	(Note 9)	10,054,091	9,612,901
Deferred revenue	(Note 10)	23,078,747	22,575,074
Obligation under capital lease	(Note 13)	1,027,007	1,281,119
Long-term debt	(Note 11)	54,915,866	57,557,751
		<u>98,293,214</u>	<u>97,447,149</u>
Net Financial Assets		<u>13,454,521</u>	<u>10,677,283</u>
Non-financial Assets			
Tangible capital assets	(Note 22)	151,913,099	140,854,967
Prepaid expenses		278,437	238,979
Inventories		30,245	45,523
		<u>152,221,781</u>	<u>141,139,469</u>
Accumulated Surplus	(Note 14)	<u>\$ 165,676,302</u>	<u>\$ 151,816,752</u>

APPROVED:



N.Avery, CGA

General Manager, Finance and Information Services

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budget</u> (Unaudited) (Note 17)	<u>2010</u>	<u>2009</u>
Revenue			
Property taxes	\$ 33,835,757	\$ 33,801,776	\$ 31,458,948
Operating revenues	17,529,855	18,481,263	18,088,500
Operating & other grants	12,536,492	12,039,769	6,752,223
Developer contributions	6,663,955	1,093,675	1,842,803
Other	1,115,635	1,355,108	1,832,735
Interest on investments	250,000	747,154	796,159
Grants in lieu of taxes	119,400	220,326	200,613
MFA debt surplus refunds	-	443,321	212,588
	<u>72,051,094</u>	<u>68,182,392</u>	<u>61,184,569</u>
Expenses			
General Government	1,608,017	1,356,541	1,265,990
Planning & Development	2,925,735	2,474,374	2,896,108
Wastewater & Solid Waste management	15,485,931	19,170,171	17,192,382
Water, Sewer & Street lighting	4,136,227	4,135,601	3,766,209
Public Transportation	14,393,570	13,902,296	12,900,984
Protective Services	3,238,953	3,711,113	3,431,769
Parks, Recreation & Culture	9,839,577	9,572,746	9,427,553
	<u>51,628,010</u>	<u>54,322,842</u>	<u>50,880,995</u>
Surplus for the year	<u>\$ 20,423,084</u>	<u>\$ 13,859,550</u>	<u>\$ 10,303,574</u>
Accumulated surplus, Beginning of the year	<u>151,816,752</u>	<u>151,816,752</u>	<u>141,513,178</u>
Accumulated surplus, End of the year (Note 14)	<u>\$ 172,239,836</u>	<u>\$ 165,676,302</u>	<u>\$ 151,816,752</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budget</u> (Unaudited) (Note 17)	<u>2010</u>	<u>2009</u>
Surplus for the year	\$ 20,423,084	\$ 13,859,550	\$ 10,303,574
Acquisition of tangible capital assets	(30,573,913)	(16,154,990)	(15,577,187)
Amortization of tangible capital assets	-	4,995,447	4,381,984
Proceeds on disposal of tangible capital assets	-	79,095	44,700
Loss (Gain) on disposal of tangible capital assets	-	22,315	(44,700)
Change in prepaid expenses	-	(39,457)	(3,970)
Change in inventories	-	15,278	255,665
Increase (decrease) in Net Financial Assets	(10,150,829)	2,777,238	(639,934)
Net Financial Assets, Beginning of the year	10,677,283	10,677,283	11,317,217
Net Financial Assets, End of the year (Pg. 3)	<u>\$ 526,454</u>	<u>\$ 13,454,521</u>	<u>\$ 10,677,283</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>2010</u>	<u>2009</u>
Operating Transactions		
Surplus for the year	\$ 13,859,550	\$ 10,303,574
Non-cash items included in surplus		
Amortization of tangible capital assets	4,995,447	4,381,984
Contributed tangible capital assets	(98,400)	(855,553)
Loss(Gain) on disposal of tangible capital assets	22,315	(44,700)
Debt actuarial adjustments	(808,066)	(1,183,695)
Change in non-cash working capital balances related to operations		
(Increase) Decrease in accounts receivable	(2,901,342)	(137,560)
Decrease (Increase) in other assets	176,786	(149,824)
Increase (Decrease) in accounts payable	2,554,484	(573,603)
Increase (Decrease) in deferred revenues	503,673	1,300,452
Increase (Decrease) in other liabilities	307,715	202,956
(Increase) Decrease in prepaid expenses	(39,457)	255,665
Decrease (Increase) in inventory	15,278	(3,970)
Increase (Decrease) in unfunded liabilities	441,190	950,564
Cash provided by operating transactions	<u>19,029,173</u>	<u>14,446,290</u>
Capital Transactions		
Acquisition of tangible capital assets	(16,056,590)	(14,721,634)
Proceeds on disposal of tangible capital assets	79,095	44,700
Cash used in capital transactions	<u>(15,977,495)</u>	<u>(14,676,934)</u>
Investment Transactions		
Cash provided by (used in) investment transactions	<u>(13,769,492)</u>	<u>3,097,792</u>
Financing Transactions		
Short and long term debt issued	2,005,696	1,542,535
(Decrease) Increase in capital lease obligation	(254,112)	264,613
Repayment of short and long-term debt	(1,324,735)	(1,361,687)
Cash provided by (used in) financing transactions	<u>426,849</u>	<u>445,461</u>
Net change in cash and short-term deposits	(10,290,965)	3,312,609
Cash and short-term deposits, Beginning of the year	<u>38,405,114</u>	<u>35,092,505</u>
Cash and short-term deposits, End of the year (Pg. 3)	(Note 2) \$ 28,114,149	\$ 38,405,114

See notes to consolidated financial statements

REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2010

The Regional District was incorporated in 1967 under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of district wide local government services to the residents of seven electoral areas and four municipalities within its boundaries. These services include general government administration, bylaw enforcement, planning and development services, building inspection, fire protection and emergency response planning, public transportation, parks and recreation, water supply and sewage collection, wastewater disposal, solid waste collection and disposal, and street lighting.

The financial operations of the Regional District are divided into three funds; capital fund, general revenue fund and reserve fund. For accounting purposes each fund is treated as a separate entity.

General Revenue Fund – represents the accumulated operating surplus of the Regional District which has not otherwise been allocated by the Board as reserves for special purposes.

Capital Fund – represents amounts which have been expended by or returned to the General Revenue Fund or a Reserve Fund for the acquisition of tangible capital assets and includes refunds of debenture debt sinking fund surpluses.

Reserves - represents that portion of the accumulated operating surplus that has been set aside to fund future expenditures. It includes both statutory reserves created by bylaw under the authority of the *Local Government Act* and reserve accounts, which may be used by the Board without legislative restrictions.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of Consolidation

The Regional District follows Canadian public sector accounting standards issued by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA).

Consolidated financial statements have been prepared in accordance with the recommendations of the Public Sector Accounting Board (PSAB). The consolidated financial statements include the activities related to all funds belonging to the one economic entity of the Regional District. In accordance with those standards inter-departmental and inter-fund transactions have been removed to ensure financial activities are recorded on a gross basis. The consolidated financial statements have been prepared on a going concern basis.

(b) Short-term deposits

Short-term deposits are carried at the lower of cost and market value which approximates market value.

(c) Long-term investments

Long-term investments are carried at cost less any amortized premium. It is the intention of the Regional District to hold these instruments to maturity. Any premium has been amortized on a straight-line basis using the earlier of the date of maturity or call date.

(d) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

REGIONAL DISTRICT OF NANAIMO
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 for the year ended December 31, 2010

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Tangible capital assets

Tangible capital assets are physical assets that are to be used on a continuing basis, are not for sale in the ordinary course of operations and have useful economic lives extending beyond a single year. Section 3150 of Public Sector Accounting Handbook requires governments to record and amortize the assets over their estimated useful lives. Tangible capital assets are reported at historical cost and include assets financed through operating budgets, short-term and long-term debt, and leases. Tangible capital assets when acquired are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Tangible capital asset cost less any estimated residual value, is amortized on a straight-line basis over estimated useful lives as follows:

Asset Category	Useful Life Range (years)
Land	n/a
Land Improvements	15 - 50
Building	20 - 50
Equipment, Furniture & Vehicles	5 - 20
Engineering Structures	
Water	25 - 75
Sewer	45 - 75
Wastewater	30 - 75
Solid Waste	20 - 50
Transportation	20 - 50

In the year of acquisition and in the year of disposal, amortization is recorded as half of the annual expense for that year. Assets under construction are not amortized until the asset is available for productive use.

ii. Contributions of tangible capital assets

Tangible capital assets received as contributions (examples are parklands as a result of subdivision, donated land and infrastructure built by property developers which is transferred to the Regional District) are recorded as assets and revenues at their fair value at the date of receipt.

iii. Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of a property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

iv. Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(e) Debt servicing cost

Interest is recorded on an accrual basis.

Long-term debt is obtained through the Municipal Finance Authority (MFA) whose policy is to issue debt denominated in Canadian dollars.

**REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2010**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial Instruments

Financial instruments consist of cash and short-term deposits, accounts receivable, investments, municipal debt receivable, short-term loans, accounts payable, other liabilities and long-term debt. Unless otherwise noted, it is management's opinion that the Regional District is not exposed to significant interest, currency or credit risk arising from these financial instruments.

(g) Revenue recognition

Revenues are recorded on an accrual basis and are recognized in the period in which they are earned.

Property tax revenues in the form of local government requisitions are recognized on an accrual basis. Interest and operating grants are recognized as earned. Capital grants and developer contributions are recognized as revenues in the year in which related expenditures are incurred. Operating revenues such as user fees, tipping fees, garbage and recycling collection fees are recognized as revenues on an accrual basis. Other revenues are recognized when received or receivable.

Government transfers are recognized as revenues in the period in which events giving rise to the transfer occur in accordance with PS 3410. PS 3410 requires recognition when a transfer is authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

(h) Expense recognition

Operating expenses are recorded on an accrual basis.

Estimates of employee future benefits are recorded as expenses in the year they are earned. Landfill closure and post closure costs are recognized as costs as landfill capacity is used.

(i) Contingent liabilities

Contingent liabilities are recognized in accordance with PS 3300, which requires that an estimate be recorded when it is likely that a future event will confirm that a liability has been incurred by the financial statement date and that the amount can be reasonably estimated.

(j) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Significant areas requiring management estimates are the determination of employee retirement benefits, landfill closure and post closure liabilities, likelihood of collection of accounts receivable, useful lives of tangible capital assets and provisions for contingencies. Actual results may vary from those estimates and adjustments will be reported in operations as they become known. Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provisions recognized.

2. CASH AND SHORT-TERM DEPOSITS

In 2010, all cash and short-term deposits were held by the General Revenue Fund. Interest income has been allocated to restricted receipt accounts (development cost charges), reserve accounts/funds and unexpended loan proceeds for capital projects based on the relative equity in each account.

REGIONAL DISTRICT OF NANAIMO
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 for the year ended December 31, 2010

3. ACCOUNTS RECEIVABLE

	<u>2010</u>	<u>2009</u>
Province of British Columbia	\$ 173,970	\$ 57,917
Government of Canada	1,705,991	307,669
Regional and local governments	324,250	446,738
Gas Tax Revenue Transfer program	3,169,760	434,805
BC Transit Annual Operating Agreement	305,056	1,233,641
Accrued investment interest	269,410	193,764
Solid Waste commercial accounts	682,916	770,018
Utility services customers	377,092	363,254
Developer DCC instalments	162,628	642,921
Other trade receivables	549,002	368,006
	<u>\$ 7,720,075</u>	<u>\$ 4,818,733</u>

4. INVESTMENTS

All investments are held by the General Revenue Fund and consist of term notes and bonds with varying yields and extendible maturity dates ranging from 2011 to 2018.

	<u>2010</u>	<u>2009</u>
Investments at cost less amortized premium	\$ 35,550,252	\$ 21,780,760

As at December 31, 2010, the following investments were held by the Regional District:

Investment	Amortized Purchase Price	Accrued Interest	Total Book Value	Market Value at December 31, 2010
CIBC 2.05% extendible note	5,000,000	28,032	5,028,032	4,987,500
BMO 2.40% extendible note	5,000,000	10,685	5,010,685	4,952,500
RBC 4.84% extendible note	2,874,277	41,213	2,915,490	2,973,351
BNS 4.99% extendible note	2,887,489	36,365	2,923,854	2,977,009
CIBC 5.15% extendible note	2,890,550	9,877	2,900,427	2,968,838
BMO 5.05% deposit note	1,992,756	31,694	2,024,450	2,081,623
MUN 4.15% deposit note	2,097,012	18,413	2,115,425	2,187,139
RBC 5.45% extendible note	2,808,168	23,686	2,831,854	3,002,125
BMO 2.00% extendible note	10,000,000	69,444	10,069,444	10,024,444
	<u>\$ 35,550,252</u>	<u>\$ 269,410</u>	<u>\$ 35,819,661</u>	<u>\$ 36,154,530</u>

5. OTHER ASSETS

	<u>2010</u>	<u>2009</u>
Security deposits for building or development permit applications	\$ 21,189	\$ 197,974

6. SHORT-TERM LOANS

Municipal Finance Authority interim financing program loans totalling \$194,716 (2009, \$259,716) with interest only payable monthly, for the purchase of land to be used for future development of the Nanoose Bulk Water service. During 2010, the principal amount of this short term loan was reduced by \$65,000. Interest rates have varied from 1.10% to 1.70% during 2010. As at January 1, 2011, the rate was 1.70%.

REGIONAL DISTRICT OF NANAIMO
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 for the year ended December 31, 2010

7. ACCOUNTS PAYABLE

	<u>2010</u>	<u>2009</u>
Payable to Provincial Government	\$ 286,834	\$ 393
Payable to other local governments	62,928	77,375
Trade and other payables	5,262,013	2,979,523
	<u>\$ 5,611,775</u>	<u>\$ 3,057,291</u>

8. OTHER LIABILITIES

	<u>2010</u>	<u>2009</u>
Wages and benefits payable	\$ 1,284,061	\$ 1,300,613
Retirement benefits payable	1,575,265	1,419,169
Other benefits payable	125,163	-
Permit deposits	426,523	383,515
	<u>\$ 3,411,012</u>	<u>\$ 3,103,297</u>

9. UNFUNDED LIABILITIES

Unfunded liabilities represent the estimated amount of cumulative future expenditures required to meet obligations which result from current operations. These liabilities are related to contractual employment obligations, and landfill operations which are governed by Provincial statute. Special reserves which have been set aside to meet those obligations are described below.

(a) Employee Benefits

- i. Retirement Benefits - Employees who retire qualify for a one time payout of up to 60 days of their accumulated unused sick leave. The Regional District calculates the value of this liability for employees aged 40 or older based on a statistical analysis of the age and length of service of its workforce. The reported liability reflects the likelihood that employees 55 or older will retire and become eligible for this benefit. The unfunded portion of the estimated employee retirement benefit liability is the difference between the total estimated liability of \$1,494,013 (2009, \$1,419,674) and the amount recorded in other liabilities (Note 8) of \$1,575,265 (2009, \$1,419,169). Employee retirement benefit payments are being funded by an accounting charge on wages paid in the year.
- ii. Other – Includes vacation pay adjustments and statutory and other benefits provided for in the collective agreement and which are paid in the normal course of business in the following year. The vacation pay liability at December 31, 2010 is \$82,907 (2009, \$80,492). The statutory benefits liability at December 31, 2010 is \$112,475 (2009, \$96,116).

(b) Landfill Closure and Post Closure Maintenance Costs

In accordance with PS 3270 liabilities with respect to permanently closing and monitoring a landfill are incurred as landfill capacity is used. Landfill Closure costs include placing a permanent cover over the face of the landfill. Post Closure Maintenance costs include landfill gas monitoring, leachate collection system operation and general site maintenance for a period of 25 years after the landfill is permanently closed.

REGIONAL DISTRICT OF NANAIMO
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 for the year ended December 31, 2010

9. UNFUNDED LIABILITIES (CONTINUED)

- i. Landfill Closure costs - are estimated based on the open area of the remaining unused capacity of the landfill site. In 2009 a revised design and operations plan was approved for the landfill which provides additional airspace for future needs. This plan extends the estimated life of the landfill to 2030, and includes remediation and reuse of previously filled areas as well as extending perimeter berms for the development of new airspace.

At December 31, 2010, there were approximately 2,017,965 cubic meters of airspace available for waste and daily cover. Landfill Closure costs are estimated at \$6,521,426 (2009, \$6,135,133). As at December 31, 2010, \$1,332,990 (2009, \$1,308,007) has been set aside in reserves for this purpose. The balance of Landfill Closure costs are expected to be funded by a combination of future reserve account contributions, operating budgets and/or borrowing.

- ii. Post Closure Maintenance costs – are costs estimated to manage the closed landfill for a statutory period of 25 years. Post Closure Maintenance costs are estimated using a number of factors including the percentage of landfill capacity already filled, the probable closure date, the regulated monitoring period, the estimated annual maintenance costs and a present value discount rate which is the difference between the long-term MFA borrowing rate and the current Consumer Price Index. The current estimate for annual Post Closure Maintenance costs is \$575,000 (2009, \$575,000). Total Post Closure Maintenance costs are estimated to be \$3,418,535 (2009, \$3,300,655) based on 58% of the total landfill capacity being filled at this date, a 20 year lifespan to 2030, final closure in 2030, and a discount rate of 2.8%. Post Closure Maintenance costs are expected to be funded by annual budget appropriations in the years in which they are incurred.

<u>Unfunded Liability Balances</u>	<u>2010</u>	<u>2009</u>
Employee Retirement Benefits	\$ (81,252)	\$ 505
Employee Other Benefits	195,382	176,608
Landfill Closure Costs	6,521,426	6,135,133
Post Closure Maintenance Costs	3,418,535	3,300,655
Unfunded Liability	<u>\$ 10,054,091</u>	<u>\$ 9,612,901</u>
Reserves On Hand	<u>\$ 1,332,990</u>	<u>\$ 1,308,007</u>

10. DEFERRED REVENUE

	<u>2010</u>	<u>2009</u>
Parkland Cash-in-Lieu receipts	\$ 1,366,465	\$ 1,278,081
Development Cost Charges	17,493,775	17,152,170
Subtotal (Pg. 28)	<u>18,860,240</u>	<u>18,430,251</u>
Gas Tax Revenue Transfer program – Community Works Fund	3,625,560	3,670,654
Community Tourism Grant Program	-	120,666
Towns for Tomorrow Grant Program	173,151	169,905
General Revenue Fund	419,796	183,598
	<u>\$ 23,078,747</u>	<u>\$ 22,575,074</u>

Parkland Cash-in-Lieu - are amounts collected from developers under the authority of Section 941 of the Local Government Act, where the Board has determined that cash rather than land for parkland purposes may be accepted as a condition of subdivision. These funds are held for the purpose of purchasing parkland.

REGIONAL DISTRICT OF NANAIMO
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 for the year ended December 31, 2010

10. DEFERRED REVENUE (CONTINUED)

Development Cost Charges - are amounts collected or payable as a result of new subdivision or building developments under the authority of Section 933 of the *Local Government Act*. The purpose of Section 933 is to collect funds for infrastructure which will be built as a result of population growth. Development Cost Charge bylaws have been enacted for the future expansion of wastewater treatment facilities and a bulk water system.

Community Works Fund - is a program component of the federal government's "New Deal for Cities and Communities" which was established to transfer a portion of gas tax revenues to local governments to address infrastructure deficits. Additional information on the Regional District of Nanaimo's use of the Community Works Fund grants is included in the schedule on Pg. 29.

Community Tourism Grant Program - is a provincial program to increase tourism activity, build local economies and support the Province's Spirit of 2010 Tourism Strategy.

Towns for Tomorrow Grant Program - is a provincial program providing funding towards sustainability initiatives in smaller communities.

General Revenue Fund - consists of payments in advance for recreation programs, unredeemed recreation program awards, facility rental deposits and miscellaneous deferred revenue.

11. LONG-TERM DEBT

Debt is recorded and payable in Canadian dollars. It is the current policy of the Municipal Finance Authority to secure debt repayable only in Canadian dollars.

Details of long-term debt, including debt issue numbers, maturity dates, interest rates and outstanding amounts, are summarized in the Schedule of Long-Term Debt on pages 22 to 25.

	<u>2010</u>	<u>2009</u>
Long term debt - Regional District services	\$ 14,573,796	\$ 14,635,900
Member municipalities	40,342,070	42,921,851
Total Long Term Debt	<u>\$ 54,915,866</u>	<u>\$ 57,557,751</u>

Payments of principal on issued debt of the Regional District, not including member municipalities, for the next five years are:

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>TOTAL</u>
\$835,254	\$835,345	\$835,437	\$706,469	\$706,566	<u>\$ 3,919,071</u>

12. MUNICIPAL DEBT RECEIVABLE

Pursuant to the *Local Government Act*, the Regional District acts as the agency through which its member municipalities borrow funds from the Municipal Finance Authority. The annual cost of servicing this municipal debt is recovered entirely from the borrowing municipality. However, the Regional District is joint and severally liable for municipal debt in the event of default.

	<u>2010</u>	<u>2009</u>
City of Parksville	\$ 3,717,311	\$ 4,008,171
City of Nanaimo	36,624,759	38,913,680
	<u>\$ 40,342,070</u>	<u>\$ 42,921,851</u>

REGIONAL DISTRICT OF NANAIMO
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 for the year ended December 31, 2010

13. OPERATING AND CAPITAL LEASES

The Regional District has financed assets under capital leases in the amount of \$1,315,037 (2009, 1,522,800). The assets include two fire trucks; two Zamboni ice cleaners, several road vehicles, landfill site mobile equipment and photocopiers. The 2010 capital lease principal payments totalled \$413,765 (2009, \$289,112). The outstanding obligation balance for leased capital assets as at December 31, 2010 was \$1,027,007 (2009, \$1,281,119).

Substantially all capital leases are held by the MFA Leasing Corporation. While payments are fixed for the term of the lease, interest rates are variable daily based upon the Canadian prime rate minus 1.0%. An interest adjustment is made at the time of the final payment. In 2010, interest expenditures related to lease liabilities were \$37,265 (2009, \$44,216).

Lease payment commitments for the next five years are:

Capital Leases

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>TOTAL</u>
\$566,340	\$285,733	\$129,070	\$68,767	\$10,931	\$ 1,060,841
	Less: Imputed Interest				(33,834)
	Net Obligation under Capital Lease (Pg. 3)				\$ <u>1,027,007</u>

Operating Leases – there are no operating lease commitments as at December 31, 2010.

14. ACCUMULATED SURPLUS

The Accumulated Surplus consists of individual fund surpluses (deficits) and reserves as follows:

	<u>2010</u>	<u>2009</u>
Surplus		
General Revenue Fund Net Operating Surplus (Note 15)	\$ 11,989,772	\$ 10,114,082
Net investment in Tangible capital assets (Note 16)	136,117,580	124,678,232
Capital Fund advances	(4,090)	(1,903,483)
Unfunded liabilities	(10,054,091)	(9,612,901)
	<u>138,049,171</u>	<u>123,275,930</u>
General Revenue Fund Reserve Accounts		
Landfill expansion	251,138	246,430
Landfill closure	1,332,990	1,308,007
Property insurance deductible-fire departments	36,700	34,338
Liability insurance deductible	135,305	132,770
French Creek Water (Qualicum Beach Incorporation)	-	6,508
Regional parks and trails donations	9,635	9,335
Vehicle fleet replacement (various departments)	386,905	297,315
Climate Action Revenue Incentive Program Grant	60,122	-
	<u>2,212,795</u>	<u>2,034,703</u>
Statutory Reserve Funds (Pg. 27)	\$ 25,414,336	\$ 26,506,119
Total Reserves	\$ <u>27,627,131</u>	\$ <u>28,540,822</u>
Accumulated Surplus (Pg. 3)	\$ <u>165,676,302</u>	\$ <u>151,816,752</u>

REGIONAL DISTRICT OF NANAIMO
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 for the year ended December 31, 2010

15. CONSOLIDATION ADJUSTMENTS

The figures reported in the consolidated financial statements differ from the supporting schedules due to differences in grouping and presentation as well as the elimination of inter-fund and inter-departmental transactions. The Net Operating Surplus in the General Revenue Fund Schedule of Revenue and Expenditures has been adjusted as follows to conform to PSAB requirements:

	<u>2010</u>	<u>2009</u>
Net Operating Surplus (Pg. 30)	\$ 11,852,124	\$ 9,969,844
Add: Water User Fee Revenue year end accrual (billed May 2011)	137,648	144,238
Net Operating Surplus adjusted for statement presentation (Note 14)	<u>\$ 11,989,772</u>	<u>\$ 10,114,082</u>

16. NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Net investment in Tangible capital assets represents the historic cost of capital expenditures less debt obligations incurred to purchase and develop the infrastructure.

	<u>2010</u>	<u>2009</u>
Tangible capital assets (Pg. 3)	\$ 151,913,099	\$ 140,854,967
Short term loans (Pg. 3)	(194,716)	(259,716)
Obligation under capital lease (Pg. 3)	(1,027,007)	(1,281,119)
Long-term debt - Regional District only (Note 11)	(14,573,796)	(14,635,900)
Net investment in Tangible capital assets (Note 14)	<u>\$ 136,117,580</u>	<u>\$ 124,678,232</u>

17. BUDGET FIGURES

Budget figures are unaudited and represent the Financial Plan Bylaw adopted by the Board on April 27, 2010. The financial plan includes capital expenditures but does not include amortization expense. The financial plan forms the basis for taxation and fees and charges rates which may be required for a particular year. The following reconciliation of the budgeted "Surplus for the year" shown on Pg. 4 is provided to show which items must be added or removed to reflect to the budgeted financial plan values which are shown compared to actual expenditures on Pg.30 (General Revenue Fund Schedule of Revenue and Expenditures).

	<u>2010 Budget</u>
Budgeted Surplus for the year (Pg. 4)	\$ 20,423,084
Add:	
Transfers from reserves	12,177,175
Prior year operating surplus	9,926,280
Less:	
Capital expenditures	(30,573,913)
Debt principal repayments/actuarial adjustments	
Budgeted principal payments	3,287,290
Add: Actuarial Adjustments	808,065
Less: Principal payments for member municipalities	<u>(1,902,410)</u>
Capital lease principal payments included in equipment operating expenditure	(333,189)
Transfer to reserves	<u>(4,541,226)</u>
Consolidated Budgeted Surplus, per Regional District of Nanaimo Financial Plan Bylaw No.1597.01 (Pg. 30)	<u>\$ 4,885,266</u>

**REGIONAL DISTRICT OF NANAIMO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended December 31, 2010**

18. MUNICIPAL FINANCE AUTHORITY RESERVE DEPOSITS

The Regional District secures its long term borrowing through the Municipal Finance Authority. As a condition of these borrowings a portion of the debenture proceeds are retained by the Authority as a debt reserve fund. As at December 31, 2010 the Regional District had debt reserve funds of \$3,994,385 (2009, \$4,716,847).

19. NORTH ISLAND 9-1-1 CORPORATION

A 9-1-1 emergency call answering service is provided by the North Island 9-1-1 Corporation, which is owned by the Regional Districts of Comox Valley, Strathcona, Mount Waddington, Alberni Clayoquot, Nanaimo and Powell River. The shares in the corporation are owned as follows:

Alberni Clayoquot	3 shares
Comox Valley	6 shares
Strathcona	4 shares
Mount Waddington	1 share
Nanaimo	5 shares
Powell River	2 shares

The Regional District's investment in shares of the North Island 911 Corporation is recorded at cost as it does not fall under the definition of a government partnership (PS3060.06). The Regional District's share of the corporation is equal to 23.8% and the degree of control is proportionate to the ownership share. As no benefits are expected from the ownership, it has not been accounted for as an equity investment.

20. PENSION LIABILITY

The Regional District of Nanaimo and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 163,000 active members and approximately 60,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The most recent valuation as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the surplus to individual employers. This note represents the most current information at the time of the financial audit. The Regional District of Nanaimo paid \$1,238,943 (2009, \$1,174,047) for employer contributions to the plan in fiscal 2010.

21. CONTINGENT LIABILITIES

Contingent liabilities are recognized by the Regional District in accordance with PS3300.15. As at December 31, 2010 there were outstanding claims against the Regional District, however, no liability has been accrued because amounts are undeterminable and the likelihood of the Regional District having to make payment is uncertain.

REGIONAL DISTRICT OF NANAIMO
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 for the year ended December 31, 2010

22. TANGIBLE CAPITAL ASSETS

Net Book Value	<u>2010</u>		<u>2009</u>	
Land	\$	30,844,906	\$	30,698,187
Land improvements		3,340,086		1,851,927
Buildings		26,667,697		20,199,769
Engineered structures		77,214,263		77,313,245
Equipment, furniture and vehicles		9,202,213		8,258,741
Assets under construction		4,643,934		2,533,098
	\$	<u>151,913,099</u>	\$	<u>140,854,967</u>
Owned tangible capital assets	\$	150,598,062	\$	139,332,167
Leased assets		<u>1,315,037</u>		<u>1,522,800</u>
	\$	<u>151,913,099</u>	\$	<u>140,854,967</u>

During 2010 parkland dedications valued at \$98,400 were accepted and recorded as contributed assets.

In 2009, a grant of Crown land and sewer systems built by others valued at \$855,553 were accepted and recorded as contributed assets.

The Consolidated Schedule of Tangible Capital Assets (Pg. 21) provides details of acquisitions, disposals and amortization for the year.

23. ENVIRONMENTAL REGULATIONS

The Regional District is subject to environmental regulations which apply to a number of its operations. These regulations may require future expenditures to meet applicable standards and subject the Regional District to possible penalties for violations. Amounts required to meet these obligations will be charged to operations when incurred and/or when they can be reasonably estimated.

24. EXPENDITURES BY OBJECT

	<u>Budget</u>	<u>2010</u>	<u>2009</u>
Operating goods and services	\$ 26,138,783	\$ 25,895,281	\$ 22,627,256
Wages and benefits	23,588,152	21,244,100	21,199,627
Debt interest	1,901,075	1,746,824	1,721,564
Amortization expense	-	4,995,447	4,381,984
Unfunded expenditures (Note 9)	-	441,190	950,564
Total Expenditures by Object	<u>\$ 51,628,010</u>	<u>\$ 54,322,842</u>	<u>\$ 50,880,995</u>

25. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

26. SUBSEQUENT EVENT

Subsequent to the year end, the Regional District purchased parkland for \$4,884,000 in Electoral Area E. The purchase is being funded by \$2,842,400 from borrowing and \$2,041,600 from parkland reserves.

REGIONAL DISTRICT OF NANAIMO
GENERAL REVENUE FUND
SCHEDULE OF REVENUE AND EXPENDITURES
as at December 31, 2010
(UNAUDITED)

	Corporate Services (Schedule A)	Development Services (Schedule B)	Regional & Community Utilities (Schedule C)	Recreation & Parks & Services (Schedule D)	Transportation & Solid Waste Services (Schedule E)	Actual 2010	Budget 2010	Actual 2009
REVENUES								
Tax requisition	\$ 5,917,995	\$ 2,012,115	\$ 11,613,165	\$ 7,719,675	\$ 6,538,826	\$ 33,801,776	\$ 33,818,756	\$ 31,458,948
Grants	164,054	200,501	2,235,849	1,419,302	8,020,063	12,039,769	12,725,492	6,752,223
Grants in Lieu	60,394	7,225	75,681	7,933	69,093	220,326	119,400	200,613
Interest	247,265	-	-	-	-	247,265	250,000	243,837
Permit fees & other	-	299,588	-	3,557,768	3,418,006	7,275,362	11,130,785	3,722,613
Operating revenues	-	1,002,571	1,675,523	1,092,641	7,823,156	11,593,891	11,554,030	10,352,652
Disposal fees	-	-	-	-	7,931,580	7,931,580	8,268,500	8,023,015
Other	8,305,981	-	1,191,280	-	-	9,497,261	16,296,585	10,744,307
	<u>14,695,689</u>	<u>3,522,000</u>	<u>16,791,498</u>	<u>13,797,319</u>	<u>33,800,724</u>	<u>82,607,230</u>	<u>94,163,548</u>	<u>71,498,208</u>
EXPENDITURES								
General administration	1,075,676	666,431	834,953	671,353	3,562,139	6,810,552	7,065,831	6,133,434
Professional fees	174,466	340,439	327,319	254,444	397,064	1,493,732	2,981,470	1,422,916
Community grants	58,140	-	-	85,033	-	143,173	163,662	104,897
Legislative	268,332	-	-	-	-	268,332	298,780	291,037
Recreation program costs	-	-	-	117,408	-	117,408	133,535	97,501
Equipment operating	140,926	2,804	-	66,091	2,966	212,787	222,705	162,812
Building operating	223,272	67,184	234,148	612,441	321,513	1,458,558	1,740,017	1,471,830
Vehicle operating	153,189	40,921	742,254	95,015	4,270,406	5,301,785	5,285,313	4,416,483
Other operating	238,913	144,956	2,929,338	299,856	4,954,288	8,557,351	9,810,996	7,863,544
Wages & benefits	2,809,503	1,832,954	2,812,462	3,248,980	10,540,201	21,244,100	23,588,152	21,199,627
Capital expenditures	478,391	68,465	4,216,841	5,463,467	7,343,818	17,570,982	30,573,913	12,206,595
	<u>5,620,808</u>	<u>3,164,154</u>	<u>12,097,315</u>	<u>10,904,088</u>	<u>31,392,395</u>	<u>63,178,760</u>	<u>81,864,374</u>	<u>55,370,676</u>
OPERATING SURPLUS	<u>9,074,881</u>	<u>357,846</u>	<u>4,694,183</u>	<u>2,893,231</u>	<u>2,408,329</u>	<u>19,428,470</u>	<u>12,299,174</u>	<u>16,127,532</u>
Debt retirement								
- interest	2,687,500	-	1,025,559	617,629	-	4,330,688	4,484,940	4,584,078
- principal	1,922,492	-	890,967	413,687	-	3,227,146	3,287,290	3,299,233
Contingency	-	-	-	-	5,000	5,000	100,770	15,790
Reserve contributions	912,463	23,905	2,895,611	688,301	536,815	5,057,095	4,541,226	5,048,266
Transfers to other govts	3,515,446	8,865	-	1,401,950	-	4,926,261	4,925,962	4,833,598
	<u>9,037,901</u>	<u>32,770</u>	<u>4,812,137</u>	<u>3,121,567</u>	<u>541,815</u>	<u>17,546,190</u>	<u>17,340,188</u>	<u>17,780,955</u>
CURRENT YEAR SURPLUS (DEFICIT)	<u>36,980</u>	<u>325,076</u>	<u>(117,954)</u>	<u>(228,336)</u>	<u>1,866,514</u>	<u>1,882,280</u>	<u>(5,041,014)</u>	<u>(1,653,423)</u>
Prior year's surplus applied	1,319,948	912,915	4,590,635	1,488,907	1,657,439	9,969,844	9,926,280	11,623,267
NET OPERATING SURPLUS	<u>\$ 1,356,928</u>	<u>\$ 1,237,991</u>	<u>\$ 4,472,681</u>	<u>\$ 1,260,571</u>	<u>\$ 3,523,953</u>	<u>\$ 11,852,124</u>	<u>\$ 4,885,266</u>	<u>\$ 9,969,844</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
LONG-TERM DEBT SUMMARY BY FUNCTION
DECEMBER 31, 2010**

REGIONAL DISTRICT	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
RAVENSONG AQUATIC CENTRE	\$ 2,337,657	\$ 2,125,654	\$ 1,903,052	\$ 1,669,319	\$ 1,423,900
OCEANSIDE PLACE ARENA	6,470,646	6,197,594	5,913,621	5,618,288	5,311,142
COMMUNITY PARKS	391,262	456,235	437,875	418,734	398,776
SOLID WASTE MANAGEMENT	853,609	655,562	447,612	-	-
WASTEWATER MANAGEMENT					
- Southern Community (District 68)	425,912	280,143	-	-	-
- Northern Community (District 69)	5,178,911	4,146,870	3,063,226	1,925,401	730,684
FIRE PROTECTION	234,102	213,246	191,555	168,997	1,918,946
SEWER SERVICES		895,781	865,699	1,957,794	2,119,818
WATER SUPPLY SERVICES	<u>3,586,775</u>	<u>3,244,960</u>	<u>2,996,345</u>	<u>2,877,367</u>	<u>2,670,530</u>
TOTAL REGIONAL DISTRICT	19,478,874	18,216,045	15,818,985	14,635,900	14,573,796
MEMBER MUNICIPALITIES	<u>31,484,841</u>	<u>48,089,804</u>	<u>45,486,177</u>	<u>42,921,851</u>	<u>40,342,070</u>
TOTAL LONG TERM DEBT (Pg. 3)	\$ <u>50,963,715</u>	\$ <u>66,305,849</u>	\$ <u>61,305,162</u>	\$ <u>57,557,751</u>	\$ <u>54,915,866</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2010**

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2010 DEBT O/S	2009 DEBT O/S
RAVENSONG AQUATIC CENTRE								
	MFA 61	CDN	981	Dec 01,2015	5.970	4,098,635	\$ 1,423,900	\$ 1,669,319
TOTAL RAVENSONG AQUATIC CENTER						<u>4,098,635</u>	<u>1,423,900</u>	<u>1,669,319</u>
OCEANSIDE PLACE ARENA								
	MFA 97	CDN	1365	Apr 19,2023	4.830	6,470,646	5,311,142	5,618,288
TOTAL OCEANSIDE PLACE ARENA						<u>6,470,646</u>	<u>5,311,142</u>	<u>5,618,288</u>
COMMUNITY PARKS ELECTORAL AREA B								
	MFA 78	CDN	1299	Dec 03,2022	5.250	100,000	71,121	75,376
	MFA 79	CDN	1303	Jun 03,2023	5.250	80,000	60,301	63,543
	MFA 81	CDN	1304	Apr 22,2024	4.900	80,000	63,543	66,631
	MFA 93	CDN	1305	Apr 06,2025	5.100	80,000	63,605	67,051
	MFA 97	CDN	1306	Apr 19,2026	4.660	80,000	68,592	71,614
	MFA 101	CDN	1307	Apr 11, 2027	4.520	80,000	71,614	74,519
TOTAL COMMUNITY PARKS						<u>500,000</u>	<u>398,776</u>	<u>418,734</u>
FIRE PROTECTION SERVICES								
MEADOWWOOD FIRE								
	MFA 110	CDN	1587	Apr 08, 2030	4.500	1,773,410	1,773,410	-
COOMBS HILLIERS FIRE								
	MFA 92	CDN	1396	Apr 06,2015	4.550	232,725	127,736	150,412
NANAIMO RIVER FIRE								
	MFA 99	CDN	1488	Apr 19,2027	4.430	20,781	17,800	18,585
TOTAL FIRE PROTECTION SERVICES						<u>2,026,896</u>	<u>1,918,946</u>	<u>168,997</u>
NORTHERN COMMUNITY WASTEWATER								
	MFA 61	CDN	982	Dec 01,2010	5.880	10,615,000	-	973,975
	MFA 69	CDN	1101	Sep 24,2013	4.250	2,785,000	730,684	951,426
TOTAL NORTHERN COMMUNITY WASTEWATER						<u>\$ 13,400,000</u>	<u>\$ 730,684</u>	<u>\$ 1,925,401</u>
SEWER SERVICES								
BARCLAY CRESCENT SEWER								
	MFA 102	CDN	1486	Dec 01, 2027	4.820	895,791	801,877	834,414
CEDAR SEWER								
	MFA 106	CDN	1571	Oct 13, 2029	4.130	926,180	895,077	926,180
	MFA 106	CDN	1572	Oct 13, 2029	4.130	27,200	26,287	27,200
	MFA 106	CDN	1573	Oct 13, 2029	4.130	108,800	105,146	108,800
	MFA 106	CDN	1574	Oct 13, 2029	4.130	61,200	59,146	61,200
	MFA 110	CDN	1584	Apr 08, 2030	4.500	232,286	232,286	-
TOTAL SEWER SERVICES						<u>1,355,666</u>	<u>1,317,941</u>	<u>1,123,380</u>
TOTAL SEWER SERVICES						<u>\$ 2,251,447</u>	<u>\$ 2,119,818</u>	<u>\$ 1,957,794</u>

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2010**

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2010 DEBT O/S	2009 DEBT O/S	
WATER - SAN PAREIL									
	MFA74	CDN	1221	Jun 01, 2016	5.900	193,979	94,856	108,138	
	MFA81	CDN	1367	Apr 22, 2019	4.900	89,476	61,272	66,564	
	MFA97	CDN	1395	Apr 19, 2021	4.660	40,000	31,517	33,764	
	MFA106	CDN	1395	Oct 13, 2024	4.130	94,439	89,723	94,439	
						<u>417,894</u>	<u>277,368</u>	<u>302,905</u>	
WATER - DRIFTWOOD									
	MFA80	CDN	1301	Oct 03, 2023	4.900	100,614	75,839	79,917	
						<u>100,614</u>	<u>75,839</u>	<u>79,917</u>	
WATER - MELROSE TERRACE									
	MFA103	CDN	1539	Apr 23, 2018	4.650	14,349	11,911	13,154	
						<u>14,349</u>	<u>11,911</u>	<u>13,154</u>	
BULK WATER - FRENCH CREEK									
	MFA69	CDN	1127	Sep 24, 2018	4.650	503,655	261,208	287,260	
						<u>503,655</u>	<u>261,208</u>	<u>287,260</u>	
BULK WATER - NANOOSE									
	MFA69	CDN	1128	Sep 24, 2018	4.650	864,095	448,141	492,836	
	MFA74	CDN	1226	Jun 01, 2021	5.900	2,195,223	1,463,178	1,561,265	
	MFA80	CDN	1239	Oct 03, 2023	4.900	176,295	132,885	140,030	
						<u>3,235,613</u>	<u>2,044,204</u>	<u>2,194,131</u>	
	TOTAL WATER SUPPLY MANAGEMENT						<u>4,272,125</u>	<u>2,670,530</u>	<u>2,877,367</u>
TOTAL LONG TERM DEBT - REGIONAL DISTRICT						<u>\$ 33,019,749</u>	<u>\$ 14,573,796</u>	<u>\$ 14,635,900</u>	

See notes to consolidated financial statements

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2010**

FUNCTION	ISSUER	FUNDS	BYLAW NUMBER	MATURITY DATE	INTEREST RATE	ORIGINAL VALUE	2010 DEBT O/S	2009 DEBT O/S
CITY OF PARKSVILLE								
	MFA68	CDN	1109	Mar 24,2018	4.650	1,200,000	622,350	684,420
	MFA69	CDN	1129	Sep 24,2018	4.650	1,970,000	1,021,691	1,123,590
	MFA74	CDN	1227	Jun 01,2021	5.900	290,000	193,293	206,251
	MFA75	CDN	1238	Dec 01,2021	5.690	1,050,000	699,855	746,771
	MFA78	CDN	1283	Dec 03,2022	5.250	765,000	544,076	576,630
	MFA93	CDN	1420	Apr 06, 2025	5.100	800,000	636,047	670,509
TOTAL CITY OF PARKSVILLE						<u>6,075,000</u>	<u>3,717,312</u>	<u>4,008,171</u>
CITY OF NANAIMO								
	MFA53	CDN	848	May 13,2012	6.010	1,438,475	214,626	314,336
	MFA53	CDN	GNWD46	May 13,2012	6.010	2,593,125	746,019	1,092,602
	MFA61	CDN	980	Dec 01,2010	4.000	354,209	-	32,500
	MFA61	CDN	980	Dec 01,2010	4.000	60,265	-	5,530
	MFA61	CDN	GNWD 50	Dec 01,2015	4.000	1,166,086	569,604	667,779
	MFA64	CDN	1044	Sep 25,2011	4.240	304,105	27,903	54,477
	MFA72	CDN	1197	Jun 01, 2020	6.450	4,500,000	2,782,677	2,999,377
	MFA73	CDN	1219	Dec 01, 2020	6.360	4,100,000	2,535,328	2,732,765
	MFA73	CDN	1220	Dec 01, 2015	6.360	247,947	103,196	121,248
	MFA99	CDN	1489	Oct 19, 2026	4.430	15,000,000	12,860,945	13,427,568
	MFA101	CDN	1489	Apr 11, 2027	4.520	15,000,000	13,427,568	13,972,398
	MFA 102	CDN	1530	Dec 01, 2027	4.820	3,750,000	3,356,892	3,493,100
TOTAL CITY OF NANAIMO						<u>48,514,212</u>	<u>36,624,758</u>	<u>38,913,680</u>
TOTAL LONG TERM DEBT - MEMBER MUNICIPALITIES						<u>\$ 54,589,212</u>	<u>\$ 40,342,070</u>	<u>\$ 42,921,851</u>
TOTAL LONG TERM DEBT						<u>\$ 87,608,961</u>	<u>\$ 54,915,866</u>	<u>\$ 57,557,751</u>

Note:

- The City of Nanaimo assumed the outstanding debt of the Greater Nanaimo Water District in 2004

See notes to consolidated financial statements

**Regional District of Nanaimo
Schedule of Sinking Fund Balances
As At December 31, 2010**

Issue Number	RD S/I Bylaw	Maturity	Principal Requested	Sinking Fund Balance
<u>REGIONAL DISTRICT DIRECT DEBT</u>				
61	981	Dec 01, 2015	4,098,635	2,692,194
61	982	Dec 01, 2010	10,615,000	-
69	1101	Sep 24, 2013	2,785,000	2,087,034
69	1127	Sep 24, 2018	503,655	245,352
69	1128	Sep 24, 2018	864,095	420,938
74	1221	Jun 01, 2016	193,979	102,275
74	1226	Jun 01, 2021	2,195,223	755,328
78	1299	Dec 03, 2022	100,000	28,990
79	1303	Jun 03, 2023	80,000	20,268
80	1239	Oct 03, 2023	176,295	43,939
80	1301	Oct 03, 2023	100,614	25,077
81	1367	Apr 22, 2019	89,476	29,182
81	1304	Apr 22, 2024	80,000	17,027
92	1396	Apr 06, 2015	232,725	108,084
93	1305	Apr 06, 2025	80,000	-
97	1306	Apr 19, 2026	80,000	11,728
97	1365	Apr 19, 2023	6,470,646	1,192,034
97	1395	Apr 19, 2021	40,000	8,721
99	1488	Apr 19, 2027	20,761	2,984
101	1307	Apr 11, 2027	80,000	8,629
102	1486	Dec 01, 2027	895,781	94,212
103	1539	Apr 23, 2018	14,349	2,505
106	1395	Oct 13, 2024	94,439	4,757
106	1571	Oct 13, 2029	926,180	31,372
106	1572	Oct 13, 2029	27,200	921
106	1573	Oct 13, 2029	108,800	3,685
106	1574	Oct 13, 2029	61,200	2,073
110	1587	Apr 08, 2030	1,773,410	-
110	1584	Apr 08, 2030	232,286	-
			\$ 33,019,749	\$ 7,939,311

Regional District of Nanaimo
 Schedule of Sinking Fund Balances
 As At December 31, 2010

Issue Number	RD S/I Bylaw	Maturity	Principal Requested	Sinking Fund Balance
<u>MUNICIPAL DEBT</u>				
CITY OF NANAIMO				
53	848	May 13, 2012	1,438,475	1,399,939
54	871	Complete	1,000,486	1,000,486
59	945	Complete	1,150,320	1,270,529
61	980	Dec 01, 2010	414,473	-
64	1044	Sep 25, 2011	304,105	280,095
72	1197	Jun 01, 2020	4,500,000	1,762,420
73	1219	Dec 01, 2020	4,100,000	1,570,459
73	1220	Dec 01, 2015	247,948	145,287
99	1489	Oct 19, 2026	15,000,000	2,156,168
101	1489	Apr 11, 2027	15,000,000	1,617,925
102	1530	Dec 01, 2027	3,750,000	394,400
53	GNWD46	May 13, 2012	5,000,000	4,866,052
61	GNWD50	Dec 01, 2015	1,639,580	1,076,960
			<u>\$ 53,545,387</u>	<u>\$ 17,540,720</u>
CITY OF PARKSVILLE				
68	1109	Mar 24, 2018	1,200,000	604,055
69	1129	Sep 24, 2018	1,970,000	959,672
74	1227	Jun 01, 2021	290,000	99,783
75	1238	Dec 01, 2021	1,050,000	351,584
78	1283	Dec 03, 2022	765,000	221,772
93	1420	Apr 06, 2025	800,000	-
			<u>\$ 6,075,000</u>	<u>\$ 2,236,865</u>

REGIONAL DISTRICT OF NANAIMO
GUARANTEE AND INDEMNITY AGREEMENTS

This organization has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

**REGIONAL DISTRICT OF NANAIMO
REPORT OF DIRECTORS AND COMMITTEE MEMBERS REMUNERATION & EXPENSES FOR 2010**

Area 2010 Board	Name	Remuneration				Out of Pocket		Total 2010	Total 2009
		Taxable Payroll	Exempt Allowance	Total 2010	Total 2009	Expenses Reimbursed			
						2010	2009		
G (Chairperson)	Stanhope, J.	\$ 18,803.50	\$ 9,401.78	\$ 28,205.28	\$ 30,043.13	\$ 12,187.96	\$ 10,799.73	\$ 40,393.24	\$ 40,842.86
A	Burnett, J.	\$ 15,321.57	\$ 7,660.78	\$ 22,982.35	\$ 22,776.90	\$ 6,360.82	\$ 8,258.36	\$ 29,343.17	\$ 31,035.26
B	Rudischer, G.	\$ 11,054.06	\$ 5,527.03	\$ 16,581.09	\$ 17,499.90	\$ 2,920.69	\$ 1,436.53	\$ 19,501.78	\$ 18,936.43
C	Young, M.	\$ 12,174.06	\$ 6,087.03	\$ 18,261.09	\$ 21,914.90	\$ 4,641.45	\$ 7,847.25	\$ 22,902.54	\$ 29,762.15
E	Holme, G.	\$ 12,677.39	\$ 6,338.70	\$ 19,016.09	\$ 21,259.90	\$ 4,741.59	\$ 1,235.22	\$ 23,757.68	\$ 22,495.12
F	Biggemann, L.	\$ 10,540.73	\$ 5,270.36	\$ 15,811.09	\$ 19,199.90	\$ 4,376.99	\$ 6,359.96	\$ 20,188.08	\$ 25,559.86
H	Bartram, D.	\$ 13,468.40	\$ 6,734.22	\$ 20,202.62	\$ 23,368.55	\$ 7,342.47	\$ 9,645.31	\$ 27,545.09	\$ 33,013.86
Lantzville	Haime, C.	\$ 6,959.91	\$ 3,479.96	\$ 10,439.87	\$ 10,000.12	\$ 247.88	\$ -	\$ 10,687.75	\$ 10,000.12
Nanaimo	McNabb, L.	\$ 7,799.91	\$ 3,899.96	\$ 11,699.87	\$ 12,605.12	\$ 565.03	\$ 790.00	\$ 12,264.90	\$ 13,395.12
Nanaimo	Holdom, W.	\$ 7,053.25	\$ 3,526.62	\$ 10,579.87	\$ 10,000.12	\$ 69.94	\$ -	\$ 10,649.81	\$ 10,000.12
Nanaimo	Bestwick, B.	\$ 6,679.91	\$ 3,339.96	\$ 10,019.87	\$ 10,140.12	\$ 29.14	\$ 212.95	\$ 10,049.01	\$ 10,353.07
Nanaimo	Johnstone, D.	\$ 7,053.25	\$ 3,526.62	\$ 10,579.87	\$ 10,560.12	\$ 292.04	\$ 390.34	\$ 10,871.91	\$ 10,950.46
Nanaimo	Kipp, J.	\$ 6,679.91	\$ 3,339.96	\$ 10,019.87	\$ 10,000.12	\$ 72.86	\$ -	\$ 10,092.73	\$ 10,000.12
Nanaimo	Ruttan, J.	\$ 6,679.91	\$ 3,339.96	\$ 10,019.87	\$ 10,000.12	\$ -	\$ -	\$ 10,019.87	\$ 10,000.12
Nanaimo	Sherry, L.	\$ 6,726.58	\$ 3,363.29	\$ 10,089.87	\$ 10,980.12	\$ -	\$ 304.57	\$ 10,089.87	\$ 11,284.69
Parksville	Mayne, E.	\$ 6,959.91	\$ 3,479.96	\$ 10,439.87	\$ 10,490.12	\$ 462.17	\$ 601.16	\$ 10,902.04	\$ 11,091.28
Qualicum Beach	Westbroek, T.	\$ 7,879.91	\$ 3,939.96	\$ 11,819.87	\$ 12,360.12	\$ 1,518.55	\$ 2,025.38	\$ 13,338.42	\$ 14,385.50
		\$ 164,512.16	\$ 82,256.15	\$ 246,768.31	\$ 263,199.38	\$ 45,829.58	\$ 49,906.76	\$ 292,597.89	\$ 313,106.14
Board Alternates									
B	Hartman, V.	\$ 53.33	\$ 26.67	\$ 80.00	\$ 80.00	\$ 33.73	\$ 32.54	\$ 113.73	\$ 112.54
C	Pinker, C.	\$ 106.67	\$ 53.33	\$ 160.00	\$ 240.00	\$ -	\$ -	\$ 160.00	\$ 240.00
E	Van Eynde, F.	\$ 153.33	\$ 76.67	\$ 230.00	\$ 230.00	\$ 502.72	\$ 528.69	\$ 732.72	\$ 758.69
F	Niwa, D.	\$ 213.33	\$ 106.67	\$ 320.00	\$ 80.00	\$ 136.00	\$ 34.00	\$ 456.00	\$ 114.00
G	Derkach, L.	\$ 53.33	\$ 26.67	\$ 80.00	\$ 80.00	\$ -	\$ -	\$ 80.00	\$ 80.00
H	Heenan, D.	\$ 53.33	\$ 26.67	\$ 80.00	\$ 160.00	\$ 107.46	\$ 114.63	\$ 187.46	\$ 274.63
Lantzville	Dempsey, B.	\$ 213.33	\$ 106.67	\$ 320.00	\$ 240.00	\$ -	\$ -	\$ 320.00	\$ 240.00
Nanaimo	Manhas, C.	\$ -	\$ -	\$ -	\$ 390.00	\$ -	\$ 34.29	\$ -	\$ 424.29
Nanaimo	Pattje, J. F.	\$ 213.33	\$ 106.67	\$ 320.00	\$ 640.00	\$ -	\$ -	\$ 320.00	\$ 640.00
Nanaimo	Unger, M.	\$ 480.00	\$ 240.00	\$ 720.00	\$ 710.00	\$ -	\$ -	\$ 720.00	\$ 710.00
Parksville	Burger, C.	\$ 160.00	\$ 80.00	\$ 240.00	\$ 320.00	\$ -	\$ -	\$ 240.00	\$ 320.00
Qualicum Beach	Wilson, J.	\$ 53.33	\$ 26.67	\$ 80.00	\$ 160.00	\$ 32.79	\$ 73.82	\$ 112.79	\$ 233.82
		\$ 1,753.31	\$ 876.69	\$ 2,630.00	\$ 3,330.00	\$ 812.70	\$ 817.97	\$ 3,442.70	\$ 4,147.97
Other Committees									
BOV/EA G Parks	Coath, B.					\$ 192.00	\$ 116.28	\$ 192.00	\$ 116.28
D69 Rec	Flynn, E.					\$ -	\$ 983.36	\$ -	\$ 983.36
BOV/EA A Parks Rec Culture	Flynn, J.					\$ -	\$ 190.23	\$ -	\$ 190.23
D69 Rec/EA F Parks	Nosworthy, R.					\$ -	\$ 589.08	\$ -	\$ 589.08
BOV/D69 Rec/EA H Parks	Procter, M.					\$ 1,268.73	\$ 231.70	\$ 1,268.73	\$ 231.70
EA A Parks Rec Culture	Seggie, K.					\$ -	\$ 33.59	\$ -	\$ 33.59
						\$ 1,460.73	\$ 2,144.24	\$ 1,460.73	\$ 2,144.24
TOTAL		\$ 166,265.47	\$ 83,132.84	\$ 249,398.31	\$ 266,529.38	\$ 48,103.01	\$ 52,868.97	\$ 297,501.32	\$ 319,398.35

REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF EARNINGS, TRAVEL AND OTHER EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2010

Employee Name	Position	Earnings	Expenses
ARMET THOMAS W	Manager, Building/Bylaw/Emer Services	\$93,748.21	\$1,850.78
ARMSTRONG JANE B	Legislative Coordinator	\$76,167.00	\$1,435.04
AVERY NANCY J	General Manager, Finance/Information Services	\$125,161.40	\$2,520.48
BANMAN DEAN E	Manager, Recreation Services	\$94,186.05	\$3,676.82
BLANKEN HELMUT N	Superintendent, Engineering/Disposal	\$81,118.66	\$761.94
BROPHY MICHAEL J	Chief Operator - Liquid Waste	\$75,498.86	\$3,174.46
CHESTNUT MIKE J	Superintendent, Recreation Facilities	\$78,951.60	\$407.06
DEPOL SEAN R	Manager, Liquid Waste Services	\$96,098.45	\$6,976.51
DONNELLY MICHAEL G	Manager, Utilities	\$94,367.00	\$1,153.34
FEE STEWART J	Handydart Driver	\$76,972.93	
FINNIE JOHN O	General Manager, Regional/Community Utilities	\$125,161.40	\$4,288.68
IDEMA WENDY J	Manager, Financial Reporting	\$96,542.25	\$3,466.17
KELLER GREG B	Senior Planner	\$75,383.68	\$2,216.92
KUZIEK PETER A	Transportation Supervisor	\$78,263.41	\$75.65
LINDSAY DALE C	Manager, Current Planning	\$94,985.80	\$845.82
MACLENNAN RICHARD H	Chief Mechanic	\$76,016.10	\$568.93
MARSHALL WENDY S	Manager, Parks Services	\$92,957.20	\$5,415.59
MARSHALL DARREN L	Superintendent, Transit Operations	\$77,315.18	\$730.65
MASON CAROL L	Chief Administrative Officer	\$182,036.40	\$4,764.25
MCIVER CAREY L	Manager, Solid Waste Services	\$96,496.54	\$4,001.54
MIDGLEY CHRISTOPHER M	Manager, Energy/Sustainability	\$92,824.30	\$2,970.60
MOODY MICHAEL R	Manager, Information Services	\$94,367.00	\$3,098.42
MOORE TIFFANY	Manager, Accounting Services	\$93,588.95	\$5,094.46
MOORMAN WAYNE F	Manager, Engineering Services	\$95,604.60	\$2,198.87
OSBORNE THOMAS W	General Manager, Recreation/Parks Services	\$125,161.40	\$5,602.57
PEARSE MAUREEN M	Senior Manager, Corporate Administration	\$97,442.80	\$1,810.75
PEARSON SANDRA	Superintendent, Aquatic/Northern Recreation	\$78,951.60	\$1,498.40
POPE JAMES H	Manager, Transit/Fleet Operations	\$94,734.19	\$1,421.22
PORTEOUS DANIEL E	Superintendent, Arena/Southern Recreation	\$78,951.60	\$2,017.11
SWANSON ROBERT M	Liquid Waste Supervisor	\$77,861.15	\$547.38
THOMPSON PAUL D	Manager, Long Range Planning	\$94,985.80	\$4,021.16
THORKELSSON PAUL H	General Manager, Development Services	\$125,161.40	\$4,342.06
TRUDEAU DENNIS M	General Manager, Transit/Solid Waste Services	\$125,161.40	\$3,859.01
WARNER BRIAN R	Custom Transit Coordinator	\$79,120.91	
WARREN MARGARET A	Superintendent, Scale/Transfer Services	\$79,756.60	\$4,807.96
WELZ DAVID A	Chief Operator - Water Services	\$75,752.22	\$59.97
Total Individual Earnings Paid over \$75,000		\$3,396,854.04	\$91,680.57
Total Summary Earnings Paid under \$75,000		\$14,255,233.08	\$280,680.32
Total All Earnings Paid		\$17,652,087.12	\$372,360.89

The amount paid as remuneration reported in this schedule differs from the amount reported in the Schedule of Revenues and Expenses and Note 23 to the Financial Statements. The amount reported in Note 23 and the Schedule of Revenues and Expenses includes amounts paid for employee benefits including Municipal Pension Plan premiums, Employment Insurance and Canada Pension Plan contributions, Long Term Disability, Medical, Dental and Worksafe premiums.

REGIONAL DISTRICT OF NANAIMO
STATEMENT OF SEVERANCE AGREEMENTS

There were **no** severance agreements made between the Regional District of Nanaimo and its non-unionized employees during fiscal 2010.

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2010**

Supplier	Amount
619048 BC LTD	\$ 30,091.54
A C E COURIER SERVICES	\$ 26,394.08
A C TAXI LTD	\$ 39,100.50
ACME SUPPLIES LTD	\$ 29,042.36
ACTION TANK & PUMP SERVICE	\$ 72,715.30
AECOM CANADA LIMITED	\$ 1,157,307.59
ALFA LAVAL INC	\$ 33,074.88
ALPINE	\$ 161,315.98
ALSCO	\$ 29,799.82
AON REED STENHOUSE INC	\$ 178,261.00
ARCHIE JOHNSTONE PLUMBING & HEATING LTD	\$ 694,619.38
ASSOCIATED ENGINEERING (BC)LTD	\$ 419,524.49
AURORA ROOFING LTD	\$ 178,820.21
B C S P C A	\$ 44,217.48
BAKER SUPPLY LTD	\$ 59,680.17
BASF CANADA	\$ 104,038.50
BAYCOR FIBRE TECH INC	\$ 70,082.46
BC BEARING ENGINEERS LIMITED	\$ 85,888.84
BC HYDRO	\$ 847,973.04
BEAVER ELECTRICAL MACHINERY LTD	\$ 130,161.69
BFI CANADA PARKSVILLE	\$ 1,677,848.45
BI PURE WATER (CANADA) INC	\$ 31,304.55
BLACK CREEK CABINETRY & FINE WOODWORKING	\$ 69,232.74
BLACK PRESS	\$ 66,232.53
BLUE STAR EXCAVATING LTD	\$ 53,190.91
BOBELL EXPRESS LTD	\$ 335,006.26
BRENNTAG CANADA INC	\$ 59,950.08
BRITCO LEASING LTD	\$ 31,755.24
CANADA POST CORPORATION	\$ 49,538.32
CANADIAN LOCKER CO LTD	\$ 49,622.81
CANBRIGHT ENTERPRISES LTD	\$ 79,117.78
CAPEWELL DESIGN	\$ 47,086.47
CAPITAL WELDING & MARINE	\$ 31,889.63
CBS PARTS LTD	\$ 60,999.33
CIBA CANADA LTD	\$ 30,660.12
COAST VI ENVIRONMENTAL LTD	\$ 50,544.10

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2010**

Supplier	Amount
COASTAL ANIMAL CONTROL SERVICES OF BC LTD	\$ 109,948.17
COASTAL VENTURES INC	\$ 119,915.71
COLUMBIA FUELS	\$ 64,017.57
COMPACT EQUIPMENT SERVICES INC	\$ 72,362.75
CONCORDE GLAZING SYSTEMS (2006) LTD	\$ 478,032.10
CONESTOGA-ROVERS & ASSOCIATES	\$ 103,495.67
CORNERSTONE TILE LTD	\$ 38,983.39
CULLEN DIESEL POWER LTD	\$ 62,697.08
DELL CANADA INC	\$ 190,666.10
DEN MAR ELECTRIC LTD	\$ 244,588.74
DRILLWELL ENTERPRISES (1982) LTD	\$ 56,658.00
DTZ BARNICKE NANAIMO LTD	\$ 26,389.92
DTZ BARNICKE NANAIMO LTD IN TRUST	\$ 181,823.61
E S R I CANADA LIMITED	\$ 46,833.69
EAST ISLE POWER LTD	\$ 40,960.34
ELDEN BENTLEY PETROLEUM LTD	\$ 38,503.97
ENGINEERED AIR	\$ 65,744.00
EPCOR WATER (WEST) INC	\$ 95,009.48
ESC CORP	\$ 472,011.40
EXPRESS CUSTOM TRAILER MFG INC	\$ 101,810.26
FILTER INNOVATIONS INC	\$ 174,248.48
FINNING (CANADA)	\$ 68,790.32
FOOTPRINTS SECURITY PATROL LTD	\$ 126,209.90
FORSITE CONSULTANTS LTD	\$ 185,459.20
FOUR STAR WATERWORKS LTD	\$ 34,783.86
FRASER VALLEY REFRIGERATION LTD	\$ 52,468.02
FYFE HOLDINGS LTD	\$ 54,251.96
G4S CASH SOLUTIONS (CANADA) LTD	\$ 31,230.30
GENERAL CHEMICAL PERFORMANCE PRODUCTS	\$ 172,373.71
GENERATION PRINTING LTD	\$ 49,643.83
GEOWARE INC	\$ 30,780.75
GRAF EXCAVATING COMPANY LTD	\$ 37,184.00
GRAND & TOY	\$ 89,123.76
GRAPHIC OFFICE INTERIORS LTD	\$ 33,418.42
GRC COLUMBIA ROOFING INC	\$ 174,249.60
GREAT WEST EQUIPMENT	\$ 208,464.53

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2010**

Supplier	Amount
GROVER COMMUNICATIONS INC	\$ 35,407.33
GUILLEVIN INTERNATIONAL CO	\$ 48,074.89
HB LANARC	\$ 100,320.08
HENDERSON RECREATION EQUIPMENT LTD	\$ 50,868.49
HIGHWAY FOUR RENTALS LTD	\$ 28,228.11
HOULE ELECTRIC LTD	\$ 25,425.75
HUB EXCAVATING LTD	\$ 522,401.06
HUGHES CONDON MARLER ARCHITECTS	\$ 683,325.32
HVAC SYSTEMS & SOLUTIONS LTD	\$ 76,305.60
IBI GROUP	\$ 39,144.00
ICC GROUP	\$ 541,755.21
IMPERIAL WELDING LTD	\$ 88,918.76
INSURANCE CORPORATION OF BC	\$ 198,979.00
INTER-KRAFT CONTRACTING LTD	\$ 235,633.30
ISLAND AGGREGATES LTD	\$ 109,433.40
ISLAND WESTCOAST DEVELOPMENTS LTD	\$ 703,329.21
JAZAC HOLDINGS LTD	\$ 54,432.00
JOE CUNNINGHAM FORD LTD	\$ 28,706.55
JOHN DEERE CREDIT INC	\$ 136,777.76
JOHNSTON DAVIDSON ARCHITECTURE & PLANNING INC	\$ 205,055.94
JPH CONSULTANTS INC	\$ 28,788.38
KAL TIRE	\$ 134,657.09
KIVELA CONTRACTING	\$ 25,889.73
KNAPPETT INDUSTRIES LTD	\$ 53,560.48
KOERS & ASSOCIATES ENGINEERING LTD	\$ 82,776.10
KONICA MINOLTA BUSINESS SOLUTIONS	\$ 27,737.24
LEVELTON CONSULTANTS LTD	\$ 33,286.17
LORING SUPPLY INC	\$ 35,588.00
MANULIFE FINANCIAL	\$ 431,122.46
MEYERS NORRIS PENNY	\$ 51,100.00
MICROSOFT LICENSING GP	\$ 79,418.80
MILNER GROUP VENTURES INC	\$ 33,909.75
MINISTER OF FINANCE	\$ 397,728.02
MORRISON HERSHFIELD LIMITED	\$ 43,473.09
MPC CONSULTING LTD	\$ 25,513.54
MUNICIPAL INSURANCE ASSOCIATION OF BC	\$ 207,372.28

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2010**

Supplier	Amount
MUNICIPAL PENSION PLAN	\$ 1,240,680.59
MUNICIPAL SOFTWARE CORPORATION	\$ 46,895.52
NANAIMO CHRYSLER	\$ 26,180.93
NANAIMO CITY OF	\$ 236,949.07
NANAIMO DAILY NEWS/HARBOUR CITY STAR	\$ 44,986.07
NANAIMO FOUNDRY & ENGINEERING WORKS LTD	\$ 40,401.04
NANAIMO RECYCLING EXCHANGE	\$ 31,075.00
NEALE STANISZKIS DOLL ADAMS ARCHITECTS	\$ 58,014.13
NEMATO CORP	\$ 51,975.00
NEW FLYER PARTS	\$ 177,117.71
NOORT INVESTMENTS	\$ 53,990.43
OCEANSIDE BUSINESS FURNISHINGS LTD	\$ 55,388.08
ORBIS CANADA LIMITED B9128	\$ 779,507.96
OSTLING & ASSOCIATES COMMUNICATIONS	\$ 35,156.10
PACIFIC BLUE CROSS	\$ 710,291.80
PACIFIC NORTH WEST RAPTOR	\$ 219,759.18
PARKSVILLE CITY OF	\$ 25,918.23
PENNY DOUG	\$ 32,030.60
PETROCAN	\$ 63,575.55
PORTER WOOD RECYCLING LTD	\$ 133,757.74
PREVOST	\$ 31,759.87
PRINT THREE	\$ 41,739.00
PULSE ENERGY INC	\$ 36,000.00
RECEIVER GENERAL FOR CANADA	\$ 908,338.77
RESLAND MANAGEMENT	\$ 27,960.32
ROB MARSHALL VENTURES	\$ 92,650.06
ROBIES CONTRACTING LTD	\$ 134,806.82
ROCKY MOUNTAIN PHOENIX	\$ 43,877.28
RON'S DRYWALL LTD	\$ 123,122.05
SAFETECH SCAFFOLD LTD	\$ 51,632.00
SHAW ELECTRICAL SERVICES LTD	\$ 89,272.79
SHELL CANADA PRODUCTS	\$ 1,419,015.77
STANTEC CONSULTING LTD (SCL)	\$ 56,200.92
STAPLES MCDANNOLD STEWART	\$ 157,385.58
STRATAGEN	\$ 61,881.20
SYLVIS	\$ 127,527.40

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF PAYMENTS FOR SUPPLIES AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2010**

Supplier	Amount
TECTONICA MANAGEMENT INC	\$ 105,955.88
TELUS COMMUNICATIONS	\$ 185,608.41
TELUS MOBILITY	\$ 36,152.61
TELUS SERVICES INC	\$ 97,267.38
TERASEN GAS	\$ 208,000.11
THE ACTIVE NETWORK LTD	\$ 34,812.07
TORRY & SONS PLUMBING & HEATING LTD	\$ 109,021.06
TREE ISLAND INDUSTRIES LTD	\$ 46,827.88
TRINEX INTERNET SOLUTIONS INC	\$ 44,096.42
UNITED RENTALS OF CANADA INC	\$ 29,157.74
UNIVAR CANADA LTD	\$ 135,925.33
VADIM SOFTWARE	\$ 44,938.15
VANCOUVER ISLAND UNIVERSITY	\$ 195,586.80
VENTURE PACIFIC CONSTRUCTION MGMT	\$ 455,572.76
WASTE'N WATERTech LTD	\$ 27,276.20
WATEROUS POWER SYSTEMS	\$ 739,919.05
WESTERN FINANCIAL GROUP	\$ 25,262.71
WESTERN TANK AND LINING LTD	\$ 105,354.76
WESTWOOD METALS LTD	\$ 36,453.76
WINDLEY CONTRACTING LTD	\$ 4,428,514.46
WORKSAFBC	\$ 292,729.38
WORLEYPARSONS CANADA LTD	\$ 150,987.06
XCG CONSULTANTS LTD	\$ 191,148.09
Total Suppliers Paid over \$ 25,000	\$ 32,047,052.74
Total Suppliers Paid under \$ 25,000	\$ 3,873,178.90
Total All Suppliers Paid	\$ 35,920,231.64

The Regional District prepares its records using generally accepted accounting principles. This will result in differences between amounts recorded as an expense in the financial statements and the amount paid to a vendor in the year. The amounts reported here represent actual cash outlays in 2010 - some of which relate to goods or services received and recorded in 2009.

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF COMMUNITY GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2010**
(these amounts are included in Totals Paid to Suppliers aggregating less than \$25,000)

School District 68 Grants in Aid

GABRIOLA ISLAND COMMUNITY HALL ASSOCIATION	\$ 1,350
JONANCO HOBBY WORKSHOP ASSOCIATION	\$ 460
POETRY GABRIOLA SOCIETY	\$ 1,000
THE HOPE CENTRE	\$ 500
	<u>\$ 3,310</u>

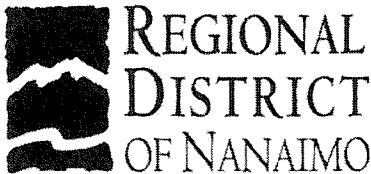
School District 69 Grants in Aid

ARROWSMITH COMMUNITY ENHANCEMENT	\$ 1,500
BOW HORN BAY COMMUNITY CLUB	\$ 800
CITIZEN'S ON PATROL SOCIETY DISTRICT 69	\$ 9,000
CYCLONE TAYLOR CUP COMMITTEE	\$ 3,500
ERRINGTON ELEMENTARY SCHOOL PARENT ADVISORY COMMITTEE	\$ 1,000
ERRINGTON WAR MEMORIAL HALL ASSOCIATION	\$ 1,300
FORWARD HOUSE COMMUNITY SOCIETY	\$ 800
LIGHTHOUSE COUNTRY MARINE RESECUE SOCIETY	\$ 1,500
MID VANCOUVER ISLAND HABITAT ENHANCEMENT SOCIETY	\$ 1,500
MOUNT ARROWSMITH BIOSPHERE FOUNDATION	\$ 700
NANAIMO MARINE RESCUE SOCIETY	\$ 25,000
NANOOSE BAY CATSPAN	\$ 1,500
OCEANSIDE BUILDING LEARNING TOGETHER SOCIETY	\$ 3,200
OCEANSIDE COMMUNITY NETWORK	\$ 750
OCEANSIDE VOLUNTEER ASSOCIATION	\$ 1,000
PARKSVILLE & DISTRICT ASSOCIATION FOR COMMUNITY LIVING	\$ 3,980
PARKSVILLE - QUALICUM COMMUNITY FOUNDATION	\$ 300
VANCOUVER ISLAND OPERA	\$ 1,000
	<u>\$ 58,330</u>

**REGIONAL DISTRICT OF NANAIMO
SCHEDULE OF COMMUNITY GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2010**
(these amounts are included in Totals Paid to Suppliers aggregating less than \$25,000)

Recreation Program Grants

ARROWSMITH COMMUNITY ENHANCEMENT	\$	5,825
ASSOCIATED FAMILY AND COMMUNITY SUPPORT SERVICES	\$	1,080
BARD TO BROADWAY THEATRE SOCIETY	\$	1,585
CEDAR COMMUNITY HALL	\$	1,500
CEDAR FAMILY OF COMMUNITY SCHOOLS	\$	896
CEDAR SCHOOL & COMMUNITY ENHANCEMENT SOCIETY	\$	3,301
DISTRICT 69 FAMILY RESOURCE ASSOCIATION	\$	4,080
DISTRICT 69 MINOR SOFTBALL ASSOCIATION	\$	2,000
ERIK GOETZINGER BMX SOCIETY	\$	2,500
ERRINGTON THERAPEUTIC RIDING ASSOCIATION	\$	2,500
ERRINGTON WAR MEMORIAL HALL ASSOCIATION	\$	1,650
KWALIKUM SECONDARY SCHOOL	\$	1,250
LIGHTHOUSE COMMUNITY CENTRE SOCIETY	\$	1,424
LIGHTHOUSE RECREATION COMMISSION	\$	2,500
OCEANSIDE BUILDING LEARNING TOGETHER SOCIETY	\$	475
OCEANSIDE COMMUNITY ARTS COUNCIL	\$	3,361
OCEANSIDE KIDFEST SOCIETY	\$	1,750
OCEANSIDE MINOR BASEBALL	\$	2,117
ONE FIVE ONE	\$	2,500
PARKSVILLE & DISTRICT 69 TEAM	\$	1,400
PARKSVILLE & DISTRICT MUSICAL ASSOCIATION	\$	1,450
PARKSVILLE CURLING CLUB	\$	2,000
PARKSVILLE PANTERS HOCKEY CLUB	\$	1,650
PARKSVILLE SENIORS ATHLETIC GROUP	\$	2,000
PARKSVILLE - QUALICUM COMMUNITY FOUNDATION	\$	1,850
QUALICUM & DISTRICT CURLING CLUB	\$	2,000
QUALICUM BAY LIONS	\$	600
QUALICUM BEACH HISTORICAL & MUSEUM SOCIETY	\$	752
RAVENSONG AQUATIC CLUB	\$	7,000
RAVENSONG MASTERS SWIM CLUB	\$	2,500
ROUGH DIAMONDS CREATIVE ARTS SOCIETY	\$	800
SOUTH WELLINGTON ELEMENTARY SCHOOL	\$	443
THE OLD SCHOOL HOUSE ARTS CENTRE	\$	1,200
VANCOUVER ISLAND OPERA	\$	730
WILDWOOD COMMUNITY CHURCH	\$	1,000
YELLOWPOINT DRAMA CLUB	\$	1,007
	<u>\$</u>	<u>70,676</u>
Total Grants in Aid	<u>\$</u>	<u>132,316</u>



CAO APPROVAL	
EAP	
CCW	✓ May 10 '11
APR 29 2011	
RHD	
BOARD	

MEMORANDUM

TO: Paul Thorkelsson
General Manager, Development Services

DATE: April 29, 2011

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

FILE: B3.03

SUBJECT: Lumber Grading Services

PURPOSE

To obtain Board direction on providing grading services under the building inspection service for home builders making use of site cut lumber in the electoral areas.

BACKGROUND

In May and June 2010, several public information sessions were held with respect to the expansion of the building inspection service. Throughout that process, staff and Board Directors heard considerable public interest in the use of site cut lumber for residential construction.

At the regular meeting held June 22, 2010, the Board adopted the necessary bylaw amendments to facilitate the expansion of building inspection into all remaining electoral areas. The following motion was also carried by the Board at that meeting and is the subject of this report:

That staff be directed to investigate the potential and implications for the RDN providing site grading of cut lumber under the building inspection service at minimal or no additional cost.

Lumber used for structural components must be graded in accordance with National Lumber Grades Authority (NLGA) standard grading rules for Canadian lumber. Typically, lumber is graded and stamped at the source of manufacture. With site cut lumber, the grading can be done on-site by a qualified grader who provides the necessary certification for the owner and subsequent verification by the RDN Building Inspector where required by the BC Building Code.

ALTERNATIVES

1. Train and certify RDN staff to provide lumber grading services at minimal or no cost.
2. Provide a referral service for owners requiring a certified lumber grader.

FINANCIAL / LEGAL IMPLICATIONS

Alternative #1

Train and certify RDN staff to provide lumber grading services at minimal or no cost.

Under this alternative, existing staff could be trained and certified as lumber graders to provide this service to the public. This would require the establishment of a new regional service as this is not

encompassed within the scope of the building inspection service. The cost of providing such a service may be recovered through the imposition of fees or by tax requisition. The RDN lawyer has advised that the establishment of this service carries a relatively high risk of liability exposure for the RDN.

Should the Board choose this option, several staff would need to be trained and certified to permit the RDN to provide lumber grading services without interruption. Costs associated to this training are in the range of \$1,000 per staff member and it would take at least 2 years before a sufficient number of staff are trained and certified to enable the RDN to provide a competent service.

Alternative #2

Provide a referral service for owners requiring a certified lumber grader.

The current practice of RDN staff is to inform building permit applicants who wish to use lumber cut on-site of the requirements to have the lumber graded and certified. The building department does not maintain a list of qualified lumber graders however the number of inquiries following the expansion of service into all electoral areas has increased to the point that a referral list may be an appropriate “value added” service to rural residents.

The formation of a referral service would involve having the RDN provide lists of qualified lumber graders who could provide certification for home builders to allow building inspectors to be satisfied that the lumber being used meets the grading requirements of the BC Building Code. The RDN lawyer has advised that this option involves limited liability on the part of the RDN as long as staff does not make actual recommendations. Any risk exposure could arise from having an incomplete list; however, staff are advised by the RDN lawyer that the RDN would not actually be under a legal duty to all certified lumber graders to ensure that their names were on the list. The list could state that it is a list of persons of whom the RDN has knowledge.

There are no financial implications in providing this type of service to the public.

SUSTAINABILITY IMPLICATIONS

Throughout the 2010 building inspection expansion process a strong interest in the use of site lumber in residential construction was expressed by residents in the rural areas. While the RDN supports this practice in keeping with the *2010-2012 Board Strategic Plan: Integrated Solutions for a Sustainable Future*, there are regulatory constraints on the use of ungraded lumber for safety reasons. To assist in overcoming some of the regulatory barriers and encourage green building practices, the Board recently approved the “*Green Building Incentive Program*.” Included in this program for 2011 is a \$250 rebate that will be provided to homeowners upon provision of a letter written by a certified grader or grading agency confirming the suitability of site cut lumber for structural use.

SUMMARY

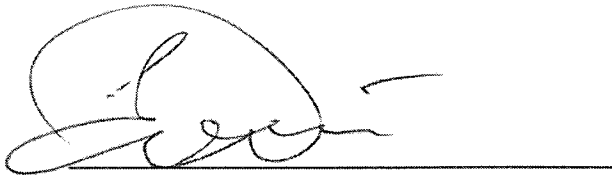
During the 2010 public consultation process on the expansion of the building inspection service, considerable public interest was expressed for the use of site cut lumber in residential construction in the rural areas. Following Board direction, staff investigated the potential and implications of providing site grading of cut lumber under the building inspection service. This would require the establishment of a new regional service as well as the training of sufficient staff to provide an effective service. In addition

to the financial implications of providing such a service, the RDN could be exposed to a relatively high risk of liability exposure.

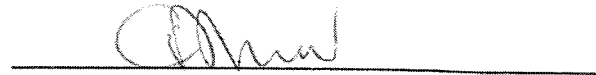
Staff is therefore recommending that a referral list of qualified lumber graders be compiled and provided to home builders who wish to make use of site cut lumber. This service, combined with the Green Building Incentive Program for 2011 may provide support and encouragement for home builders to use site cut lumber, at the same time, satisfying the regulatory requirements pertaining to health and safety in new construction.

RECOMMENDATION

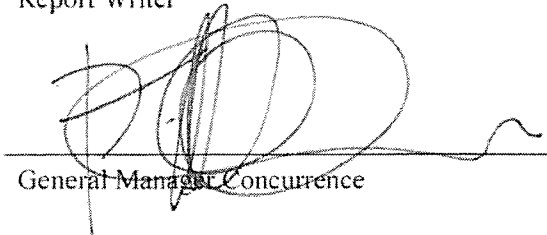
That staff be directed to compile a referral list of certified lumber graders for home builders making use of site cut lumber to satisfy the requirements of the British Columbia Building Code.



Report Writer



CAO Concurrence



General Manager Concurrence



RDN REPORT	
CAO APPROVAL <i>CM</i>	
EAP	
COW	<i>✓ MAY 10/11</i>
MAY - 4 2011	
RHD	
BOARD	

MEMORANDUM

TO: Sean De Pol
Manager, Wastewater Services

DATE: April 21, 2011

FROM: Lorena Mueller
Engineering Technologist

FILE: 5340-01

SUBJECT: Wastewater Services 2011 Open House Summary

PURPOSE

To provide summaries for the Greater Nanaimo Pollution Control Centre Open House on April 2, 2011, and the French Creek Pollution Control Centre Open House on April 9, 2011.

BACKGROUND

The Regional District of Nanaimo's (RDN) Wastewater Services recently held two Open House events, one at the Greater Nanaimo Pollution Control Centre (GNPCC) and the second at the French Creek Pollution Control Centre (FCPCC). The events were organized to allow residents an opportunity to tour the treatment facilities and receive information about their history, current operations, and planned improvements and upgrades. The public's role in preventing detrimental substances from entering the wastewater system (source control), was also addressed. For example, information was provided on the Province's Medications Return Program. Information on Wastewater Service's Septic Smart program and the Liquid Waste Management Plan Review were also available.

Several groups, both external and internal, support these events. SYLVIS Environmental prepared an informative presentation describing the use of biosolids in several different applications, including the Vancouver Island Forest Fertilization Program, where RDN biosolids are showing a positive impact on tree growth rate. RDN Water Services provided brochures and leak detection tabs from the WaterSmart Program and Development Services provided information on the Draft Regional Growth Strategy and the RDN Green Building Incentive Pilot Program.

The GNPCC Open House held on Saturday April 2, 2011 attracted 79 people. The FCPCC Open House was held on Saturday April 9, 2011 and attracted a total of 42 people. Guests were given a comprehensive tour of the plant, followed by an opportunity to peruse display material and present their questions and concerns to staff.

Summary of Survey Responses

Guests at both events were encouraged to complete a survey covering a range of questions on the overall service provided by Wastewater Services, as well as focused questions on source control education and the LWMP review. Comments are summarized below.

- Most people indicated limited knowledge of wastewater and the treatment process prior to attending the events. They agreed that Wastewater Services has done a good job in managing tax dollars and providing a reliable, valuable service.
- All respondents generally agreed there should be more source control education. Several people also recognized the importance of educating children, which Wastewater Services will continue to focus on at future open houses.

- Most survey respondents listed pollution of the environment and odour issues as their biggest concerns with wastewater treatment.

Overall comments from both survey respondents and other guests at the event were very favourable. People found the event to be informative, interesting, professional and well organized. They were also interested in future developments at both wastewater treatment facilities.

FINANCIAL IMPLICATIONS

The cost of hosting each event was approximately \$1,500 plus staffing.

ALTERNATIVES

There are no alternatives. The report has been presented for information only.

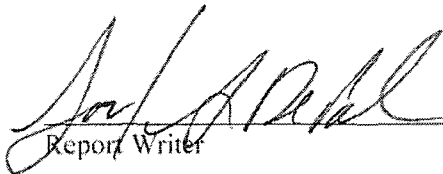
SUMMARY/CONCLUSIONS

The Regional District of Nanaimo's Wastewater Services recently held their annual Open House events at the Greater Nanaimo Pollution Control Centre on April 2, 2011 and the French Creek Pollution Control Centre on April 9, 2011.

Both events were well attended; 79 people at the GNPCC event and 42 people at the FCPCC event. Guests completed surveys covering a range of questions on the overall wastewater service provided by Wastewater Services. Overall comments indicated that people found the events to be very informative, interesting, professional and well organized.

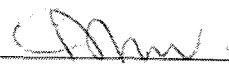
RECOMMENDATION

That the report on Wastewater Services' French Creek Pollution Control Centre and Greater Nanaimo Pollution Control Centre 2011 Open Houses be received for information.


Report Writer


Manager Concurrence


General Manager Concurrence


CAO Concurrence



CAD APPROVAL		1
EAP		
COW	✓	MAY 10/11
MAY 03 2011		
RHD		
BOARD		

MEMORANDUM

TO: John Finnie, General Manager
Regional and Community Utilities

DATE: May 2, 2011

FROM: Sean De Pol
Manager, Wastewater Services

FILE: 5330-20-GNPC-DIG#3

SUBJECT: Greater Nanaimo Pollution Control Centre Digester 3 Project
Construction Award

PURPOSE

To consider awarding the construction contract and project management services for the Greater Nanaimo Pollution Control Center (GNPCC) Digester 3 Project.

BACKGROUND

The solids processing stream at the Greater Nanaimo Pollution Control Center (GNPCC) consists of primary sludge thickening, anaerobic digestion and centrifuge dewatering. The digestion process is at the design capacity of the existing two digesters.

In June 2010, the RDN Board directed staff to award the detailed design services for the Digester 3 Project to AECOM. AECOM has recently completed the detailed design for the new Digester 3 and the associated upgrades to the existing solids handling process stream. Significant RDN staff review and input has been incorporated into the detailed design of this project.

In addition to addressing the current solids handling capacity requirements, Digester 3 will also be able to accommodate the sludge that will be generated once the GNPCC is upgraded to secondary treatment in 2015. It will have a capacity of 3,900 m³, which is roughly double the size of the existing digesters, and it will serve the digestion capacity requirements of the GNPCC until 2022. Several innovative features have been incorporated into the design of the new Digester 3.

The Digester 3 Project was competitively tendered between March 21 and April 27, 2011 and a total of nine bids were received at a public opening. The bid results were as follows:

- Maple Reinders Inc. \$ 9,459,600
- Farmer Construction Ltd. \$ 9,852,013
- C&M Development Inc. \$10,269,384
- Knappett Projects Inc. \$10,274,600
- Island West Coast Developments Ltd. \$10,402,734
- Kenaidan Contracting Ltd. \$11,049,000
- Deramore Construction Services Inc. \$11,128,806
- Graham Construction and Engineering \$11,366,664
- D. Robinson Contracting Ltd. \$13,760,460

GNPCC Digester 3 Tender Report to CoW May 2011

AECOM conducted an evaluation of the bids that were received and recommended the construction contract be awarded to Maple Reinders Inc. This company had the lowest compliant bid price and they are an experienced, reputable company with a strong record on similar wastewater treatment projects.

Engineering services will be required to administer and inspect the construction contract, to assist in the testing, start-up and commissioning of the new systems, and to complete the SCADA programming to integrate the new control systems into the existing GNPCC plant control system. It is recommended that the engineering services be completed by AECOM for a budget of \$403,625, excluding HST.

The following is our most recent costing for the completion of the project:

	Original Estimate	Current Cost
Functional Design (Completed)	\$ 91,245	\$ 91,245
Detailed Design Services (Completed)	\$ 347,687	\$ 347,687
Construction Services and SCADA Programming	\$ 403,625	\$ 403,625
Construction Contract	\$ 7,378,700	\$ 9,459,600
Geotechnical Engineering Services	\$ 75,000	\$ 75,000
Total Project Cost	\$ 8,296,000	\$10,377,157

The total budgeted amount for this project (construction, engineering and project contingency) was \$8,296,000 which has been exceeded as a result of the higher than anticipated construction tender results. The project components have been reviewed with our consultants to determine whether there are components that could be deleted or deferred. This action would result in additional work being scheduled at a later date at increased costs (due in part to re-tendering smaller portions of the project) and is therefore not recommended.

ALTERNATIVES

1. Award a contract to Maple Reinders Inc. for the construction of the Greater Nanaimo Pollution Control Centre Digester 3 project for the tendered price of \$9,459,600, and a contract for the associated engineering services to AECOM for the price of \$403,625.
2. Do not award the tenders, re-assess project requirements and re-tender.

FINANCIAL IMPLICATIONS

Alternative 1

Although this project is over budget there are adequate funds in the DCC reserves to complete the GNPCC Digester 3 project.

Alternative 2

The existing two digesters are at design capacity. If the Digester 3 construction contract is not awarded at this time, the project will be delayed which could compromise the RDN's ability to continue meeting permit effluent discharge limits. The project requirements have been discussed with our consultants and this alternative would only serve to delay the project. No significant cost reductions would be realized and lower tender results are not expected.

SUMMARY/CONCLUSIONS

The construction of Digester 3 is a high priority for the operations of the GNPCC. The digestion process is at the capacity of the two existing digesters. The detailed design has been completed by AECOM and reviewed with the RDN staff.

A competitive public tendering process was completed on April 27, 2011 that generated strong participation from the construction industry. Of the nine bids that were received the lowest compliant bid was by Maple Reinders Inc. for a value of \$9,459,600. This value exceeds the pre-tender cost estimate of \$7,378,700 (excluding engineering) that was provided on March 9, 2011.

A review of the tender breakdown pricing provided by the contractors showed differences from the engineering cost estimate in certain areas of the work. There are however, no elements of the project that can be readily deleted or deferred without an operational impact, and time delay for re-engineering and re-tendering.

This tender was carried out early in the year when the construction industry is looking for new projects. As a result, the RDN has received good bid value. This is evidenced by the large number of bids and the relatively tight results; i.e. the five lowest bids are all within 10% of each other. A delay in the project by re-tendering would likely not result in such competitive pricing later in the year.


Although no major apparent cost savings can be made before tender award, there would be good value in undertaking a cost savings review with Maple Reinders and AECOM at the outset of the project, and to put in place an incentive to the contractor to find savings throughout construction. This has been done successfully on the Penticton Advanced Wastewater Treatment Plant Upgrade project with Maple Reinders, AECOM and the City working together to reduce costs.


The engineering services proposal by AECOM is approximately 4.3% of the construction value which is in line with industry standards. Since AECOM is the Engineer of Record for the Digester 3 design it is important for continuity that they provide the construction and commissioning services. In addition, the provision of SCADA programming services by AECOM will ensure that the new systems are properly integrated into the existing GNPCC plant control system.

RECOMMENDATIONS

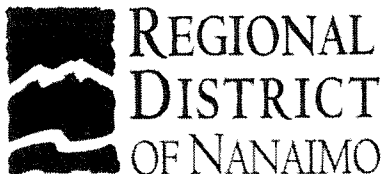
1. That the Board award the construction contract for the new Digester 3 at the Greater Nanaimo Pollution Control Centre to Maple Reinders Inc. for a value of \$9,459,600.
2. That the Board award the engineering services during the construction of Digester 3 and the SCADA programming services to AECOM for a total value of \$403,625.
3. That funds from the Southern Community Development Cost Charge Reserve Fund be used for the Greater Nanaimo Pollution Control Centre Digester 3 Project.


Report Writer


General Manager Concurrence


CAO Concurrence

GNPCC Digester 3 Tender Report to CoW May 2011



CAO APPROVAL	
EAP	
COW	✓ May 10 '11
APR 29 2011	
RHD	
BOARD	

MEMORANDUM

TO: Mike Donnelly
Manager of Water Services

DATE: April 28, 2011

FROM: Christina Metherall
Drinking Water and Watershed Protection Coordinator

FILE: 5600-07

SUBJECT: Final Drinking Water and Watershed Protection
Watershed Snapshot Report 2010

PURPOSE

To present to the Board the Drinking Water and Watershed Protection Program (DWWP) Watershed Snapshot Report 2010 for approval.

BACKGROUND

In 2010, the Water Services Department completed a 'scoping' or prioritization exercise to better understand the state of water resources in the region and focus the implementation of the DWWP Action Plan. The DWWP Watershed Snapshot Report 2010 is the result of this scoping exercise. It summarizes the concerns of residents and professionals regarding water resources in the region and provides a timeline of recommended actions in order to address those concerns. For each major watershed in the RDN, the report presents a summary analysis, key themes from the public consultation, and recommendations for priority actions. These specific recommendations ensure that limited resources are used wisely by delivering programs in key geographic areas where either problems or opportunities support taking action. Since the inception of the DWWP program there have been several requests for partnership and funding from organizations active in protecting water and aquatic health. The Snapshot Report helps address these requests and focus limited funding available in the DWWP budget by providing the public, Board, and staff with a concise overview of the program objectives and key areas of concern.

The following strategy was used in the development of the report.

1. Collect data and information from existing sources as identified in the Action Plan (monitoring stations, land uses, aquifer vulnerability, etc.).
2. Work with local technical experts and the community to identify water related issues, concerns, threats, opportunities, information gaps and sources, and vulnerabilities:
 - Groundwater Professionals Meeting - local well drillers & hydrogeologists (March 30, 2010).
 - Technical Roundtable –local water resource management, biologists, land use professionals (May 18, 2010).
 - Southern Community Workshop (June 16, 2010).
 - Northern Community Workshop (June 17, 2010).
 - Gabriola Island Community Workshop (June 24, 2010).

3. Overlay the above information and work with the DWWP Advisory Committee to create a set of recommendations for the various programs in the Action Plan.
4. Present the recommendations to the Board for information and then to the public for comment.
5. Review public comments and finalize the Watershed Snapshot Report 2010.

In January of 2011, the draft Watershed Snapshot Report was presented to the Board for information, and staff were directed to provide the report to the public for comment.

The public comment period was from January 25, 2011 to February 28, 2011. The opportunity for comment was communicated through a news release, TV news story, letters to participants, and the RDN website.

Staff received eleven responses to the request for comment. Overall, the responses were very supportive of the work done and several community members voiced strong support for particular recommendations. Some responses provided new information for consideration and other responses proposed updates to comments contained in the report or changes and additions to the recommended actions.

Staff reviewed the feedback and provided a summary of the responses to the DWWP Advisory Committee. At the March 31, 2011 DWWP Advisory Committee meeting, staff and Committee members reviewed the summary and developed a set of updates to the report in response to the public comments. An example of an update would be moving 'Dropping water levels in Coombs' from a 'potential' to 'confirmed' problem category based on public comment and supported by data from a local Ministry of the Environment observation well. Following feedback from the public and guidance from the Advisory Committee and staff, the updates to the Watershed Snapshot Report are now complete. The final version of the Snapshot Report (attached as Appendix A) is being presented to the Board for approval.

Next Steps

Following Board approval, staff will begin implementing the recommendations outlined in the Snapshot Report. All groups that contributed to the process will be alerted of the completion of the Snapshot Report and it will be made available to the public through the RDN website.

ALTERNATIVES

1. The Board approve the Watershed Snapshot Report 2010.
2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The Watershed Snapshot Report 2010 and the recommendations are consistent with the 2011 Drinking Water Watershed Protection Budget.

SUSTAINABILITY IMPLICATIONS

The Watershed Snapshot Report identifies areas in the region where water resources may not be managed sustainably and provides recommendations for actions the RDN can take to support the sustainable management of water resources.


SUMMARY/CONCLUSIONS


The Watershed Snapshot Report 2010 provides a valuable synopsis of the state of water resources in the region. Based on this synopsis, a set of recommendations has been developed to guide the efficient delivery of Drinking Water Watershed Protection programs. The report has been reviewed by the public and updated to address community concerns. The final Watershed Snapshot Report 2010 is now being presented to the Board for approval.

RECOMMENDATIONS

1. That the Board approve the Watershed Snapshot Report 2010.
2. That the Board direct staff to proceed with the recommendations in the report.
3. That the Board direct staff to make the report available to the public and alert participants of its completion.


Report Writer

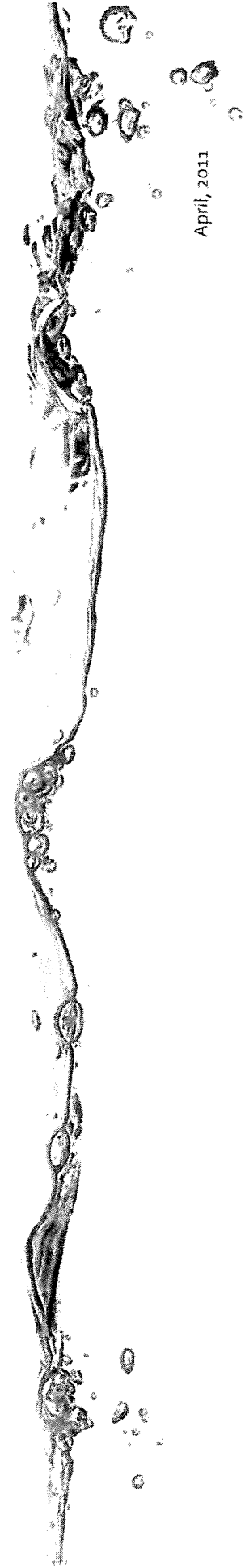

Manager Concurrence


General Manager Concurrence

CAO Concurrence



Drinking Water & Watershed Protection
WATERSHED SNAPSHOT REPORT 2010



April, 2011

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Preface

In 2008, the Regional District of Nanaimo became the first regional government in British Columbia to start a *Drinking Water & Watershed Protection* service. With the support of the volunteer *Drinking Water & Watershed Protection Stewardship Committee*, and the assent of the electors, the program is now funded and being implemented. The goal of the *Drinking Water & Watershed Protection Program* is to help protect water resources by ensuring land use decisions reflect the need to protect water resources and by educating and empowering residents to protect water today and for the future.

The Drinking Water & Watershed Protection Program has 7 components:

1. Public Awareness & Involvement
2. Water Resources Inventory and Monitoring
3. Land Planning and Development
4. Watershed Management Planning
5. Water Use Management
6. Water Quality Management
7. Climate Change

In 2010, the RDN embarked on an exercise to better understand the state of water resources in the Regional District in order to guide further implementation of the Program. The RDN consulted with local technical experts and the public in order to gather information to create a "snapshot" of water resources in the Region and help focus the programs. A series of events were organized to encourage participants to provide their local knowledge and expertise on water-related issues in spring 2010:

- Groundwater Professionals Meeting – including local well drillers and hydrogeologists (March 30, 2010)
- Technical Roundtable – including local water, resource management, biologists and land use professionals (May 18, 2010)
- Southern Community Workshop (June 16, 2010)
- Northern Community Workshop (June 17, 2010)
- Gabriola Island Community Workshop (June 24, 2010)

A key outcome of the consultation process was the creation of detailed community mapping and a database of water related issues, concerns, threats, opportunities, information gaps and sources, and vulnerabilities.

This '*Watershed Snapshot Report 2010*' extracts the highlights from the community outreach and mapping process. The *Snapshot Report* contains raw data that was obtained through the public consultation process. It is important to note that the information has *not* been vetted for accuracy or completeness, but rather is a synopsis of the feedback from participants. For each major watershed in the RDN, the report presents a summary analysis, key recommendations for actions, and records key themes from the workshops.

As well as providing valuable public information, this document will be used in support of focusing the next steps in the *Drinking Water & Watershed Protection Program*. The goal is to ensure that limited resources are used wisely by delivering the right program in the right place.

Region-wide Recommendations

The primary body of this report communicates recommendations specific to each of the Region's seven (7) watershed study areas. In addition to these site-specific recommendations, Table 1 below communicates the recommendations that apply throughout the Region.

Table 1: Region-wide Recommendations

Priority Action	Notes
Program 1: Public Awareness and Involvement	
1. Develop an interactive website that allows easy access to water resource knowledge, and water stewardship resources.	<ul style="list-style-type: none"> - Underway –The website will have a novice friendly interface with information on local water resources and stewardship and a library of technical reports. There will also be more detailed information on water resources, land use, and geographically referenced water related reports in an interactive GIS tool called ' RDN WaterMap'. For more information, visit www.rdn.bc.ca and navigate from 'Water in the RDN' to 'Drinking Water and Watershed Protection Program'. RDN WaterMap is available from this page.
2. Continue water conservation outreach activities	<ul style="list-style-type: none"> - Outdoor use is the main discretionary water use – most effective to focus on changing outdoor watering behavior. - Foster an increased understanding of watershed values. People need to understand water in order to have the desire to protect it; a potential tool for this is to create a story for each river system. - Identify high water use areas and focus Community Based Social Marketing outreach there. - Include Living Water Smart Home Assessment (provincial program) in outreach materials and take to irrigation review site visits. - Include information on hazardous waste disposal and illegal dumping in Team WaterSmart educational resources. - Partner with Energy and Sustainability Department on outreach to the development community that promotes watershed protection.

<p>3. Develop and implement a strategy project for rainwater reuse.</p>	<ul style="list-style-type: none"> - Following from the RDN Innovative Options and Opportunities for Sustainable Water Use report. - Where possible, coordinate with Green Buildings initiatives and Energy & Sustainability Department, including promoting rainwater harvesting through the Green Building Checklist. - A potential barrier to rainwater use is qualification for rainwater & capture systems to be an appropriate water supply supported by banks for loan applications.
<p>4. School education programs</p>	<ul style="list-style-type: none"> - Continue watershed protection education in schools
<p style="text-align: center;">Priority Action</p>	<p style="text-align: center;">Notes</p>
<p>Program 2: Water Resources Inventory and Monitoring</p>	
<p>5. Develop indicators for assessing water resources, which can be monitored on a yearly basis across the Region to track state of water resources.</p>	<ul style="list-style-type: none"> - Could be part of the Regional Growth Strategy sustainability indicators. Need to be developed early in the program. Potential indicators include stream temperature, groundwater elevations, groundwater quality, surface water quality, volume of water extracted, etc. - Refer to the indicators developed as part of the State of Sustainability Report and Groundwater Indicators Research Project. - In areas where indicators show signs of concern, conduct further monitoring (ie., if surface water quality indicators are problematic, perform further monitoring of other parameters or benthic invertebrates) to better understand the issue

<p>6. Develop Water Budgets for each of the seven (7) major watershed areas.</p>	<ul style="list-style-type: none"> - See also Program 4. - A water budget "looks at how much water enters a watershed, how it's stored and how much water leaves. It also looks at what we are doing on the land that impacts water quality and quantity and then this information helps us to determine how much water is available for human uses while ensuring there is still enough left for natural processes."¹ - A conceptual water budget model is first developed to obtain a basic understanding of the physical flow system. - An initial synthesizing of available data will be used to understand the way that water moves throughout the watershed. Various data sources include stewardship groups, DFO (e.g. Little Qualicum River flow monitoring), MOE, BCCF, etc. - Initial work will indicate where critical data gaps exist and identify how to fill these gaps. - Where possible, work with municipalities in development of water budgets. - Water budget work will be tiered. Budgets will start off simple and at a larger geographic scale. In priority areas, more complex assessments will be done at a smaller scale.
<p>7. Refine water budgets</p>	<ul style="list-style-type: none"> - The budgets will be refined as new data (such as water extraction information) is generated. In at-risk areas, detailed modeling may be needed in the future. - New data collection will involve partnerships with other organizations including stewardship groups, students (e.g. VIU), private land owners, including forestry, and other agencies such as MOE, VIHA, and municipalities.

¹ Conservation Ontario. "Integrated Watershed Management. Navigating Ontario's Future – A Water Budget Overview". (October 2009). URL source: <
http://www.conservation-ontario.on.ca/watershed_management/reports/IWM_WaterBudgetOverview_Final_Jun2.pdf>. (November 2010).



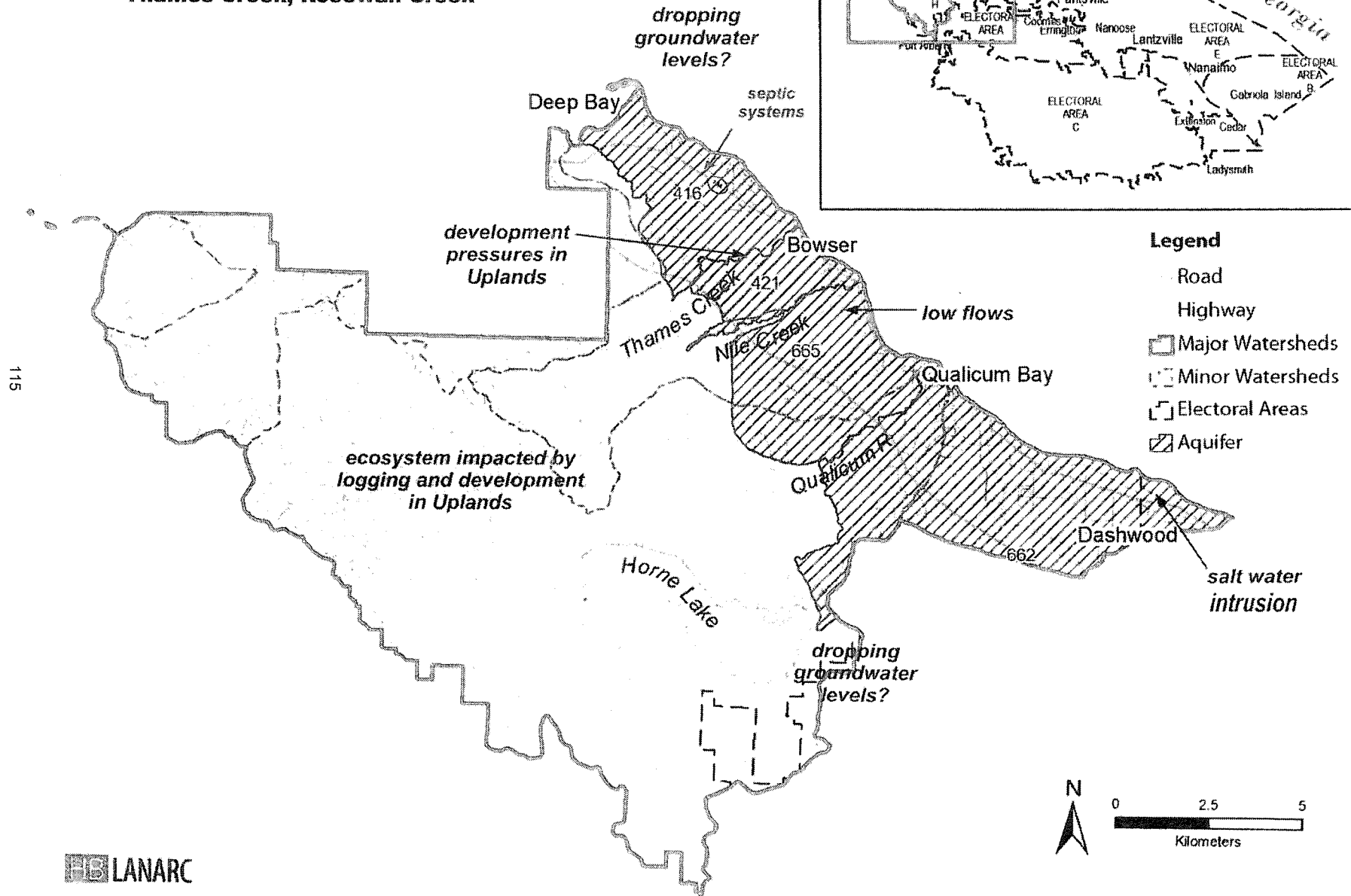
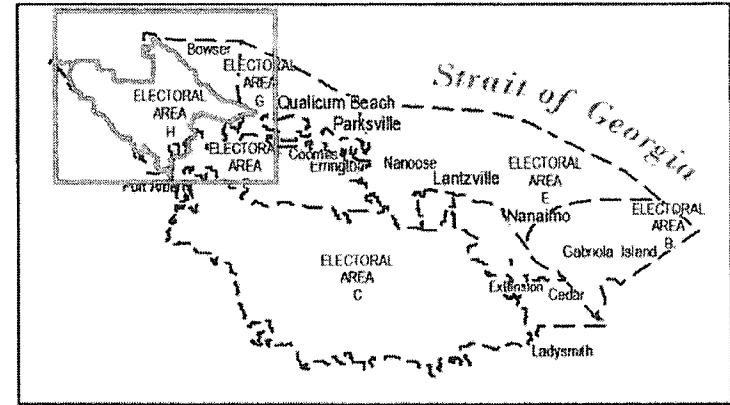
Table 1: Region-wide Recommendations (continued)

Priority Action	Notes
<p>8. Better understand water extraction by collecting water use information on representative user groups e.g. golf courses, agriculture, commercial/industrial.</p>	<ul style="list-style-type: none"> - In serviced areas, extraction information could be obtained by surveys of users and/or water purveyors. In unserviced areas, metering volunteer representative users could provide a coarse indicator of typical water consumption. - Follow up on potential information regarding water usage in Gabriola Village (Islands Trust rezoning).
<p>9. Create central repository for storing river flow data (high and low), stream temperature, etc. Train and work with Stewardship Groups to monitor flows, stream temperature and install automated data collectors as needed on priority waterways.</p>	<ul style="list-style-type: none"> - Develop a program where information may be entered online – partners may include community mapping network, VIU students or RDN Information Services. - Encourage flow and temperature monitoring at multiple points (tributaries) in a stream system. Explore a data collection training program (VIU, MOE). If needed, automated loggers can assess stream flow and water temperature on a high-frequency basis. Work with other agencies (DFO, stream keepers) to select the most desired monitoring locations.
<p>10. Start groundwater level monitoring by working with major users.</p>	<ul style="list-style-type: none"> - Work with water suppliers and purveyors to collect and record water level (piezometric) data on a regular basis (static levels). Where possible, work with these groups to obtain daily extraction data. This could be accompanied with a training program to describe the rationale and importance of this monitoring. Expand to private wells where needed or feasible.
<p>11. Work with Ministry of Environment and local volunteers to monitor surface water quality in priority rivers, lakes and streams.</p>	<ul style="list-style-type: none"> - Develop a long-term partnership plan for the surface water quality monitoring program. - Contact stewardship groups and other volunteer coordinators including the DFO Salmon Enhancement Community Participation Program Community Advisors.

Program 3: Land Planning and Development	
12. Strengthen Regional Growth Strategy language regarding protection of drinking water and watersheds.	<ul style="list-style-type: none"> - Underway in current RGS review. - Work with Long Range Planning to raise awareness among the public of the interrelationships between growth management and watershed protection. - Work with RGS team to promote public input on the RGS at TWS events
13. Adopt Low Impact Development Engineering (LID) standards with Development Services and Sustainability Departments and MOTI.	<ul style="list-style-type: none"> - Approval officer is MOTI, and therefore coordination is required. - One of the challenges with LID outside of the lot level in electoral areas is that MOTI and their contractor is responsible for maintenance of drainage systems, and maintenance of LID features is outside of their traditional maintenance agreements. Promoting lot-level LID techniques may be more feasible.
14. Update Landscape and Irrigation Design standards and bylaws. Include performance requirements for properly designed irrigation systems, soil depth, etc. to reduce water use.	<ul style="list-style-type: none"> - Standards should address properly designed landscape and irrigation for water conservation. - Reduce requirement for permanent irrigation while recognizing need for establishment watering.
15. Refine requirements for hydrogeological assessments for subdivision and development proposals. Information should be submitted in a format that is of value in providing an increased understanding of water resources in the Region.	<p>Use Groundwater Bylaws Toolkit as a resource, as well as the following suggestions:</p> <ul style="list-style-type: none"> - Ensure assessments are current. - Include information on long-term cumulative impacts and capacity. - Consider mandatory testing of wells for submission with applications. - Establish minimum testing requirements that increase depending on size of development. - Work with Development Services to consider requiring higher standards for water conservation on at-risk aquifers (e.g., Yellowpoint, Parksville, Benson Meadows area aquifers, etc.)
16. Consider requiring new development to include hydrological impact modeling using the Water Balance Model or other hydrological modeling tools.	<ul style="list-style-type: none"> - Partner with the municipalities to move towards Integrated Rainwater Management (e.g. as in Beyond the Guidebook). - Look at options for retrofitting older developments to reduce hydrological impacts.

Program 4: Watershed Management Planning	
17. Work with Development Services to develop bylaws addressing construction best management practices including sediment & erosion control, spill preparedness, etc.	<ul style="list-style-type: none"> - Construction activities can have greater impacts on watershed health than the final land use. - Sediment and erosion control best practices has the potential to create real change in water quality and aquatic habitats.
Program 5: Water Use Management	
18. Develop a voluntary Water Purveyor Working Group, to assist small water purveyors in the Region.	<ul style="list-style-type: none"> - Development is underway with the Sustainable Infrastructure Society.
19. Provide incentives for water conservation practices, both indoor and outdoor.	<ul style="list-style-type: none"> - The RDN report Innovative Options and Opportunities for Sustainable Water Use provides guidance for this.
20. Communicate building options for rainwater and gray water reuse in co-operation with BC Building Safety Branch and local Building Inspectors.	<ul style="list-style-type: none"> - Upcoming Building Code changes may reduce barriers to water reuse.
Program 6: Water Quality Management	
21. Outreach to residences / business / industry for aquifer protection in at-risk or vulnerable areas e.g. vulnerable aquifers, riparian areas.	<ul style="list-style-type: none"> - Aquifer protection information would need to be developed. - There are currently outreach programs in place for riparian landowners including Living by the Water, Stewardship BC, Green Shores, The Land Conservancy, etc.
22. Promote the Environmental Farm Plan program with agricultural community, and explore potential partnerships.	<ul style="list-style-type: none"> - In coordination with outreach work in Program 1
23. Move forward with 'WellSMART' and 'SepticSMART' education.	<ul style="list-style-type: none"> - In coordination with outreach work in Program 1
Program 7: Climate Change	
24. Work with MOE to develop a climate change monitoring program.	<ul style="list-style-type: none"> - For example, snowpack monitoring on Arrowsmith.

Watershed #1
Big Qualicum River Watershed, Nile Creek,
Thames Creek, Rosewall Creek



1.0 Big Qualicum River Watershed, Nile Creek, Thames Creek, Rosewall Creek

Analysis

The two main priorities in this area are surface water flows and groundwater sustainability. The community is interested in maintaining surface water flows for ecosystem needs and improving our understanding of groundwater in order to better plan for the future. There is a great deal of concern regarding the sustainability of groundwater supply given current and future development. There is an interest in better understanding the aquifer, including direction of flow, and its sustainable yield. Very little is known about these aquifers. There is one observation well in aquifer 416, but limited knowledge of the surrounding aquifers. Low water tables create stress on local ecosystems, reduce drinking water supplies, and lead to salt water intrusion. There is already evidence of salt water intrusion in the Dashwood area. It is recommended to monitor aquifer levels to establish gradients and assess water quality in near-shore sites. It is also important to protect the highly vulnerable aquifer by promoting best practices to protect water quality in the rural community (reducing dumping, improving poorly functioning septic systems, etc.). There is currently a proposal in place to study the feasibility of a sewer system in the area. There are very active community stewardship groups in this community. There is likely potential to work with these groups on low flow monitoring.

Recommendations

Priority Action	Notes
<p>1. Develop a better understanding of aquifers and the impacts of extraction by monitoring groundwater levels in all aquifers in the watershed area.</p> <ul style="list-style-type: none"> - 1a) Pursue low-cost monitoring opportunities, such as monitoring unused residential wells, to help gather information on unmonitored aquifers #421, 665, 661. - 1b) Monitoring well to be installed in aquifer #662 (Qualicum River Village area) - 1c) Survey groundwater quality in wells in coastal areas to identify salt water intrusion issues. 	

Comments

- Groundwater levels seem stable now, but there are questions about sustainable yield.
- MOE confirmed a link between shellfish health and septic system performance. Environment Canada and the VIU Shellfish Research Centre have information on the impacts, which appear to be affecting algae growth.

Issues (Existing Confirmed Problems)

1. Ecosystem impacts from logging and development, in Big Qualicum, Nile Creek, and Thames Creek (noted by DFO and stewardship groups)
2. Low rivers flows on Thames/Nile Creek likely affecting foreshore ecosystem
3. Salt water Intrusion – Dashwood, noted in Flamingo Drive area

Concerns (Existing, Unconfirmed Problems)

1. Development Impacts east of Bowser – concern over upland development and over-extraction of groundwater
2. Dropping Groundwater Elevations – Deep Bay Area – Lots of extraction (tree farm, private wells, agriculture, forestry, two waterworks, but no coordination of information, extraction)
3. Concern over contamination upstream in Qualicum River
4. Dropping groundwater elevations around Horne Lake

Threats (Activities)

1. Illegal dumping over highly vulnerable aquifer
2. Recreational activities over highly vulnerable aquifer
3. Development – Bowser, Deep Bay, uplands
4. Septic Systems – affecting groundwater in recharge areas in Deep Bay, affecting shellfish

Opportunities

1. Transfer Centre
2. Sewer system
3. Water Quality Monitoring – Streamkeepers

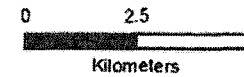
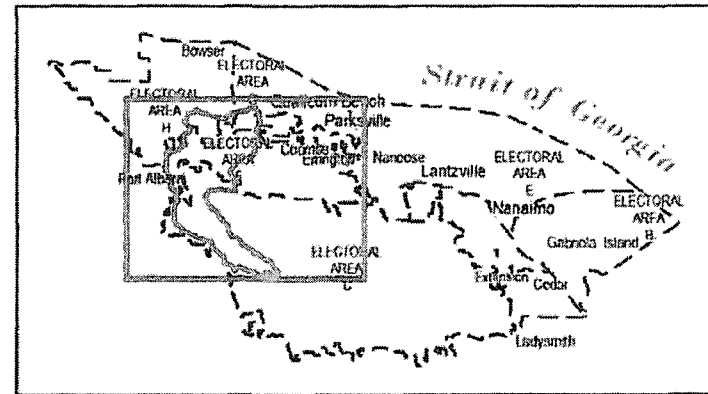
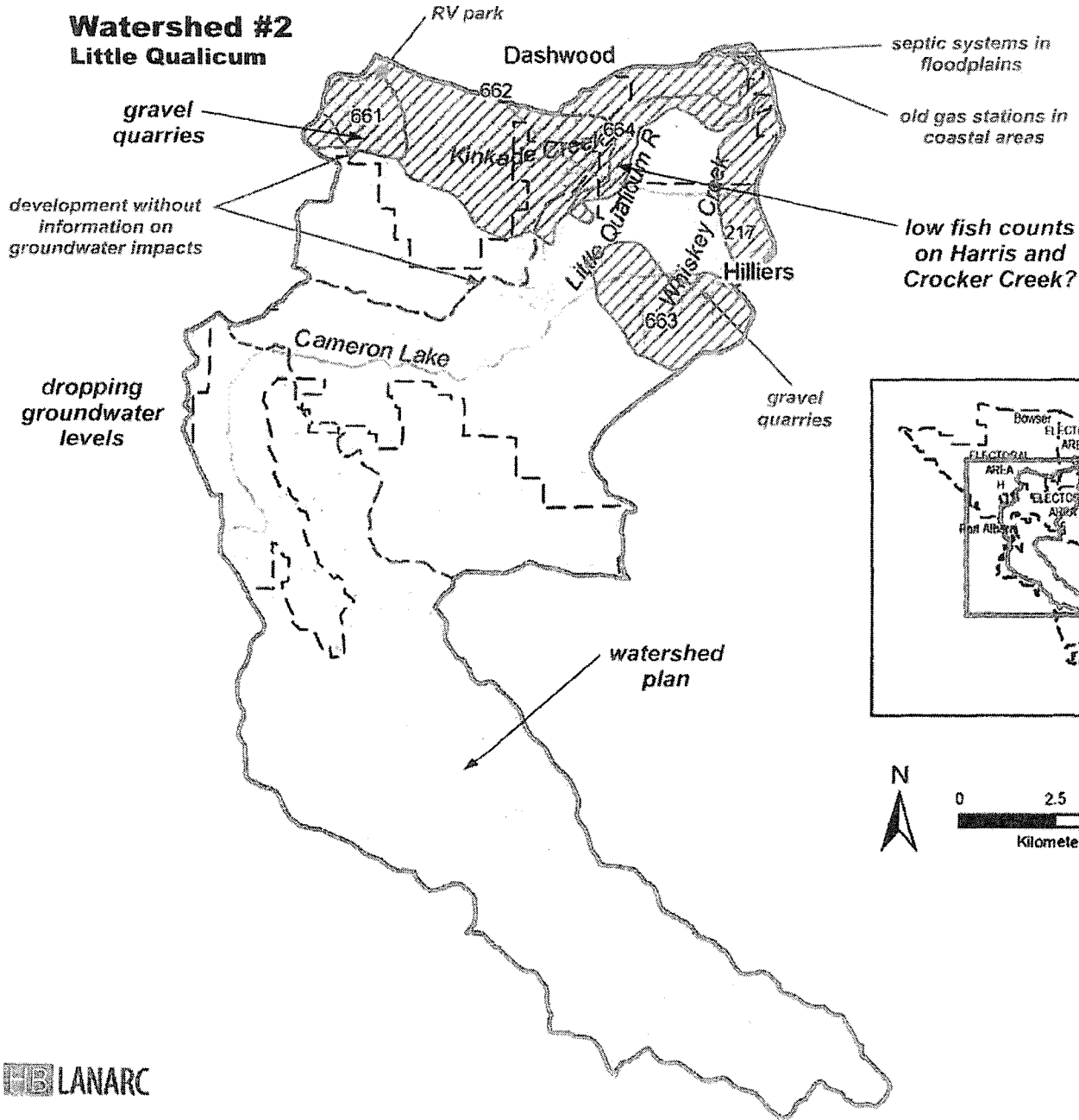
Information Gaps

1. Aquifer recharge areas, direction of flow, carrying capacity noted multiple times
2. Big Qualicum – Groundwater/Surface Water Interaction
3. To better understand salt water intrusion, monitor aquifer levels to establish gradients, monitor water quality in near shore sites

Vulnerabilities

1. Gainsberg swamp – sensitive ecosystem
2. Bowser is drawing from groundwater outflow – vulnerable to up-gradient impacts
3. Aquatic habitat in rivers (e.g., Nile Creek) – Coho and chum salmon require a base flow through summer for rearing habitat

**Watershed #2
Little Qualicum**



Legend

- Electoral Areas
- Road
- Highway
- Major Watersheds
- Minor Watersheds
- Aquifer

2.0 Little Qualicum

Analysis

There are a significant number of concerns regarding groundwater elevations in the upland areas in Spider Lake and Qualicum River Village. There is limited understanding of groundwater in these areas. There is very little development potential in the Spider Lake area, however there is significant development potential in Qualicum River Village. It is important to understand this aquifer's ability to support current and future use. Developments such as the Little Qualicum River Estates highlight the importance of inter-jurisdictional communication and the need for hydrogeological assessments to better understand the impacts of extraction.

There is also an interest in protecting the Little Qualicum River, both on a larger scale through a watershed management plan and more directly through floodplain protection. There is an interest in protecting the floodplain from logging as well as from septic system contamination.

Recommendations

Priority Action	Notes
<p>1. Groundwater level monitoring</p> <ul style="list-style-type: none"> - 1a) Spider Lake: Given its limited development potential, pursue low cost monitoring strategies in this area. Consider a volunteer residential monitoring program or look at potential of installing monitoring equipment in capped well in park (first, need to determine if it is the right aquifer) - 1b) Qualicum River Estates area has significant development potential and an observation well is to be added in the area and to the MOE Observation Well Network in late 2010/early 2011. 	

Comments

- Although there were concerns that the Spider Lake Mobile Home Park has the potential for significant impact groundwater levels, there are indications that there are not many permanent residents and therefore the park would not have a large impact.
- In Qualicum River Village, with the existing zoning, there is development potential for the population to double.



Issues (Existing Confirmed Problems)

1. Significant number of concerns regarding dropping groundwater elevations in Spider Lake and Qualicum River Village area (no monitoring wells, but hydrogeologists, well drillers, landowners report) – Aquifers 661 and 662 - no information on long terms effects of development in these areas
2. Qualicum Beach Observation wells – Dropping groundwater elevations reported

Concerns (Existing, Unconfirmed Problems)

1. Low fish counts in Harris and Crocker Creek

Threats (Activities)

1. RV Park near Spider Lake – very large land user and potentially has all year residents – potentially impacting water in Spider Lake area
2. Development without information on impacts – e.g., Spider Lake, Little Qualicum River Estates
3. Development without local authority input – e.g., Little Qualicum River Estates
4. Contamination Potential – Old gas stations in coastal areas
5. Mining Activities - Gravel Quarries at Spider Lake and Whiskey Creek – concerned about impacts on groundwater
6. Activity in flood plains – logging and septic fields
7. Potential commercial clear cutting on Whiskey Creek

Opportunities

1. Monitoring well –potentially use Dashwood Firehall well
2. Work with property owners in Spider Lake area interested in monitoring private wells
3. Work with stewardship group to monitor water quality in critical fish streams
4. Watershed Plan for Little Qualicum River
5. Protection of LQR floodplain

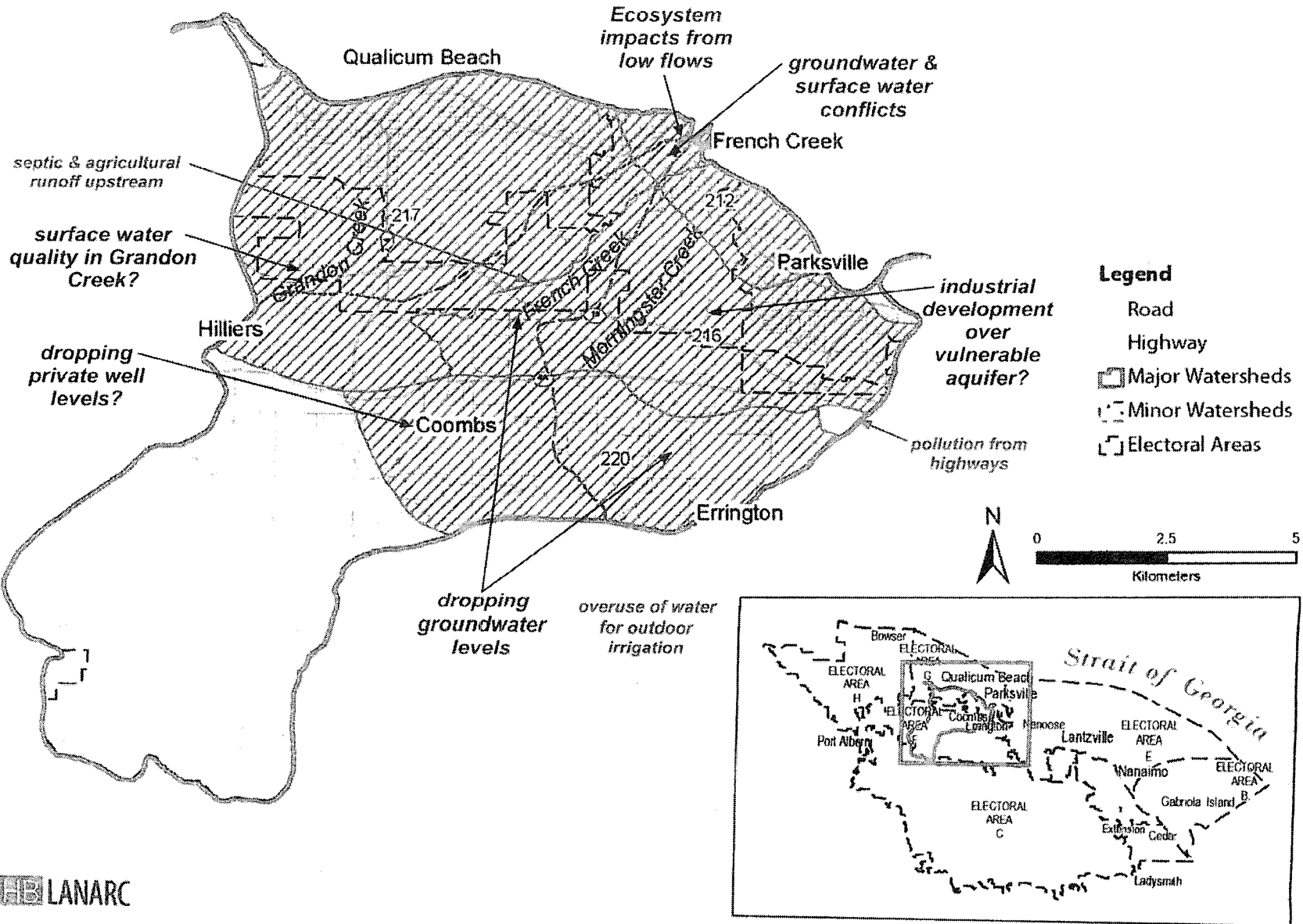
Information Gaps

1. Surface Water and Groundwater Interactions and wetland dynamics in Whiskey Creek Area

Vulnerabilities

1. Little Qualicum River – needs better upstream protection

Watershed #3 French Creek, Qualicum Beach & Parksville Uplands



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3.0 French Creek, Qualicum Beach and Parksville Uplands

Analysis

There is a significant concern over dropping groundwater elevations in the French Creek watershed and the Parksville-Qualicum aquifers. From 2000 to 2010 groundwater levels have dropped 5m in Aquifer 216. There is a consensus that we need to better understand groundwater and surface water interactions in this watershed. It is likely that these systems are connected. French Creek naturally has summer low flows, but there are concerns that it has unusually low flows in recent years, and that this will impact ecosystem health. There is a relatively high population in this area (approximately 10,000) and with further development and the effects of climate change it is likely that low flow conditions will worsen.

There are also concerns regarding the potential for contamination of the aquifers due to industrial and commercial activities on the land above vulnerable aquifers. It has been recommended to monitor heavily developed aquifers for water quality in addition to water levels, especially aquifer 220. There are concerns that there is significant development potential in unserved areas such as Coombs, off of Highway 4. There are also suggestions on how to improve groundwater stewardship in those areas. Grandon Creek has been noted as a nearby waterway which has the potential to be contaminated by nearby industrial uses. There is an interest in surface water quality testing on Grandon Creek in order to better understand the impacts. Septic systems and agricultural runoff are identified as threats to surface and groundwater quality in the rural headwaters and there is a need to promote rural best management practices. Urban development and runoff may be impacting water quality and it is suggested to create limits on impermeable surfaces to protect the watershed and promote practices that increase infiltration.

Recommendations

Priority Action	Notes
1. Pursue aquifer characterization for the Parksville/Qualicum aquifers in the French Creek watershed. Partner with other agencies (e.g. Geological Survey of Canada), municipalities and water suppliers in characterization and source water protection.	- Invite EPCOR, Qualicum Beach, City of Parksville to participate in this process.
2. Consider a Rural Water Quality Improvement Program to promote best management practices for septic systems and agriculture in this area.	- Partner with municipalities as it relates to Source Water Protection. Partner with Wastewater Services for promotion of BMPs with on-site systems.
3. Obtain information on groundwater quality in vulnerable aquifers in developed areas (e.g. aquifer 216)	- Obtain information on water quality in the developed, highly vulnerable aquifers. The City of Parksville currently monitors production wells in aquifer 216. Explore other potential data sources (e.g. EPCOR, etc.) to determine if there are impacts to groundwater quality caused by land uses over vulnerable aquifers.

Comments

- Summer extractions from French Creek during low flows are potentially harmful to fish and aquatic ecosystem – look for opportunities to encourage MOE and groundwater legislation to manage extraction quantity and timing.

Issues (Existing Confirmed Problems)

1. Parksville Aquifers – primarily aquifers 216 and 220, but also aquifer 217 have significantly declining water levels. This affects the municipal water supply wells and also private residential wells. Some private wells show dropping levels in the Coombs area.
2. French Creek low flows are causing ecosystem impacts
3. Groundwater and surface water conflicts
4. Private wells going dry (at least seasonally) in Coombs and vicinity

Concerns (Existing, Unconfirmed Problems)

1. Impact of industrial development in Church Road area on vulnerable aquifer
2. Potential for contamination of EPCOR wells
3. Surface water quality in Grandon Creek
4. Runoff and flooding concerns

Threats (Activities)

1. Overuse of water for outdoor watering in Town of Qualicum Beach
2. Industrial/Commercial Development in Coombs - Land use / highway configuration lends itself to strip development with large parcels. Lack of service makes this land most attractive to industry / unregulated commercial development. Since this is upstream of Parksville, potential impact to surface and groundwater is high
3. Urban Development – impermeable surfaces
4. Septic runoff into French Creek in upstream areas (Coombs)
5. Agricultural runoff into French Creek in upstream areas (Coombs)
6. Automobile pollution from highways
7. Automobile wrecking yards on Grandon Creek – automobiles potentially leaking contaminants that could impact surface and groundwater quality
8. The closed Qualicum Beach landfill south of Rupert Road (and its leachate monitoring wells)

Opportunities

1. Promote smarter water systems (with precipitation sensors) for residences
2. Keep impermeable surface areas on properties as low as possible
3. Survey recharge areas (in detail) along highway 4; create signage, inventory land use and install monitoring wells

Information

Gaps

1. Groundwater/Surface Water Interactions
2. Need to better understand actual use for licensed surface water extractions and groundwater users
3. Identify recharge areas along Highway 4
4. Need to monitor heavily developed aquifers for water levels and water quality – e.g. aquifers 216, 209, and 220. Parksville currently monitors raw water quality in their production wells. Seek other potential sources of information on water quality in the area

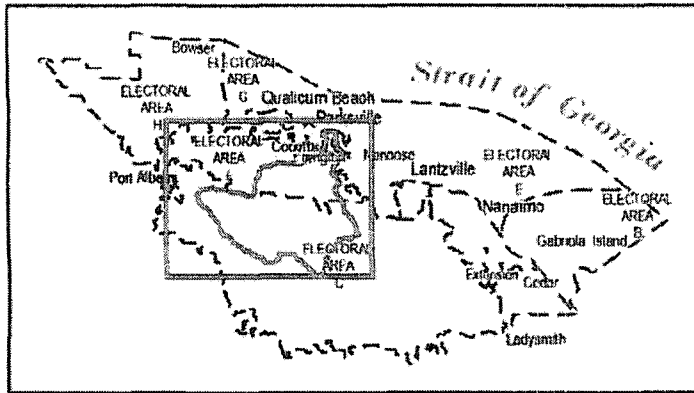
Sources:

1. City of Parksville rainfall gauge – community park and sewer monitor
2. Riparian Areas reports

Vulnerabilities

1. Relatively vulnerable aquifers in watershed
2. Many users of water in area without a good understanding of interconnections
3. French Creek - Sensitive Stream Designation
4. Romney, Carey and Beach Creek

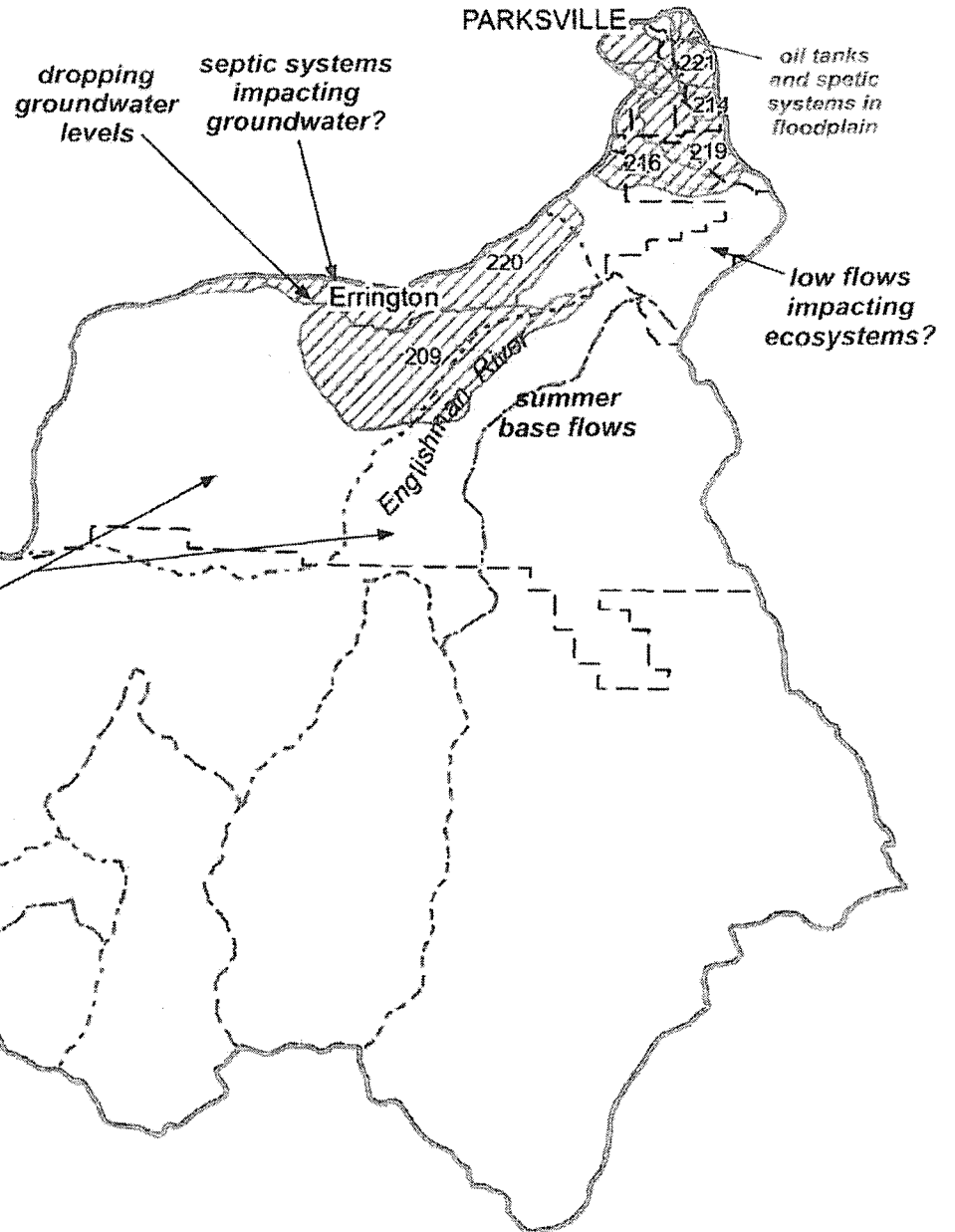
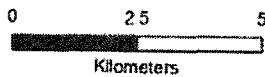
Watershed # 4 Englishman River



Legend

- Road
- Highway
- Major Watersheds
- Minor Watersheds
- Electoral Areas
- Aquifer

agricultural activity on Morrison Creek affecting water quality in Englishman River



4.0 Englishman River

Analysis

The Englishman River is a major water supply source for the local community. It is also a valuable fisheries river. Groundwater plays a key role in summer low flows in the river and there is an interest in better understanding this relationship and maintaining sufficient summer low flows for ecosystem health. Septic systems and agricultural activities are potential threats to surface and groundwater quality in the rural portions of the watershed (e.g., Morrison Creek). In this area, there are concerns regarding overuse of water for outdoor watering as well as the cosmetic use of pesticide and herbicide in urban areas. The northern portion of this watershed includes part of aquifer 220, which is showing declining water levels.

Recommendations

Priority Action	Notes
1. Work with partners to better understand groundwater-surface water interactions.	- Partners include MVIHES, Geological Survey of Canada, etc.
2. Determine if there is a need for an ongoing water quality survey of the tributaries and main-stem of the river to protect the source of the local water supply.	- Full spectrum testing is currently done by the City of Parksville. If interested, partner with municipalities and water suppliers in further source water protection.
3. Consider a Rural Water Quality Improvement Program Pilot Project to promote best management practices for septic systems, fuel storage and agriculture in this area.	- Partner with municipalities as it relates to Source Water Protection, and Wastewater Services for on-site systems.

Issues (Existing Confirmed Problems)

1. Agricultural activities on Morrison Creek affecting water quality in Englishman River
2. Groundwater levels dropping in wells in Errington area (aquifer 220)

Concerns (Existing, Unconfirmed Problems)

1. Cosmetic pesticide and herbicide use polluting groundwater
2. Unregulated water license users are over-extracting
3. Ecosystem impacts – MOE believe 10% of Mean Annual Discharge (MAD) is acceptable for rearing fish
4. Onsite septic systems in Errington impacting groundwater

Threats (Activities)

1. Overuse of groundwater for outdoor water use in the summer
2. Septic Systems in floodplains in Parksville
3. Oil Tanks in floodplains of Englishman in Parksville
4. Logging in watershed
5. Transfer of water out of watershed to surrounding communities through the Arrowsmith Water Service
6. Abandoned Parksville landfill in the Englishman River flood plain

Opportunities

1. Reduce poor industrial, commercial and institutional irrigation practices
2. Pulse flow opportunities to facilitate fish migration (RDN, City of Parksville, DFO)
3. Keep forests intact in watersheds and recharge areas

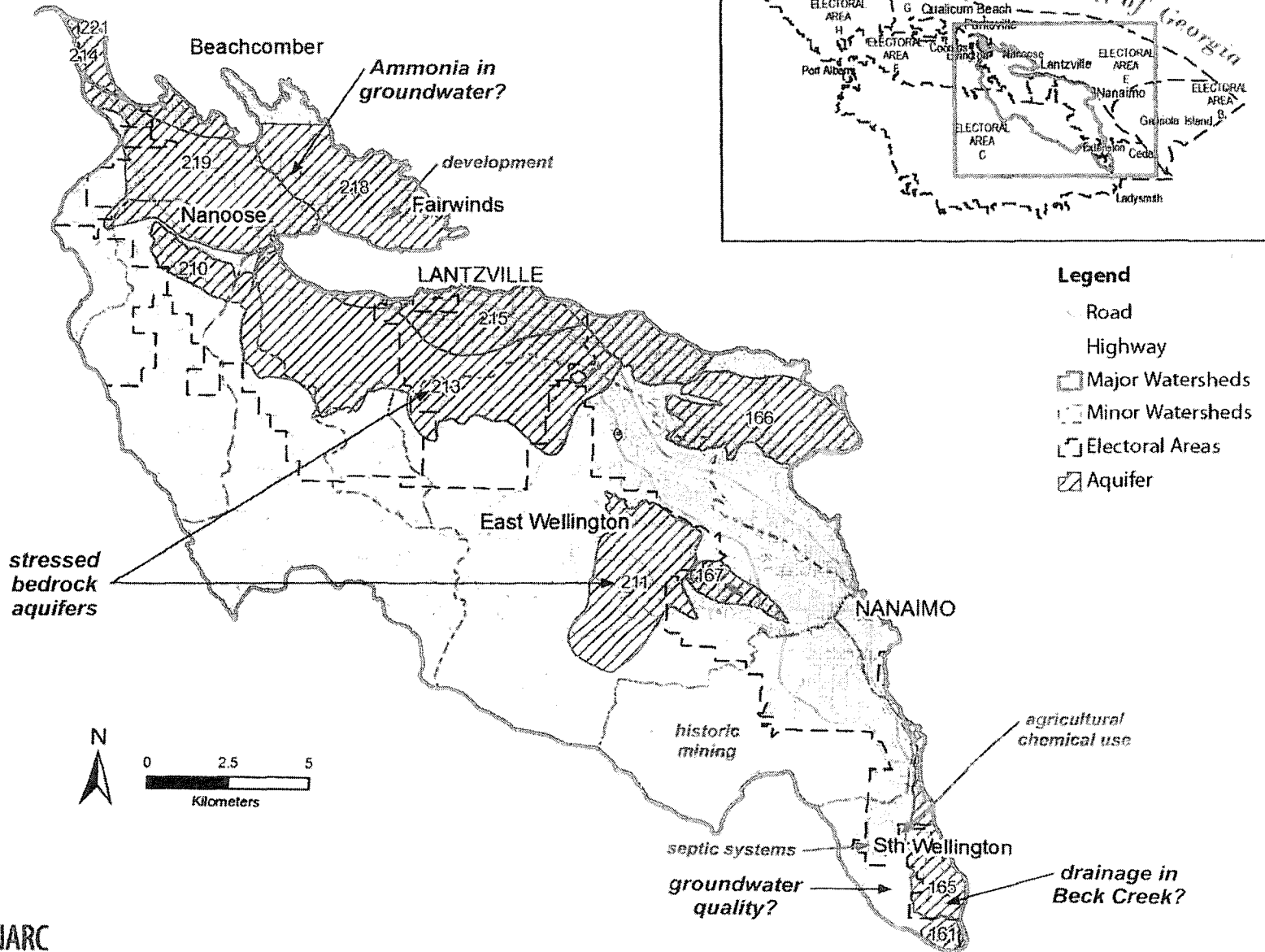
Information Gaps

1. Groundwater and Surface Water Interactions
2. Impact of climate change on water supplies
3. Publically available information on groundwater quality from private wells (e.g., Errington)
4. Need to understand consumption by different land uses prior to setting priorities
5. Information on actual use of large private water users (e.g., irrigation, golf courses, industrial, resorts)

Vulnerabilities

1. Estuary – sensitive ecosystem vulnerable to contamination (e.g., from stormwater outfalls)
2. Arrowsmith Water Service Intake on River – Community Watershed
3. Englishman River - Sensitive Stream Designation – Vulnerable aquatic ecosystems

Watershed #5
South Wellington to Nanoose



5.0 South Wellington to Nanoose

Analysis

This area is a mix of rural and urban development including the District of Lantzville, the City of Nanaimo, the Nanoose Peninsula, and South Wellington. Comments included in this snapshot are focused primarily on the Electoral Area lands. Located close to the urban area of Nanaimo, these Electoral Area lands contain a significant amount of recent residential development with a large footprint.

This region has a large number of bedrock aquifers. There are concerns that many of these aquifers, especially in the northern half of the region (e.g., 218 – Nanoose, 213 – Superior Road area, 213 – Benson Meadows area), are under stress. Many of the suggestions focus on water conservation including the development of irrigation guidelines, encouragement of xeriscaping, promotion of rainwater use to reduce water consumption, and reduction of impermeable surfaces (to help promote recharge). Many of the areas that are most greatly impacting groundwater quantity may not face financial barriers to water conservation (Benson Meadows, Lantzville, Fairwinds) – and therefore it will be important to identify the best tactics for reducing water use in these communities

The impact of septic fields and agricultural chemical use on groundwater quality is mentioned in the Benson Meadows and South Wellington area. There is a high density of shallow dug wells and septic systems in the South Wellington area which has the potential to affect groundwater quality. There is also an interest in better understanding the impacts of historical activities (mining, contaminated sites) on the quality of groundwater in this area.

Recommendations

Priority Action	Notes
1. Implement a groundwater quality (nitrates, bacteria, chemicals) monitoring study in South Wellington and Cassidy	<ul style="list-style-type: none"> - Monitoring should target areas with a high density of septic systems - In addition to monitoring groundwater, potentially conduct water quality testing in ditches and streams - South Wellington extends into part of Watershed 6.
2. Include high water use neighbourhoods in a <i>Community Based Social Marketing</i> (CBSM) Pilot Project.	<ul style="list-style-type: none"> - Target neighbourhoods might include Fairwinds, Benson Meadows.



Issues (Existing Confirmed Problems)

1. Dropping groundwater levels, stressed bedrock aquifers – Benson Meadows (aquifer 211), Superior Road/Westwind Drive (Aquifer 213)
2. Water supply issues in Lantzville

Concerns (Existing, Unconfirmed Problems)

1. Poor groundwater quality due to concentration of wells and septic fields as well as agricultural chemical use in South Wellington
2. Groundwater Quality – Ammonia in Nanoose – interest in identifying source
3. Drainage issues - Beck Lake/Beck Creek – Beck Creek no longer drains properly
4. Salt intrusion in Lantzville along Dickinson Road

Threats (Activities)

1. Increased development in Nanoose
2. Golf course impact on water quantity and degradation of water quality (Fairwinds/Nanoose)
3. Agricultural Chemical Use - South Wellington
4. Development of large homes – large homes=high water use
5. Mining – Need to better understand impacts on water quality (e.g., South Wellington area)
6. On-Site septic system failures and poor maintenance (e.g., Benson Meadows, South Wellington)

Opportunities

1. Explore the development of septic maintenance/inspection regulations
2. Increase education with respect to water conservation
3. Work with the Province to promote water conservation opportunities in the Building Code
4. Broaden discussion to include First Nations
5. Partner with schools to educate on climate change and water use
6. Develop irrigation guidelines to prevent overuse
7. Partner with nurseries, garden clubs, and BCLNA to encourage xeriscaping
8. Increase permeable surfaces in urban areas

Information Gaps

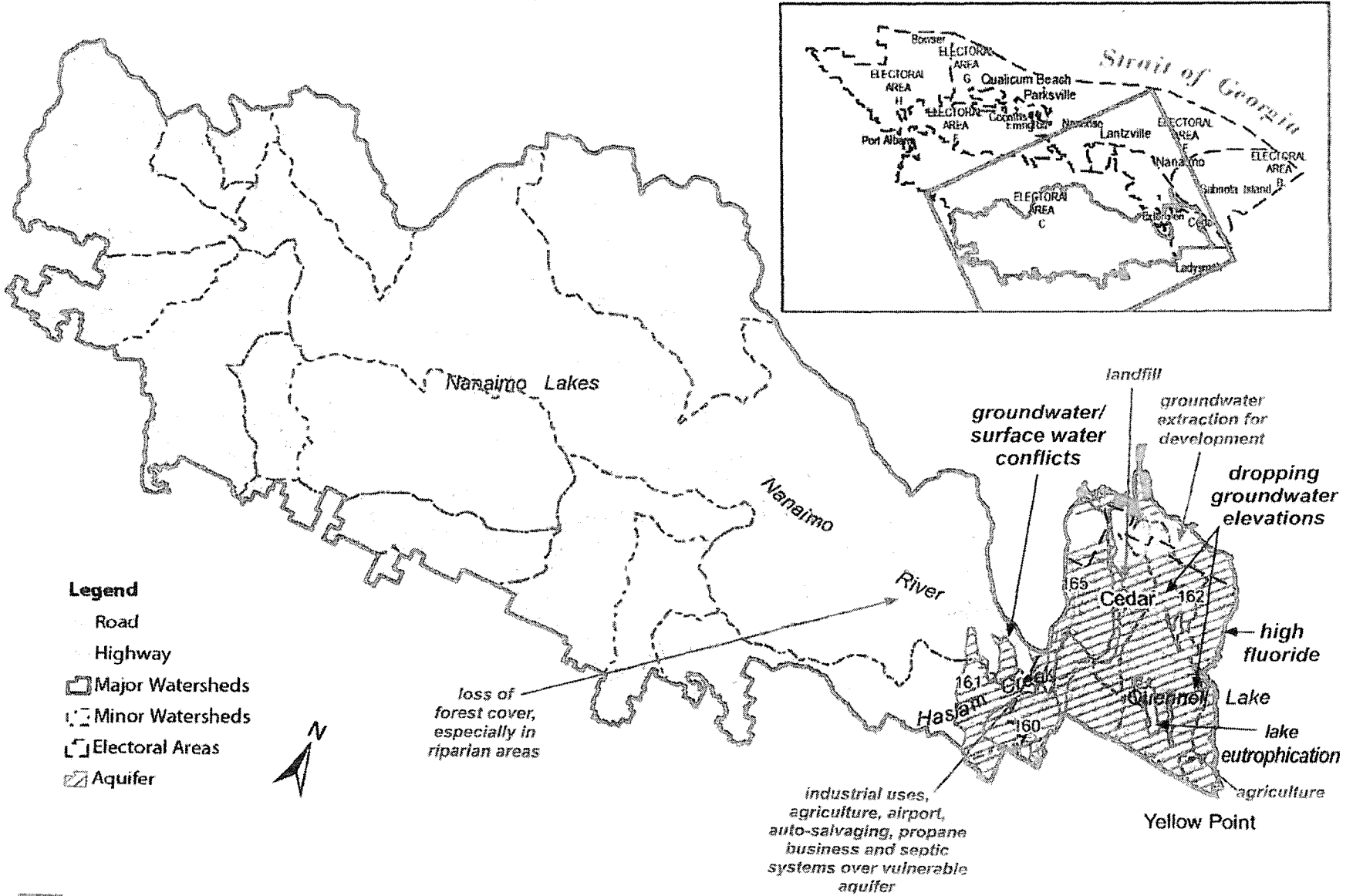
1. Need an observation well in aquifer 219
2. Fill information gaps with climate data from elementary school network run by UVIC, City of Parksville rainfall gauge (P/W yard), and other sources
3. Contaminated Sites

Vulnerabilities

1. Lots of bedrock aquifers in this area - wells – react quickly to rain and impacted by land use
2. Coastal Douglas Fir Ecosystem and wetlands
3. Rural land – limits to well and septic capacity

Watershed #6
Nanaimo River Watershed and South Area A

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6.0 Nanaimo River Watershed and South Area A

Analysis

The Nanaimo River watershed is currently primarily rural with some areas of urbanization and industrial activity. This watershed has the potential for significant growth in the future. The two main concerns in the area are groundwater supply in the Yellow Point Aquifer, and groundwater quality in the Cassidy aquifer. From 2000 to 2010 groundwater levels in the Yellow Point aquifer have dropped an average of 13m. Some of the residents in the area that are not in the North Cedar Improvement District (NCID) water service area rely on bulk water deliveries or rainwater catchment for water supplies in the later summer months. The Yellow Point aquifer was ranked as the second highest priority aquifer on Vancouver Island by the Ministry of the Environment in a recent review of the Observation Well Network due to its low productivity, increasing population, and significantly dropping groundwater elevations. There is also evidence of salt water intrusion in this aquifer along the coast. Residents have expressed concerns over the ability of this aquifer to support any future development.

The Cassidy aquifer is a large aquifer that is highly vulnerable to contamination. In the Cassidy area, there is a strong concern that land uses including wrecking yards, airport activities, fuel storage, forestry, trailer parks, on-site systems, and landfills could impact the groundwater quality in this vulnerable aquifer.

Surface water is also a concern in this watershed. Small lakes in the Yellow Point area face eutrophication, possibly caused by septic systems or agricultural runoff. There is an interest in better understanding the groundwater and surface water interactions between the Nanaimo River and the Cassidy aquifer. This interaction is particularly important for protecting base flows in the Nanaimo River and maintaining the health of the estuary.

Recommendations

Priority Action	Notes
1. Work with Development Services to strengthen the OCP to require a more rigorous approach to determining long term water supply for new development that protects the resource.	- Underway as part of the Area A OCP update
2. Monitor groundwater levels in private wells in Yellow Point.	- Develop volunteer private well monitoring program - Determine if information on lake levels would be helpful in assessing aquifer health. This information may be collected by BC Conservation Foundations or other organizations.
3. Install and monitor new observation well in Yellow Point aquifer.	- To be added to Provincial Observation Well Network

Priority Action	Notes
4. Obtain information on groundwater quality in vulnerable aquifers in developed areas that have industrial land uses (e.g. Cassidy).	- The Airport may be interested in working together for this program as they may already have a monitoring program in place.
5. Rural Water Quality Program target/pilot project area – Yellow Point, South Wellington, Cassidy.	- Potential pilot project areas in South Wellington, Cassidy (due to high density wells and septic systems) and in Yellow Point to address lake eutrophication.
6. Groundwater quality monitoring study in South Wellington, Cassidy.	<ul style="list-style-type: none"> - High density wells and septic systems over vulnerable Cassidy aquifer. - In addition to monitoring groundwater, potentially conduct water quality testing in ditches and streams

Issues (Existing Confirmed Problems)

1. Groundwater/Surface Water Conflicts in Nanaimo River
2. Surface water quality concerns - Eutrophication of small lakes in Yellowpoint area
3. Groundwater quantity issues in Yellowpoint Aquifer: Dropping groundwater levels in private wells, many wells go dry, salt water intrusion in foreshore, dropping levels in OBS well
4. Groundwater quality issues in Yellowpoint Aquifer – high fluoride

Concerns (Existing, Unconfirmed Problems)

1. Over extraction of groundwater in Yellowpoint Aquifers
2. Potential impacts of septic disposal on both ground and surface water
3. Cassidy –potentially dropping groundwater levels
4. Surface Water Quality concerns due to agriculture
5. Groundwater contamination in the Cassidy aquifer due to Industrial Commercial uses

Threats (Activities)

1. Forestry and development – loss of permeable surfaces and forest cover, especially in riparian areas
2. Regional Landfill – contamination potential
3. Agricultural Runoff – impacts surface water quality especially in smaller lakes and creeks
4. Industrial Activities:
 - Industrial activities and auto salvaging operation in South Wellington area over vulnerable aquifer
 - Airport – Industrial Commercial development use over vulnerable aquifer
 - Propane tanks – buried from old propane business in Cassidy area
5. Development:
 - Oceanview – large extractions for recreation from low producing aquifer
 - Any further extraction from low producing Yellowpoint Aquifer may be unsustainable
 - Residential Development in Cassidy – concerns over increased extraction
 - Increased impermeable surfaces
6. On-site systems – Cassidy (trailer parks, especially), NCID, Cedar Rd near river – flood during rainy season

Opportunities

1. Explore the development of septic maintenance regulations
2. Central disposal location for electronic and other hazardous waste so it doesn't end up in landfill
3. Work with realtors to obtain and share water resource information
4. Allow roof collection and cistern storage for water supplies
5. Evaluate new methods/equipment for agricultural watering
6. Work with Ducks Unlimited to explore data sets for Becks Creek

Information Gaps

1. Nanaimo River- groundwater and surface water interactions
2. Water Quality Monitoring – both ground and surface water
3. Need to obtain information on actual extractions of surface water and groundwater (including agricultural use)

Vulnerabilities

1. Cassidy aquifer is highly vulnerable
2. Yellowpoint aquifer is very low producing

**Watershed #7
Gabriola Island**

dropping
groundwater
levels

increased
development
and extraction

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bulk water
extraction

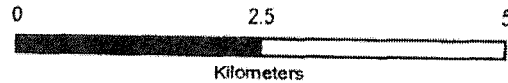
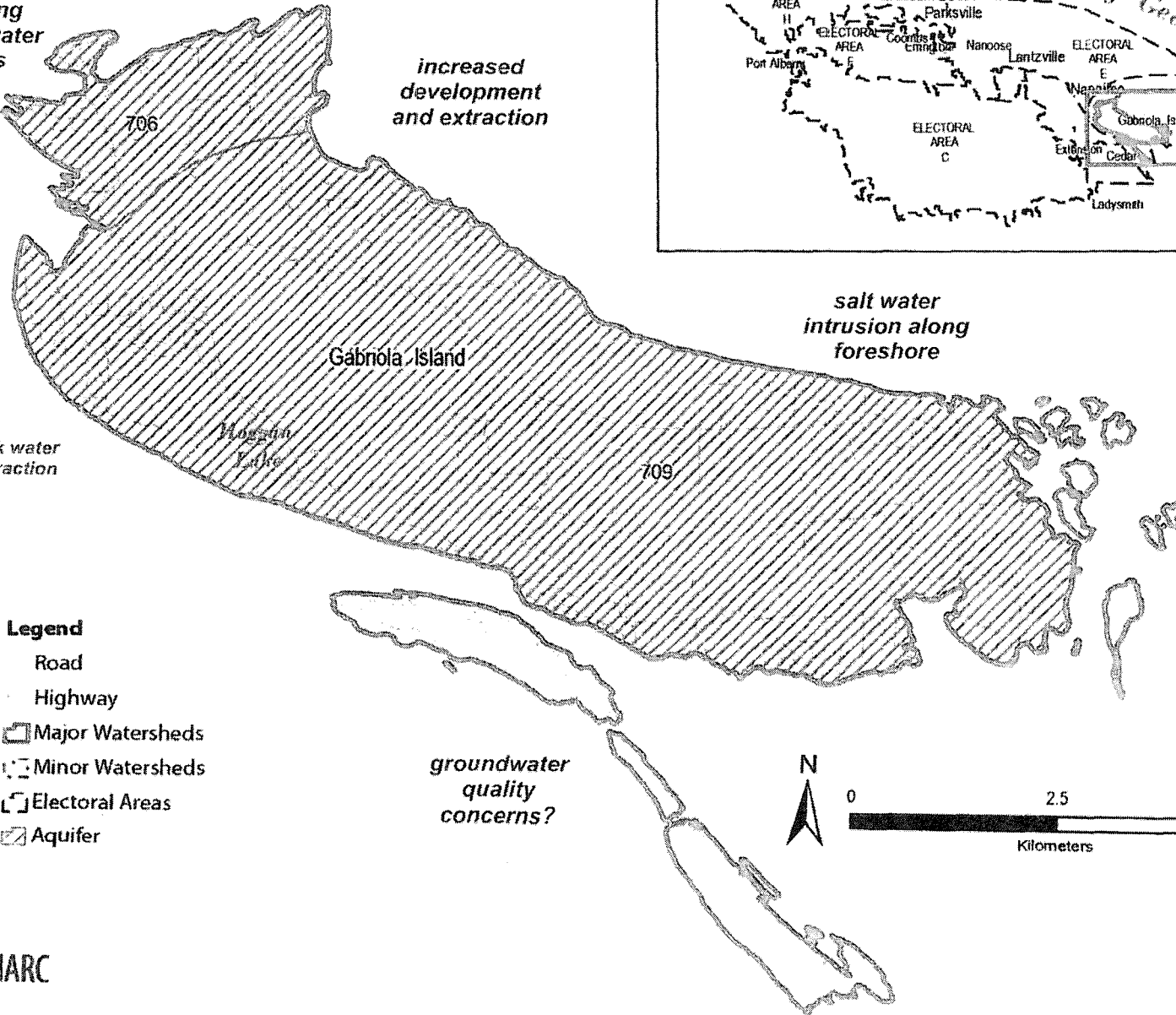
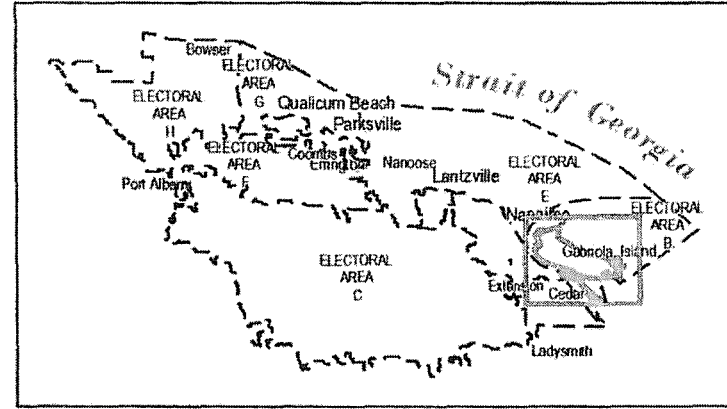
salt water
intrusion along
foreshore

high density
wells and
septics

Legend

- Road
- Highway
- ▭ Major Watersheds
- ▭ Minor Watersheds
- ▭ Electoral Areas
- ▨ Aquifer

groundwater
quality
concerns?



7.0 Gabriola Island

Analysis

Gabriola Island is largely rural with water supplies provided primarily via private wells in aquifers that rely on rainwater recharge. Precipitation in the form of rain is the only source of water on Gabriola Island. Gabriola Island is unique from the remainder of the Regional District in that the Island has limited natural water storage capacity. In the rest of the Regional District, winter precipitation is stored in the mountains in the form of snow. On Gabriola, aquifers are the only significant natural water storage available. Due to the low coastal elevation, there is no opportunity for snowpack accumulations and storage.

There are significant concerns about the availability of groundwater. Currently, many private wells go dry in summer months and due to unreliable groundwater supplies, many residents rely on rainwater harvesting as their primary (potable and non-potable) water supply. There is a concern that there is not enough groundwater available in aquifers to support further growth based on current zoning. In addition to this, commercial groundwater extraction for bulk water sales raises questions associated with the long term sustainability of the aquifers and issues related to equity of supply to neighbouring properties.

There are also concerns regarding groundwater quality in this area. There are no sewer services on the Island and residents are concerned that failing/poorly maintained or high density septic systems will impact neighbouring wells. The density of lots with individual wells and septic disposal is one of the highest in the RDN Electoral Areas. There are also naturally occurring chemicals in the groundwater in some areas (Boron, Fluoride) that exceed Canadian Drinking Water Quality standards.

There is a great deal of interest in better understanding the availability of groundwater and aligning this with further development. There is also an interest in enabling and supporting rainwater collection as a water source. There is an active citizens' group – the Gabriola Groundwater Management Society – that is interested in partnering with the RDN for groundwater protection initiatives.

Recommendations

Priority Action	Notes
1. Develop groundwater monitoring strategy to better understand water levels. <ul style="list-style-type: none"> - 1a) Install observation well in the Village - 1b) Monitor water levels in volunteer private wells 	
2. Develop a program to obtain well records and locate wells.	
3. Rural Water Quality Program	



Issues (Existing Confirmed Problems)

1. Limited groundwater supply – many private wells go dry in the summer
2. Dropping groundwater levels – in particular, north side of Island
3. Saltwater intrusion along foreshore
4. Groundwater quality – high Boron, Fluoride, pH

Concerns (Existing, Unconfirmed Problems)

1. Dropping groundwater elevations – locally around commercial extraction
2. Dropping groundwater elevations – concern of over-extraction of groundwater across the Island
3. Groundwater quality – bacteria concerns due to high density septic systems and wells
4. Groundwater quality – potential for lowered water tables to increase certain chemical concentrations
5. Future groundwater supply – Aquifers may not be able to accommodate current development potential

Threats (Activities)

1. Increased population growth
2. Bulk water extraction
3. Septic systems – poorly functioning and failed systems, as well as too high density with wells
4. Development – dropping groundwater levels, ditches, and tree clearing on hills will prevent recharge
5. Deep drilling, hydrofracturing

Opportunities

1. Explore the development of septic maintenance regulations
2. Work with the Province to provide water conservation opportunities in the Building Code
3. Allow/require rainwater harvesting using cisterns – allow with Building Codes and building permits
4. Identify groundwater availability
5. Support homeowners with knowledge on how to measure well levels, identify salinity, know when they're over pumping, and when to stop pumping
6. Education on groundwater protection
7. Work with Gabriola Groundwater Management Society
8. New development should require permeable paving
9. Gabriola folklife and village water usage information (Islands Trust rezoning)

Information

Sources:

- Ecosensitive Mapping
- Islands Trust Fund Board – Regional Conservation Plan

Gaps:

- Need an observation well in the Village area
- Need to align vulnerability and groundwater availability maps to inform zoning

Vulnerabilities

1. Aquifers may not be able to accommodate significant population growth
2. Rising sea level due to climate change
3. Vulnerable to drought

8.0 Next Steps

The key recommendations from this 'Watershed Snapshot' will be integrated into the overall *Drinking Water & Watershed Protection* program.

RDN staff will use the input to refine – refocus – the budget allocations for programs and projects in the upcoming years. The input will also allow programs to be focused on key geographic areas – places where either problems or opportunities warrant priority action.

As the RDN, its residents, and its watersheds are constantly changing, the RDN intends to create a living document to solicit public input on an ongoing basis to help guide the *Drinking Water & Watershed Protection* program in future years.

9.0 Region-Wide Action Schedule

Table 1 provides a summary of the *Priority Actions* that have come forward through the 2010 work with stakeholders and the community. These actions will be the focus of the *Drinking Water Watershed Protection Action Plan* for the next three years. A review of these priorities and related implementation progress will be held regularly, with community input, as the program unfolds.

Table 1: Region-wide Actions

Priority Action	2011	2012	2013
Program 1: Public Awareness and Involvement			
1. Develop an interactive website that allows easy access to water resource knowledge, and water stewardship resources.	Ongoing		
2. Continue outreach activities – focus on outdoor water conservation.			
3. Develop and implement a strategy for rainwater reuse.			
4. School education programs.			
Priority Action	2011	2012	2013
Program 2: Water Resources Inventory and Monitoring			
5. Develop indicators for assessing water resources, which can be monitored on a yearly basis across the Region to track the health of water resources.			
6. Develop Water Budgets for each of the seven (7) major watershed areas.			
7. Refine water budgets.			
8. Better understand water extraction by collecting water use information on representative user groups e.g. golf courses, agriculture, commercial/industrial.			
9. Create central repository for storing river flow data (high and low), stream temperature, etc. Train and work with Stewardship Groups to monitor flows and install automated data collectors as needed on priority waterways.			
10. Start groundwater level monitoring by working with major users.			
11. Work with the Ministry of Environment and local volunteers to monitor surface water quality in priority rivers, lakes, and streams.			

Table 1: Region-wide Actions (Continued)

Priority Action	2011	2012	2013
Program 3: Land Planning and Development			
12. Strengthen Regional Growth Strategy language regarding protection of drinking water and watersheds.	■		
13. Adopt Low Impact Development Engineering standards with Development Services and Sustainability Departments and MOTI.		■	
14. Update Landscape and Irrigation Design standards and bylaws. Include performance requirements for properly designed irrigation systems, soil depth, etc. to reduce water use.		■	
15. Refine requirements for aquifer and surface water assessments for subdivision and development proposals. Information should be submitted in a format that is of value in providing an increased understanding of water resources in the Region.		■	
16. Consider requiring new development to include hydrological impact modeling using the Water Balance Model or other hydrological modeling tools.		■	
Program 4: Watershed Management Planning			
17. Work with Development Services to develop bylaws addressing construction best management practices including sediment & erosion control, spill preparedness, etc.		■	
Program 5: Water Use Management			
18. Develop a voluntary Water Purveyor Working Group, to assist small water purveyors in the Region.	■	■	■
19. Provide incentives for water conservation practices, both indoor and outdoor.		■	■
20. Communicate building options for rainwater and grey water reuse in cooperation with the BC Building Safety Branch and local building inspectors.		■	

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Table 1: Region-wide Actions (Continued)

Priority Action	2011	2012	2013
Program 6: Water Quality Management			
21. Outreach to residences / business / industry for aquifer protection in at-risk or vulnerable areas e.g. vulnerable aquifers, riparian areas.			
22. Promote the Environmental Farm Plan program with agricultural community, and explore potential partnerships.			
23. Move forward with 'WellSMART' and 'SepticSMART' education.			
Program 7: Climate Change			
24. Work with MOE to develop a climate change monitoring program.			

10.0 Watershed Specific Action Schedule

Table 2 provides a summary of the *Watershed Specific Actions* that have come forward and will be the focus in each of these seven (7) areas over the next three years.

Table 2: Watershed Specific Actions

Priority Action	2011	2012	2013
Watershed 1: Big Qualicum, Nile, Thames, Rosewall			
1. Develop a better understanding of aquifers and the impacts of extraction by monitoring groundwater levels in all aquifers in the watershed area.			
a) Pursue low cost monitoring opportunities, such as monitoring unused residential wells, to help gather information on unmonitored aquifers #421, 665, 661.			
b) Monitoring wells to be installed in aquifer 662 (Qualicum River Village area)			
c) Survey groundwater quality in wells in coastal areas to identify salt water intrusion issues.			
Watershed 2: Little Qualicum			
1. Groundwater level monitoring:			
a) Spider Lake: Given its limited development potential, pursue low cost monitoring strategies in this area. Consider a volunteer residential monitoring program or look at potential of installing monitoring equipment in capped well in park (first, need to determine if it is the right aquifer).			
b) Qualicum River Estates Area: has significant development potential and an observation well is to be added in the area and to the MOE Observation Well Network in late 2010/early 2011.			

Table 2: Watershed Specific Actions (Continued)

Priority Action	2011	2012	2013
Watershed 3: French Creek, Qualicum Beach and Parksville Uplands			
1. Pursue aquifer characterization for the Parksville/Qualicum aquifers in the French Creek watershed. Partner with other agencies (e.g. Geological Survey of Canada), municipalities and water suppliers in source water protection.			
2. Consider a Rural Water Quality Improvement Program Pilot Project to promote best management practices for septic systems and agriculture in this area.			
3. Obtain information on groundwater quality in vulnerable aquifers in developed areas (e.g. Aquifer 216).			
Watershed 4: Englishman River			
1. Work with partners to better understand groundwater-surface water interactions.			
2. Consider a Rural Water Quality Improvement Program Pilot Project to promote best management practices for septic systems, fuel storage and agriculture in this area.			
Watershed 5: South Wellington to Nanoose			
1. Implement a groundwater quality monitoring study in South Wellington (nitrates, bacteria, chemicals) and Cassidy.			
2. Include high water use neighbourhoods in a <i>Community Based Social Marketing</i> (CBSM) Pilot Project.			
Watershed 6: Nanaimo River and South Area A			
1. Work with Development Services to strengthen the OCP to require a more rigorous approach to determining long term water supply for new development that protects the resource.			
2. Monitor groundwater levels in private wells in Yellow Point.			
3. Install and monitor new observation well in Yellow Point.			
4. Obtain information on groundwater quality in vulnerable aquifers that have industrial land uses (e.g. Cassidy).			

Table 2: Watershed Specific Actions (Continued)

Priority Action	2011	2012	2013
Watershed 6 (Continued): Nanaimo River and South Area A			
5. Rural Water Quality Improvement Program target/pilot project area – Yellow Point, South Wellington, Cassidy.			
6. Implement a groundwater quality monitoring study in South Wellington and Cassidy.			
Watershed 7: Gabriola Island			
1. Develop groundwater monitoring strategy to better understand water levels. a) Install observation well in the Village			
b) Monitor water levels in volunteer private wells.			
2. Develop a program to obtain well records and locate wells.			
3. Rural Water Quality Program			

Glossary

Concern (existing, confirmed problem) – Problems that people are concerned may exist, but that are currently unconfirmed. For example, in the maps they may be denoted as '*Dropping groundwater elevations?*', '*groundwater quality?*', '*ecosystem impacts?*'.

Hydrogeological assessment – An assessment of the characteristics of the aquifer and its ability to accommodate the additional groundwater demand proposed by a development.

Issue (existing, confirmed problem) - Problems that currently exist, or can be reasonably predicted to be a problem in the near term if trends continue. For example, in the maps they may be denoted as '*Dropping groundwater elevations*', '*low flows*', '*ecosystem degradation*'.

Threat (Based on human activity) – Activities on the landscape that, if managed improperly, may cause an issue to occur in the future. For example, *Waste disposal, chemical use, handling practices, development*.

Vulnerability - Areas that are particularly sensitive to human impacts and where mismanagement would lead to a greater risk to human and/or environment health. Vulnerable areas are usually based on the geology and lay of the land. – *e.g. Wellhead areas, surface water intake areas, vulnerable aquifers, recharge areas, ecologically sensitive areas*.

Water Budget – A *water budget* looks at how much water enters a watershed, how it's stored and how much water leaves. It also looks at what we are doing on the land that impacts water quality and quantity and then this information helps us to determine how much water is available for human uses while ensuring there is still enough left for natural processes.²

² Conservation Ontario. "*Integrated Watershed Management: Navigating Ontario's Future – A Water Budget Overview*", (October 2009). URL source: <http://www.conservation-ontario.on.ca/watershed_management/reports/IWM_WaterBudgetOverview_Final_Jun2.pdf>, (November 2010).



RDN REPORT	
CAO APPROVAL <i>[Signature]</i>	
EAP	
COW	✓ May 10 '11
MAY 03 2011	
RHD	
BOARD	

MEMORANDUM

TO: John Finnie, General Manager
Regional and Community Utilities

DATE: April 28, 2011

FROM: Mike Donnelly
Manager of Water Services

FILE: 5500-22-01

SUBJECT: Bylaws No. 1639 and 1640 - To Simplify Governance of RDN-Operated Water Service Areas

PURPOSE

To seek Board approval for the reorganization and updating of the RDN Water Service Area Rates and Regulations Bylaws.

BACKGROUND

The Regional District of Nanaimo owns and operates eight Water Service Areas (WSAs) serving over 2,600 properties and approximately 6,000 residents. Each of the WSAs are governed by a Rates and Regulations Bylaw, and a separate Watering Restriction Bylaw (outdoor sprinkling) that cover all regulations by which the water system will be operated including user fees, terms of use, and various charges for services.

All eight WSA Rates and Regulations Bylaws, and a further seven WSA Watering Restriction Bylaws have had a significant number of amendments over the years to the user fees and charges, operational regulations, and sprinkling restrictions. The number of amendments can result in difficulties in tracking what changes have been made to the original bylaw(s).

Progress was made in 2006 when a new, consistent rate structure was adopted for all WSAs, and similar watering restrictions were imposed in each WSA (except Morningstar WSA which has no users yet). With the rate structures and watering restrictions being the same for each Water Service Area, staff were able to make annual changes uniformly to the user rate bylaws and sprinkling bylaws. However, amendments to *each* of the individual WSA bylaws (fifteen in total) are still required to effect the changes.

To further refine the governance of the Water Service Areas, staff recommend that all eight Water Service Area Rates and Regulation Bylaws and all seven Watering Restriction Bylaws be repealed, and that they be replaced with one Water Services Fee and Charges Bylaw, and one Water Use Regulation Bylaw.

These two new bylaws will refer to all Water Service Areas. This approach will simplify governance and provide clarity with respect to the water system operations and fee structures.

Water Use Regulation Amendment

The proposed Water Use Regulation Bylaw includes changes to the outdoor sprinkling restrictions in 2011. These regulations were reviewed in partnership with the City of Parksville in order to institute consistent regulations that meet the operational and water conservation needs of both organizations given the interconnected nature of the Nanoose Bay Peninsula Water Service Area and City of Parksville systems.

The proposed regulations allow for essentially the same amount of outdoor sprinkling but provide customers with greater flexibility as to when they water their gardens and lawns. Under current regulations, during the hot summer months, residents are restricted to watering within a two-hour period in the morning and a two-hour period in the evening between 8:00am/pm and 10:00am/pm. In the proposed regulation, changes to the amount of time a person could water their lawns and gardens would remain the same, but the period in which they could water for the 2 hours would be expanded to include 6:00-10:00am and 6:00-10:00pm.

This approach will provide increased flexibility for water service area customers while still encouraging water conservation efforts. While this change may increase the incidence of water use in excess of the allotted time periods, past experience has demonstrated that the majority of residents abide by the outdoor sprinkling regulations. Staff will continue to monitor outside water use via periodic vehicle patrols.

Other changes to the Water Use Regulation Bylaw include:

- Moving 'May' into Water Conservation Level 2, from Level 1 (every Spring);
- Allowing every other day watering with 1 hour in the morning period and 1 hour in the evening period for Level 3 (Currently once per week with 4 hours in the morning and 4 hours in the evening. Level 3 is rarely in effect- only during drought conditions);
- Allowing commercial exemptions with written permission (with annual renewals); and
- Allowing exemptions for public services and utilities.

ALTERNATIVES

1. Adopt Water Use Regulation Bylaw No. 1639 and Water Services Fees & Charges Bylaw No. 1640.
2. Do not adopt the bylaws at this time and provide staff with alternate direction.

FINANCIAL IMPLICATIONS

There are no financial implications associated with Alternative 1. Changing the outdoor sprinkling regulations does not normally affect revenue. Water user rates are not being amended at this time, and therefore revenues from such are not expected to vary widely from last year.

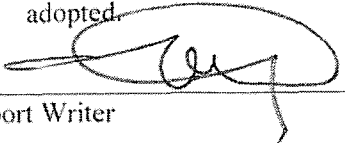
SUMMARY/CONCLUSIONS


The RDN operates eight Water Service Areas, each with its own Rates and Regulations Bylaws and separate Watering Restriction Bylaws. The regulation portions of the WSA bylaws are inconsistent and are in need of standardization. While the user rates and outdoor sprinkling regulations were standardized in 2006, any amendments to user rates or outdoor sprinkling currently requires an amendment to between seven and fifteen individual bylaws.

Staff recommend that the Board repeal the old Rates and Regulation bylaws for all eight Water Service Areas, repeal the seven Watering Restriction Bylaws, and introduce two new bylaws, one for the regulation portion (which includes water restrictions), and one for water fees & charges. These two new bylaws will provide a standardized governance structure for all eight water systems and will allow a simplified process for future bylaw amendments.

RECOMMENDATIONS

1. That "Regional District of Nanaimo Water Use Regulation Bylaw No. 1639, 2011" be introduced and read three times.
2. That "Regional District of Nanaimo Water Use Regulation Bylaw No. 1639, 2011" be adopted.
3. That "Regional District of Nanaimo Water Services Fees & Charges Bylaw No. 1640, 2011" be introduced and read three times.
4. That "Regional District of Nanaimo Water Services Fees & Charges Bylaw No. 1640, 2011" be adopted.


Report Writer


General Manager Concurrence


C.A.O. Concurrence

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1639

A BYLAW TO REGULATE THE TERMS AND CONDITIONS UNDER WHICH WATER IS TO BE SUPPLIED AND USED IN REGIONAL DISTRICT OF NANAIMO WATER SERVICE AREAS

WHEREAS the Regional District of Nanaimo established water services in the communities of Nanoose Bay, French Creek, Melrose Terrace, Surfside, Decourcey, San Pareil, Morningstar Creek, and Englishman River pursuant to Bylaws No. 694, 867, 874, 1096, 1170, 1125, 1354 and 1397;

AND WHEREAS section 796.2 of the Local Government Act provides that a board may, by bylaw, regulate and prohibit in relation to a regional district service;

AND WHEREAS the Regional District adopted separate water regulation bylaws for each service;

AND WHEREAS the Board wishes to amalgamate the individual bylaws into one water regulation bylaw that applies to all water services listed in this bylaw;

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

1. Definitions

In this bylaw:

“**Appliance**” means a device or mechanism, other than one owned and operated by the Regional District, in or through which water is piped or used for a domestic or commercial purpose.

“**Applicant**” means a property owner or agent making application for a Service Connection to supply water from the System.

“**Backflow**” means the flow of water or other liquids, gases or solids from any source in the reverse direction back into the water System.

“**Backflow Assembly Tester**” means a person holding a valid certificate from the American Waterworks Association, British Columbia Section for testing backflow prevention assemblies and approved by the Regional District of Nanaimo.

“**Backflow Preventer**” means a mechanical apparatus installed in a water system that prevents backflow of contaminants into the potable water System and meets the design and installation criteria requirements of the CAN/CSA standards B64. 10-01 / Series-01 or most current edition.

“**Board**” means the Board of the Regional District of Nanaimo.

“Boulevard” means that portion of any highway other than the paved, improved or main traveled roadway, driveway or sidewalk and includes any landscaped median.

“Building” means any structure that is used or intended to be used for the purpose of supporting or sheltering any use or occupancy.

“Building Inspector” means an individual designated by the Board as a Building Inspector for the Regional District;

“Bylaw Enforcement Officer” means a person appointed by or contracted by the Regional District of Nanaimo to enforce this bylaw.

“Commercial” means, in this bylaw, use for the operation of a trade or business, and includes uses such as institutional, industrial, but not residential use.

“Consumer” means a person to whom water is supplied under this bylaw.

“Cross Connection” means any actual or potential physical connection whereby the Regional District Water System is connected, directly or indirectly, with any non-potable or unapproved private water supply system, sewer, drain, conduit, well, pool, storage reservoir, plumbing fixture, or any other device which contains, or may contain contaminated water, liquid, gases, sewage, or other waste, or unknown or unsafe quality which may be capable of imparting contamination to the public water supply as a result of backflow.

“Curb Stop” means a shut-off valve installed by the Regional District with a protective housing to the surface of the ground.

“Divert” means to send on a course or in a direction different from the planned or intended one.

“Domestic” means water for household purposes, such as drinking, food preparation, bathing, washing clothes and dishes, flushing toilets, and watering lawns and gardens.

“Disconnect/Disconnection” means the turning off, or a physical separation of the Consumer Supply Line from the Regional District water system.

“District” means the Regional District of Nanaimo.

“Dwelling Unit” means one or more rooms for residential occupancy connected together with facilities for living, sleeping, cooking and having a separate entrance.

“Exempted Person” means an Owner or Occupier of property identified in Schedule ‘A’ as exempt from one or more of the regulations under this bylaw.

“Fill” means fill more than 15% of the total capacity of a residential swimming pool, wading pool, hot tub, garden pond or decorative fountain with water.

“General Manager” means the General Manager of the Regional District of Nanaimo Regional and Community Utilities Department or alternate.

“Household Use” means the use of water for ordinary domestic activities customarily incidental to the residential use of land including culinary, sanitary and laundry purposes.

“Hydrant” means a device equipped with special threaded connections owned and maintained by the Regional District within a highway, right of way, easement or on Regional District property, connected to a water main to supply water for fire protection purposes.

“Improper” means not suitable or not appropriate, or potentially causing harm.

“Manager of Financial Services” means an individual designated by the Board as the Manager of Financial Services for the Regional District;

“Manager of Water Services” means the Manager of Water Services of the Regional District of Nanaimo Regional and Community Utilities Department or alternate.

“Meter” means a device that measures and records the quantity or flow of water.

“Micro-irrigation or Drip-irrigation System” means a system using irrigation components which consume less than 90 litres (20 gallons) per hour and operate at less than 17,578 kg/sq. metre (25 psi) to deliver water to the root zone of the plant material being irrigated, and includes spray emitter systems (Micro-Sprays), point source emitters and linear tape systems as defined in the BC Trickle manual prepared and published by the BC Ministry of Agriculture and Food, Resource Management Branch (issue 1999), but does not include weeper or soaker hoses.

“Multi-Family Dwelling” means developed land whereon more than one residential dwelling unit is located, and shall include, but not be limited to duplexes, triplexes, apartment houses, condominiums, townhomes, attached single-family homes, boarding houses, and group homes.

“Newspaper” has the same meaning as in the *Local Government Act*.

“Occupier” has the same meaning as in the *Local Government Act*.

“Owner” has the same meaning as in the *Local Government Act*.

“Parcel of Land” means any lot, block or other area in which land is held or into which it is subdivided, but does not include a highway.

“Plumbing Fixture” means any one of or any combination of a sink, shower, washing or bathing tub, washing machines or any equipment intended to be used for washing or rinsing.

“Premise/Premises” includes land, buildings and structures.

“Private” means premises or a water system not owned or operated by the Regional District.

“RDN” means the Regional District of Nanaimo.

“Reconnect/Reconnection” means to turn on, or physically connect the Consumer Supply Line to the Regional District water system.

“Regional District” means the Regional District of Nanaimo.

“Residential” means the premises at which household use activities take place, and excludes commercial uses.

“Restricted Hours” means those time periods during which outdoor watering is permitted as specified in this bylaw.

“Service” has the same meaning as in the *Local Government Act*.

“Service Area” means the area in which a water service is being provided.

“Service Line” means a Water Service Connection.

“Single Family Dwelling Unit” means a detached dwelling designated for or occupied exclusively by one family and owned or leased by the occupants on a continuing basis for 30 days or more per year.

“Sprinkler” means a hose connected or other sprinkler system but excludes a micro-irrigation or drip-irrigation system.

“Stage” means the Stages 1, 2, 3 and 4 of water conservation levels prescribed in Schedule ‘A’ of this bylaw.

“System” means the water distribution system owned and operated by the Regional District.

“Terms” means a statement of what is required as part of an agreement.

“Unit” means a self-contained space with a separate entrance that has a plumbing fixture or fixtures.

“Vehicle” means a device, except boats and seaplanes in, on or by which a person or thing is or may be transported or drawn, except a device designed to be moved by human power.

“Water” means water supplied by the RDN directly or indirectly to an Owner or Occupier.

“Watering Days” means those days during which outdoor watering is permitted in Schedule ‘A’ of this bylaw.

“Water Main” means the water supply pipeline in a highway or district right-of-way or easement being part of the System.

“Water Rate” means an amount levied under Schedule ‘A’ of Bylaw No. 1640, cited as “Regional District of Nanaimo Water Services Fees & Charges Bylaw No. 1640, 2011”.

“Water Service Connection” means a water supply pipe connected to the System and extending to the property line of the consumer for the purpose of conveying water to the consumer. A service connection shall include a water meter and a shut-off valve and shall be the property of the District.

“Water Use Restrictions” means the outdoor watering and water conservation levels prescribed in Schedule ‘A’ of this bylaw.

2. **Conditions of Supply**

- (1) The Regional District is not liable for any injury, damage or loss, including economic loss, to any person or property:
 - (a) arising or occurring from the use of water from the System;
 - (b) resulting from a failure of water supply to any Consumer;
 - (c) resulting from any impurity, lack of pressure, excess of pressure, or other condition affecting water supplied by the System.

3. **Illegal Connections and Temporary Water Use Connection**

- (1) No person may connect, or allow to be connected, or allow to remain connected any Premises to the System without prior written authorization from the Regional District, in accordance with Schedule ‘B’ of this bylaw.
- (2) Except for Fire Department use, no person shall connect, cause to be connected, or allow to remain connected any piping, fixture, fitting, container or Appliance to a fire hydrant, stand pipe or any other temporary water connection without first obtaining a Regional District of Nanaimo Fire Hydrant Use Permit, in accordance with Schedule ‘C’ of this bylaw.

4. **Private Wells & Water Sources**

No person connected to the System may connect a private well or other water supply source to the System. Any person with a well or other water supply source connected to the System shall provide the Regional District with proof of disconnection.

5. Tampering with the System

- (1) No person may tamper with, operate, remove or make any alteration or connection to any hydrant, standpipe, meter, curb stop, valve, pumping station, reservoir chamber, or other fixture or appurtenance connected with the System without prior written authorization from the Regional District, in accordance with Schedules 'B' and 'C' of this bylaw;
- (2) A person must not willfully damage, destroy, uncover, deface or otherwise tamper with any part of the System.
- (3) No pump, booster or other device shall be employed by a Consumer for the purposes of or having the effect of, increasing service line water pressures to higher than normal, without prior written authorization from the Regional District. The Regional District may, without notice, discontinue service to any customer employing such a pump, booster or other device.
- (4) Except as provided in Schedule 'B' of this bylaw, the General Manager shall prescribe all standards for the repair or alteration of a Water Service Connection and for any mains, pipes or Water Service connected or attached to the System.
- (5) No works of any kind connected to the System, either for the laying of new or repair of old service pipes, shall be done on or under any street or land within the Service Area by any persons other than a person authorized by the Regional District.

6. Water Use Restrictions

- (1) An owner or occupier of property must not divert water from the System to the benefit of any other parcel of land, premises or purpose, other than that permitted at the time of approval.
- (2) The Regional District may, with seven calendar days notice, disconnect the Water Service to any Premise for any of the following reasons and shall not be liable for damages resulting there from:
 - a. Failure to repair or replace defective pipes, fittings, valves, tanks or Appliances which are leaking or are otherwise not in a good state of repair and which are, or may become, a cause of water waste.
 - b. Illegal connections.
- (3) The Regional District may, whenever in its discretion the public interest so requires, suspend or limit the consumption of water from the System or may regulate the hours of use, or may further prescribe the manner in which such water may be used. The Regional District may disconnect the water supply to any Consumer if it has reason to believe that the condition of the Consumer's service line poses a reasonable threat of contamination to the System.
- (4) No person shall damage or allow the deterioration of any Appliance that will result in a waste of water.

- (5) No person, being an Owner or Occupier of property that is connected to or serviced by a water System, shall use water or cause water to be used contrary to the water use restrictions that are in effect at the time of use.
- (6) An RDN Bylaw Enforcement Officer has the authority to enter at all reasonable times on any property that is subject to this bylaw to ascertain whether the requirements of this bylaw are being met or observed.
- (7) No person shall waste water by using more water than is required to provide a service, produce a product or complete a task, including, but not limited to, allowing a tap or hose to run water unnecessarily and over-watering plants or lawns.

7. Water Conservation Levels

- (1) Water Conservation Level 1 restrictions will automatically be in effect for the months of April, September and October in any year.
- (2) Water Conservation Level 2 restrictions will automatically be in effect for the months of May, June, July and August in any year.
- (3) Water Conservation Level 3 restrictions will only be imposed if required.
- (4) Water Conservation Level 4 restrictions will only be imposed if required.
- (5) Notwithstanding the application of Water Use Restrictions pursuant to Section 7 (1,2,3 & 4) of this bylaw, the Manager of Water Services shall recommend higher Water Conservation Levels as required.
- (6) The Manager of Water Services shall give notice, or cause notice to be given, to persons in the service area of the applicable Water Use Restrictions and when they take effect. Such notice shall be advertised in a Newspaper and posted on the RDN web site.
- (7) In making a determination under Section 7, the Manager of Water Services shall consider, but shall not be bound by, well levels, pumping hours, system pressures and reservoir levels.
- (8) Schedule 'A' prescribes the Water Use Restrictions and water conservation levels that are enforceable under this bylaw.

8. Permits, Exemption and Special Cases

- (1) The RDN may issue permits for special cases and in the manner prescribed in Schedule 'A'.
- (2) Exemptions and special cases to the regulations in this bylaw are prescribed in Schedule 'A'.
- (3) Exempted Persons and Permit holders are exempted from Section 7 to the extent permitted by Schedule 'A' and by the conditions in the Permit, where applicable.

9. Meters

- (1) Every water service connection shall be installed with a meter provided by the Regional District. The General Manager shall determine the size of meter required and the Regional District shall cause the meter to be installed in a location convenient to system operations and maintenance.
- (2) No person shall in any way tamper with, operate or remove a water meter and associated works.
- (3) Owners, occupants or tenants shall ensure that landscaping does not interfere with access to the water meter or curb stop.

10. Service Connections

- (1) A Water Service Connection shall be installed in accordance with the requirements of the British Columbia Plumbing Code, and shall be constructed by the owner entirely at his/her own expense, in accordance with the specifications outlined in Schedule 'B' of this bylaw.
- (2) All persons shall maintain the Water Service Connection in good order and repair, and protect it from frost at their own risk and expense.
- (3) When a premise is vacated the property owner shall notify the Regional District to ensure the water supply is turned off.
- (4) Water Service Connection charges are provided in Schedule 'B' of "Regional District of Nanaimo Water Services Fees & Charges Bylaw No. 1640, 2011".

11. Fire Hydrant Use

- (1) Any requests for the use of a fire hydrant must be made by using the application form shown in Schedule 'C'.
- (2) Fire Departments are exempt from this permitting process.

12. Penalty

- (1) Any person who commits any act or offence or permits any act to be done in contravention of this bylaw commits an offence.
- (2) A person who commits an offence under this bylaw is liable on summary conviction to a penalty of not less than \$100.00 and not more than \$500.00 for a first offence; and for each subsequent offence, to a fine of not less than \$500.00 and not more than \$2,000.00, with the exception of outdoor watering infractions.
- (3) A person who contravenes the Water Use Restrictions set out in this bylaw commits an offence and is subject to a fine of \$50.00 for a first offence, \$150.00 for a second offence and \$300.00 for a third offence, plus costs in accordance with the Offence Act.

13. Citation

This bylaw may be cited for all purposes as “Regional District of Nanaimo Water Use Regulation Bylaw No. 1639, 2011”

14. Repeal

The following bylaws, and any amendments thereto, are hereby repealed:

- (a) “San Pareil Water Uses Restrictions Bylaw No. 1340, 2003”
- (b) “Decourcey Water Uses Restrictions Bylaw No. 1342, 2003”
- (c) “French Creek Water Uses Restrictions Bylaw No. 1343, 2003”
- (d) “Surfside Water Uses Restrictions Bylaw No. 1346, 2003”
- (e) “Englishman River Community Water Uses Restrictions Bylaw No. 1384, 2004”
- (f) “Melrose Terrace Water Local Service Area Uses Restrictions Bylaw No. 1435, 2005”
- (g) “Nanoose Bay Peninsula Water Service Area Uses Restrictions Bylaw No.1592, 2010”

Introduced and read three times this ____ day of _____, 2011.

Adopted this ____ day of _____, 2011.

CHAIRPERSON

SR. MGR., CORPORATE ADMINISTRATION

Chairperson

Sr. Mgr., Corporate Administration

SCHEDULE 'A'

1. WATER CONSERVATION LEVEL 1 – Every Other Day Watering

April, September and October

During the months of April, September and October, no person shall:

- (a) use a sprinkler to water a lawn or garden growing on a property with
 - i. an even numbered address except on even numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 3 hours in each period;
 - ii. an odd numbered address except on odd numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 3 hours in each period.
 - iii. an address on Pylades Drive except on even numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 3 hours in each period.;
 - iv. an address on Bissel Road or Ingram Road except on odd numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 3 hours in each period;
 - v. an odd-numbered address from 1027 to 1117 Surfside Drive, or an odd-numbered address from 927 to 935 McFeely Drive, except on Tuesday, Friday or Sunday between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 3 hours in each period;
 - vi. an odd-numbered address from 985 to 1021 Surfside Drive, or an even-numbered address from 982 to 1010 Surfside Drive, except on Monday, Wednesday or Saturday between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 3 hours in each period; and
 - vii. an odd-numbered address from 965 to 977 Surfside Drive, or an odd-numbered address from 939 to 959 McFeely Drive, or an even-numbered address from 954 to 976 Surfside Drive, except on Tuesday, Thursday and Sunday between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 3 hours in each period.

2. WATER CONSERVATION LEVEL 2 – Every Other Day Watering

May, June, July and August

For the months of May, June, July and August, no person shall:

- (a) use a sprinkler to water a lawn or garden growing on a property with
 - i. an even numbered address except on even numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 2 hours in each period;
 - ii. an odd numbered address except on odd numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 2 hours in each period;
 - iii. an address on Pylades Drive except on even numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 2 hours in each period;
 - iv. an address on Bissel Road or Ingram Road except on odd numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 2 hours in each period;
 - v. an odd-numbered address from 1027 to 1117 Surfside Drive, or an odd-numbered address from 927 to 935 McFeely Drive, except on Tuesday, Friday or Sunday between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 2 hours in each period;
 - vi. an odd-numbered address from 985 to 1021 Surfside Drive, or an even-numbered address from 982 to 1010 Surfside Drive, except on Monday, Wednesday or Saturday between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 2 hours in each period; and
 - vii. an odd-numbered address from 965 to 977 Surfside Drive, or an odd-numbered address from 939 to 959 McFeely Drive, or an even-numbered address from 954 to 976 Surfside Drive, except on Tuesday, Thursday and Sunday between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 2 hours in each period.

3. WATER CONSERVATION LEVEL 3 – Every Other Day Watering

If the Manager of Water Services gives notice that a reduction in water use is necessary requiring Water Conservation Level 3 Restrictions, no person shall:

- (a) use a sprinkler to water a lawn or garden growing on a property with
 - i. an even numbered address except on even numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 1 hour in each period;

- ii. an odd numbered address except on odd numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 1 hour in each period.
 - iii. an address on Pylades Drive except on even numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 1 hour in each period;
 - iv. an address on Bissel Road or Ingram Road except on odd numbered days between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 1 hour in each period;
 - v. an odd-numbered address from 1027 to 1117 Surfside Drive, or an odd-numbered address from 927 to 935 McFeely Drive, except on Tuesday, Friday or Sunday between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 1 hour in each period;
 - vi. an odd-numbered address from 985 to 1021 Surfside Drive, or an even-numbered address from 982 to 1010 Surfside Drive, except on Monday, Wednesday or Saturday between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 1 hour in each period; and
 - vii. an odd-numbered address from 965 to 977 Surfside Drive, or an odd-numbered address from 939 to 959 McFeely Drive, or an even-numbered address from 954 to 976 Surfside Drive, except on Tuesday, Thursday and Sunday between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm, and for no more than 1 hour in each period.
- (b) wash sidewalks or driveways at any time using a hose.
 - (c) wash a vehicle or boat except by using a hand-held container or hose equipped with a shutoff device.
 - (d) operate or cause the operation of decorative fountains which do not use re-circulated Water.
 - (e) fill a residential swimming pool, wading pools, garden ponds or decorative fountains.

4. **WATER CONSERVATION LEVEL 4 – Comprehensive Watering Ban**

If the Manager of Water Services gives Notice that a reduction in Water use is necessary requiring Water Conservation Level 4 restrictions, no person shall:

- (a) water lawns or boulevards at any time including newly seeded or sodded lawns.
- (b) use a hose to wash exterior building surfaces including windows, parking lots, driveways or sidewalks.
- (c) operate or cause the operation of decorative fountains which do not use recirculated Water.
- (d) water trees, shrubs, flowers or vegetables except by:
 - i) hand using a hose with a shut-off device, by hand-held container.

- ii) Micro-irrigation or drip-irrigation system between the hours of 6:00 am to 10:00 am and 6:00 pm to 10:00 pm.
- (e) wash a Vehicle or Boat.
- (f) fill a residential swimming pool, wading pools, garden ponds or decorative fountains.

5. EXEMPTION PERMITS

- (a) A person who has installed a new lawn, either newly seeded or new sod, may apply to the Regional District of Nanaimo Water Services Department for a permit which will allow the new lawn to be sprinkled outside of permitted days, but within restricted hours. The permit shall be conspicuously displayed at the premises for which it was issued.
- (b) New sod or newly seeded lawn may be sprinkled for 14 days after installation, provided a permit pursuant to Subsection (a) has been issued for the premises at which the new lawn has been installed.
- (c) After expiration of a permit issued under Subsection (a), a person may apply for and may obtain subsequent permits under Subsection (a).
- (d) Permits will not be issued or be valid during Water Conservation Level 3 or 4 restrictions.

6. SPECIAL CASES

6.1 ALL USERS:

A person may:

- (a) water flowers, shrubs, trees or vegetables on days other than and including their assigned Water Conservation Level 1, 2 or 3 Watering days, providing Watering is done by hand using a hose with a shut-off nozzle or hand-held container.
- (b) water new trees and shrubs during installation and for the following 24 hours. Afterwards watering must comply with Water Conservation Level restrictions.
- (c) Use micro-irrigation or drip-irrigation systems during:
 - (i) Water Conservation Levels 1, 2 and 3 to water trees, shrubs, flowers or vegetables at any time;
 - (ii) Water Conservation Level 3 to water lawns, boulevards and playing fields on any day at any time but no more than once per week. Watering must take place during applicable restricted hours unless watering during these hours is not otherwise possible.

- (d) wash exterior building surfaces including windows, parking lots, driveways or sidewalks prior to the application of a product such as paint, preservative, stucco or preparation of a surface prior to paving or repainting of bricks.

6.2 COMMERCIAL PROPERTIES

Commercial Properties may vary hours of use with written permission of the Manager of Water Services. Requests for variations to this regulation must be made annually.

6.3 PUBLIC SERVICE AND UTILITIES

Public service premises and utilities may vary hours of use as required to accomplish maintenance and upkeep of public installations.

Chairperson

Sr. Mgr., Corporate Administration

SCHEDULE 'B'

SERVICE CONNECTIONS

Installation and maintenance of water service connections inside property lines is the responsibility of the registered property owner.

Work on water service connections must not begin until the proper permits and authority have been obtained from the Regional District.

Quality of workmanship and materials are subject to approval by the Regional District before a water service connection will be activated.

Devices installed by the Regional District (i.e., curb stops, water meters, check valve, service boxes) are the property of the Regional District. Unauthorized connections, operation of valves, etc., may result in service disconnection.

Service Connections – Sequence of Events

1. An applicant for a Water Service Connection must make the application and must not connect any parcel of land to the system except in accordance with the following requirements:
 - (a) The applicant must apply to the Regional District for a Water Service Connection in connection with an application for a building permit where applicable or, where no building permit is required, on the application form provided by the Regional District.
 - (b) Following the acceptance of the application by the Regional District, the property owner must excavate a trench from the building or structure to be served by the Water Service Connection to the curb stop and must prepare a pipe bedding and lay pipe in the trench, which pipe is to be left uncovered until the inspection by the Regional District under Subsection (d).
 - (c) The property owner must contact the Regional District office to arrange for an inspection appointment of the curb stop pipe bedding and pipe installed under Subsection (b) and must not cover the pipe with soil or other cover material until the work has been inspected and approved by the Regional District in accordance with Subsections (d) and (e) and Section 2.
 - (d) The Regional District Building Inspector is authorized to inspect the trenching, pipe bedding, cover material and pipe.
 - (e) Following satisfactory inspection, Regional District staff may connect the Water Service Connection to the System.
2. Following the installation of the Water Service Connection, and provided that no leaks or problems are found, the property owner may cover the pipe and backfill the trench.

Chairperson

Sr. Mgr., Corporate Administration

SCHEDULE 'C'

FIRE HYDRANT USE PERMITTING

1. Applications for a fire hydrant connection are to be made using the "Fire Hydrant Use Permit" Application form included in this schedule.
2. Fire Hydrant use will be approved at the sole discretion of the Manager of Water Services.
3. Fire Hydrant use permits will only be considered for works or activities being carried out within the permit application Water Service Area.
4. Fire Hydrant Use will not be granted for the purposes of water resale.
5. Fire Hydrant connections and disconnections will be made by RDN staff only.
6. Regional District of Nanaimo Staff will determine the allowable flow rate for each permitted use.
7. The Regional District of Nanaimo retains the right to disconnect any connection at any time.



**WATER SERVICES DEPARTMENT
FIRE HYDRANT USE PERMIT
APPLICATION FORM**



APPLICANT'S NAME: _____
MAILING ADDRESS: _____ **Postal Code** _____
TELEPHONE: _____ **CELL:** _____ **FAX:** _____ **EMAIL:** _____

- This application is for use of the fire hydrant located at _____
- Anticipated for the period _____ to _____
- For the following uses: _____
- Project Description: _____
- RDN Water Service Area: _____

I understand and agree to the following:

- Application fee is \$50.00
- Fire hydrant use fee/deposit in the amount of \$500.00.
- The fire hydrant may not be used until this Permit has been issued and the RDN staff have installed backflow prevention devices.
- Fire hydrant use is restricted to only the above-noted uses that have been accepted by the Manager.
- The Applicant may not leave the hydrant and associated equipment unattended.
- The permit may be revoked by the RDN at any time, where deemed necessary.
- On completion the RDN will inspect and maintain the hydrant as required, deduct a \$125 fee, any repair costs and water consumption fees from the \$500 deposit, and refund/invoice the balance to the Applicant.

SIGNATURE OF APPLICANT: _____ **DATE:** _____

Personal information collected on this form is collected for the purpose of processing this application and for administration and enforcement. The personal information is collected under the authority of the *Local Government Act* and RDN bylaws. If you have any questions about this collection, contact the Manager of Water Services at 6300 Hammond Bay Road in Nanaimo or by phone at 390-6560. Personal information or business information submitted on this form is not considered to be supplied in confidence. **Applicant's initials** _____

Water Services Department Use Only Below This Line

Permit Approved **Permit Denied** for the following reasons: _____

_____ **Date:** _____ **Hydrant #** _____ **Permit #** _____

Manager of Water Services

Meter Reading at Start: _____ (m³) **Meter Reading at Completion:** _____ (m³)

Application Fee	(a) \$50.00 (11-__-98-00)
Damage Deposit	(b) \$500.00 (14-35-00-00-00)
Refund equals the Damage Deposit less,	
Less RDN inspection/maintenance fee (\$125)	(c) \$125.00 (11-__-98-00)
Less costs for any damages	(d) \$ _____
	(12% HST) _____
Less water consumption at \$2.00/cubic meter	
Consumption m3 _____ x \$2.00 =	(e) \$ _____
Amount to refund or invoice (b minus c+d+e)	\$ (11-__-98-00)

Refund/Invoicing Approved by _____ **Date:** _____

Manager of Water Services

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1640

**A BYLAW TO ESTABLISH FEES AND CHARGES FOR
REGIONAL DISTRICT OF NANAIMO
WATER SERVICES**

WHEREAS the Regional District of Nanaimo established water services in the communities of Nanoose Bay, French Creek, Melrose Terrace, Surfside, Decourcey, San Paniel, Morningstar Creek, and Englishman River pursuant to Bylaws No. 694, 867, 874, 1096, 1170, 1125, 1354 and 1397;

AND WHEREAS in accordance with section 803 of the *Local Government Act*, these bylaws authorize the Regional District to recover service costs through the imposition of fees and charges;

AND WHEREAS in accordance with section 363 of the *Local Government Act*, the Regional District adopted separate water rate bylaws for each service;

AND WHEREAS the Board wishes to amalgamate the individual water rate bylaws into one fees and charges bylaw that applies to all water services set out in this bylaw;

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

1. Definitions

In this bylaw:

“**Bill**” means a water bill.

“**Board**” means the Board of the Regional District of Nanaimo.

“**Fees & Charges**” means an amount levied under Schedule ‘B’.

“**Meter**” means a device that measures and records the quantity or flow of water.

“**Regional District**” means the Regional District of Nanaimo.

“**Service**” has the same meaning as in the *Local Government Act*.

“**Service Area**” means the area in which a water service is being provided.

“**Unit**” means a self contained space with a separate entrance that has a plumbing fixture or fixtures.

“**Water Bill**” means a bill for an amount levied under Schedule ‘A’.

“**Water Rate**” means an amount levied under Schedule ‘A’.

2. Application to Service Areas

This bylaw applies to the service areas set out in Schedule 'C'.

3. Water Rates, Fees & Charges

The water rates, fees and charges set out in Schedules 'A' and 'B' are hereby imposed on the service areas set out in Schedule 'C'.

4. Connections, Disconnections and Reconnections

- (1) Connections are subject to the charges set out in Schedule B and processes set out in Bylaw No. 1639, cited as "Regional District of Nanaimo Water Use Regulation Bylaw No. 1639, 2011".
- (2) In the event of a disconnection, Schedule 'A' water rates shall be imposed on the basis of either the meter reading at the time of disconnection or the minimum rate, whichever is greater.
- (3) Reconnections are subject to the charge set out in Schedule 'B'.

5. Bill Payment, Adjustments and Overdue Accounts

- (1) Water bills will be issued semi-annually as follows:

- i. May 16th; and
- ii. September 16th.

The Regional District of Nanaimo may vary billing dates as it deems necessary or desirable.

- (2) Water bills are due and payable on the date set out in the bill.

Amounts owing for the current billing period will be discounted 10% if paid in full on or before the due date. No discount will be applied to accounts in arrears.

- (3) Billing complaints and requests for adjustments must be received by the Regional District within one year of the applicable bill's due date. Requests received after that time will not be considered.
- (4) Bill adjustment requests are subject to the fees set out in Schedule 'B'.
- (5) Any billing matters under dispute shall be resolved in accordance with Regional District of Nanaimo Adjustment for Water Leak Policy D1.1.
- (6) Water bills that remain unpaid after the 31st of December in any year shall be deemed to be taxes in arrears in accordance with the *Local Government Act*.
- (7) The Manager of Financial Services is authorized to make billing adjustments in accordance with applicable Regional District of Nanaimo policy.

6. Citation

This bylaw may be cited for all purposes as the “Regional District of Nanaimo Water Services Fees & Charges Bylaw No. 1640, 2011”.

7. Repeal

The following bylaws, and any amendments thereto, are hereby repealed:

- (a) “French Creek Water Supply Specified Area Regulations and Rates By-law No. 619, 1983”;
- (b) “Surfside Properties Water Supply Specified Area Regulations and Rates Bylaw No. 700, 1986”;
- (c) “Decourcey Water Supply Local Service Area Rates and Regulations Bylaw No. 1097, 1998”;
- (d) “Morningstar Creek Water Local Service Area Establishment Bylaw No. 1125, 1998”;
- (e) “San Pareil Water Supply Local Service Area Rates and Regulations Bylaw No. 1172, 1999”;
- (f) “Englishman River Community Water Supply Service Area Rates and Regulations Bylaw No. 1383, 2004”;
- (g) “Melrose Terrace Community Water Supply Service Area Establishment Bylaw No. 1397, 2004”;
and,
- (h) “Nanoose Bay Peninsula Water Local Service Area Rates and Regulations Bylaw No. 1468, 2005”.

Introduced and read three times this ____ day of _____, 2011.

Adopted this ____ day of _____, 2011.

CHAIRPERSON

SR. MGR., CORPORATE ADMINISTRATION

Chairperson

Sr. Mgr., Corporate Administration

SCHEDULE 'A'

WATER RATES

1. (a) Calculated on the average daily consumption per unit:
 - i) For the first 0.7 cubic meters per day, \$0.90 per cubic meter.
 - ii) From 0.701 to 1.4 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 1.401 to 2.1 cubic meters per day, \$1.31 per cubic meter.
 - iv) From 2.101 to 2.8 cubic meters per day, \$1.56 per cubic meter.
 - v) From 2.801 to 3.5 cubic meters per day, \$2.08 per cubic meter.
 - vi) Over 3.501 cubic meters per day, \$3.12 per cubic meter.
- (b) Minimum rate is \$0.27 per day.
- (c) Un-metered connections - \$3.00 per day.
- (d) Schools – As per (a) above plus \$80.00 per billing period.
- (e) Un-metered fire lines, \$65.00 per billing period.

Chairperson

Sr. Mgr., Corporate Administration

SCHEDULE 'B'

SERVICE CONNECTION, FIRE HYDRANT USE, AND WATER BILL ADJUSTMENT FEES AND CHARGES

1. **Connection Charges**
 - (a) To existing servicing connections \$ 580.00
 - (b) To new service connections \$ 1,000.00
(Applicant to pay any additional costs)

2. **Reconnection** to any water service disconnected pursuant to this bylaw \$ 100.00

3. **Hydrant Use Fees**

Application fee payable on receipt of the application	\$ 50.00 (plus HST)
Inspection and Maintenance fee	\$125.00 (plus HST)
Damage deposit on RDN equipment*	\$ 500.00
Consumption charge per cubic meter	\$ 2.00

* Note: The damage deposit will be returned to the applicant less any other noted charges.

4. **Water Bill Adjustment Fees**

Administration Fee (all applications)	\$ 20.00 (plus HST)
Meter Accuracy Test Fee (if requested by applicant)	\$ 50.00 (plus HST)
Meter Re-reading Fee (if requested by applicant)	\$ 50.00 (plus HST)
Meter Replacement Fee (if requested by applicant)	\$200.00 (plus HST)



**WATER SERVICES DEPARTMENT
USER FEE ADJUSTMENT FOR WATER LEAKS
APPLICATION FORM**



APPLICANT'S NAME: _____ **Acct. No.** _____

MAILING ADDRESS: _____ **Postal Code** _____

PROPERTY ADDRESS (if different than above): _____

TELEPHONE: _____ **CELL:** _____ **FAX:** _____ **EMAIL:** _____

- RDN Water Service Area: _____
- Cause of Leak: _____
- Date Leak was discovered: _____ Date repaired: _____
- Repairs done by: _____ Meter Reading _____
- Insurance Claim for Repairs: Yes No Receipts attached _____

I understand and agree to the following:

- Administration fee is \$20.00 (all applications)
- Meter accuracy test is \$50.00 (if requested by applicant)
- Meter re-reading is \$50.00 (if requested by applicant)
- Meter replacement is \$200.00 (if requested by applicant)

**PLEASE NOTE: YOUR ACCOUNT WILL BE REVIEWED. IF AN
ADJUSTMENT IS WARRANTED IT WILL BE CALCULATED BELOW.
PAY YOUR GARBAGE, RECYCLING, AND SEWER CHARGES (IF APPLICABLE) WHILE
WE CONSIDER YOUR WATER USER FEES.**

- I/we understand that water account adjustments may be considered only once in a five year period.

SIGNED: _____ **DATE:** _____

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This Section for RDN Use Only

Type of Leak:	Service Line	Other	
Original Water Bill Amount	_____	Adjusted Discount Date	_____
Original Discount Date	_____		
Administration Fee (\$20)			\$20.00
Meter Accuracy Test Fee (\$50)			_____
Meter Re-reading Fee (\$50)			_____
Meter Replacement Fee (\$200)			_____
		(12% HST)	_____
Customer's 3 Year Historical Average Consumption	_____		_____
Value of 50% Excess Water (not for service line leaks)	_____	(max. \$1500)	_____
	10% Discount (if applicable)	_____	_____
Amount to Invoice:			\$ _____
Refund/Invoicing Approved by _____		Date: _____	

Manager of Water Services

Chairperson

Sr. Mgr., Corporate Administration

SCHEDULE 'C'

WATER SERVICE AREAS

- (a) Nanoose Bay Peninsula established pursuant to "Nanoose Bay Peninsula Water Service Area Bylaw No. 867, 2005"
- (b) French Creek established pursuant to "French Creek Water Local Service Establishment Bylaw No. 874"
- (c) Melrose Terrace established pursuant to "Melrose Terrace Community Water Supply Service Area Establishment Bylaw No. 1397, 2004"
- (d) Surfside established pursuant to "Surfside Properties Water Specified Area Establishment and Loan Authorization By-law No. 694, 1985"
- (e) Decourcey established pursuant to "Decourcey Water Supply Local Service Area Establishment Bylaw No. 1096, 1998"
- (f) San Pareil established pursuant to "San Pareil Water Supply Local Service Area Establishment Bylaw No. 1170, 1999"
- (g) Englishman River established pursuant to "Englishman River Community Water Supply Service Area Establishment Bylaw No. 1354, 2003"
- (h) Morningstar Creek established pursuant to "Morningstar Creek Water Local Service Area Establishment Bylaw No. 1125, 1998"



RUN REPORT	
CAO APPROVAL <i>OW</i>	
EAP	
COW	<i>✓ May 10 '11</i>
MAY 03 2011	
RHD	
BOARD	

MEMORANDUM

TO: Carey McIver
Manager of Solid Waste

DATE: April 28, 2011

FROM: Maggie Warren
Superintendent of Scale and Transfer Services

FILE: 2240-20- BOBELL

SUBJECT: Church Road Transfer Station Solid Waste Hauling Services Contract Extension

PURPOSE

To consider an eighteen month extension to the existing contract with Bobell Express (previously Bobell Trucking Ltd) to haul solid waste from the Church Road Transfer Station to the Regional Landfill and other licensed solid waste management sites.

BACKGROUND

In May 2006 the Board approved entering into a five year agreement with Bobell Express Ltd (Bobell) to haul municipal solid waste, yard waste, and construction/demolition waste from the Church Road Transfer Station (CRTS) to the Regional Landfill and other licensed solid waste management sites. This contract will expire June 30, 2011.

In 2010 the CRTS underwent a major retrofit, redevelopment and expansion which included the construction of a new food waste transfer facility. In October 2010 CRTS began transferring residential and commercial food waste to International Composting Corporation (ICC) at Duke Point.

As a result, operating conditions have changed due to: the separation of commercial haulers and self-haul customers into two separate transfer buildings; the relocation of the yard waste drop-off to the old transfer building; and, the loading and hauling of food waste in dedicated leak-proof transfer trailers. With respect to food waste in particular, transactions and tonnages will not become predictable until the Commercial Food Waste Ban has been fully implemented in the northern portion of the region. Consequently staff would prefer more experience with these expanded transfer demands prior to issuing a new Request for Proposals (RFP).

ALTERNATIVES

1. Approve an eighteen month extension to the contract with Bobell Express Ltd to haul solid waste from the Church Road Transfer Station to the Regional Landfill and other licensed solid waste management sites.
2. Do not extend the waste hauling contract and prepare a new Request for Proposals.

FINANCIAL IMPLICATIONS

Alternative 1

Bobell has provided acceptable service to the RDN and will extend the existing contract under the current conditions. The compensation for each load transferred is based upon a trip rate which is subject to a monthly fuel surcharge adjustment. This adjustment is applied as follows:

- 75% of the rate is fixed for each contract year with a 2% annual increase; and,
- 25% of the rate is adjusted monthly by the factor of the actual average cost of fuel during the service month over the base fuel cost of \$.8107 cents/litre net HST established at the beginning of the contract.

Based on these contract conditions the trip rate for July 2011 to June 2012 will increase from \$316.20 to \$322.77 with a further increase to \$329.52 from July to December 2012. Under Alternative 1, there are sufficient funds in the solid waste annual budget to extend the contract under the current conditions.

Alternative 2

Under Alternative 2 an RFP process may result in lower costs. However, staff does not recommend a change in contractors at this time given the need to obtain experience with operational changes and additional food waste hauling requirements.

SUSTAINABILITY

A primary function of the transfer station is to increase waste transportation efficiencies. The CRTS processes hundreds of vehicles arriving daily for waste disposal. The use of Bobell Express transfer trailers reduces the number of vehicles going to the Regional Landfill resulting in a significant reduction in Greenhouse Gas emissions.

SUMMARY/CONCLUSIONS

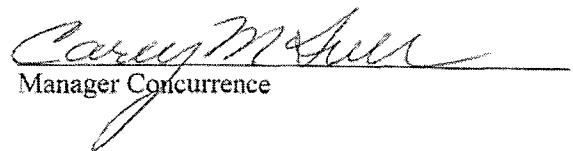
In 2010 the Church Road Transfer Station underwent a retrofit, redevelopment and expansion which included the construction of a new food waste transfer facility. The materials that require hauling by Bobell Express Ltd. have expanded to include food waste. The current contract with Bobell Express Ltd. will expire on June 30, 2011. With an eighteen month extension of Bobell Express Ltd.'s contract, staff will have an opportunity to evaluate the best hauling solutions prior to issuing a Request for Proposals in June 2012. Consequently staff recommend that the contract be extended for eighteen months.

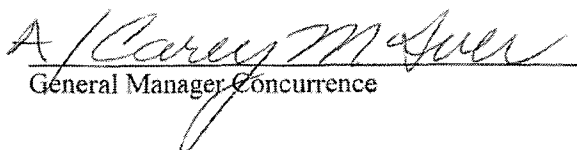
RECOMMENDATION

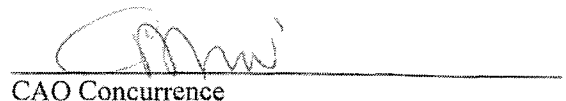
That the Board approve an eighteen month extension to contract with Bobell Express Ltd for waste hauling services from the Church Road Transfer Station under the current contract conditions.

for

Report Writer


Manager Concurrence


General Manager Concurrence


CAO Concurrence



RDN REPORT	
CAO APPROVAL <i>OW</i>	
EAP	
COV	✓ <i>May 10/11</i>
MAY - 4 2011	
RHD	
BOARD	

MEMORANDUM

TO: Carey McIver
Manager Solid Waste

DATE: May 2, 2011

FROM: Helmut Blanken, P. Eng
Superintendent, Engineering & Disposal Operations

FILE: 5330-20-RL

SUBJECT: Regional Landfill Cell One Stage One Fill Area Final Closure Tender Award

PURPOSE

To consider awarding a tender for the Cell One Stage One Fill Area final closure at the Regional Landfill.

BACKGROUND

The Regional Landfill, located on Cedar Road in Nanaimo, consists of two distinct areas: Cell One, the unlined landfill and Cell Two, the lined engineered landfill. The approved 2011 capital plan for the Regional Landfill includes funds for the final closure of the Cell One Stage One Fill Area. This project is identified in the Design & Operations (D&O) Plan for the site approved by the Board in 2009, which integrates the long-term development of the landfill and associated infrastructure improvements with progressive closure of the site as a nature park.

The first phase of the nature park will be developed on 3 hectares of Cell One. Before construction can start, several issues identified in the D&O Plan have to be resolved. These include excess leachate generation (water coming in contact with the waste) and stormwater run-off caused by settling of waste. Leachate and stormwater collection infrastructure improvements to the Cell One area were completed in the summer of 2009.

In the fall of 2010 new waste was added to the site to re-grade the slopes of the area, which will comprise the first phase of the nature park. The final closure of the Cell One Stage One Fill Area will entail the replacement of the existing failed clay cap (constructed incrementally between 1991 and 1996, with minimal quality control measures undertaken during placement) with an engineered geocomposite cover system as well as the installation of a new landfill gas collection system in this area.

Following completion of this project, work will proceed in the fall of 2011 to complete the detailed design of the nature park. The design concept includes a trail system that will take advantage of views from higher elevations within the site. The landscape will include meadows comprised of native plant communities, which will provide habitat for beneficial insect pollinators such as bees and butterflies. Plantings along Cedar Road to screen landfill operations will coincide with the construction of the nature park in the summer of 2012.

Tender Evaluation Process

On March 29, 2011, XCG Consultants Ltd, who are under contract to provide landfill engineering services to the RDN, issued an invitation to tender for this project. The Form of Tender for the project was structured on a best case basis, placing work items that may not be required in the Schedule of

Additional Unit Prices. This was done so that the bidders were tendering on the smallest known and well defined scope of work to complete the closure works, while providing cost competitive pricing for potential worse case and poorly defined conditions associated with unknowns (e.g. highly variable cover depth and material composition) which may be encountered while removing the failed cover system. This approach restricts the liability of the RDN to claims for reduction in the scope of work while ensuring the best value for potential additional work items which may be required to address unforeseeable and unknown site conditions.

The tender evaluation process was based on an analysis of the lowest qualified bidder, defined as the bidder with the lowest arithmetic sum of the Schedule of Prices and the Schedule of Unit Prices which meet the bidder's qualification criteria included in the Instructions to Tenderers. The method of calculation of the total bid price, for the sole purpose of evaluating the bids, and the quantities used to calculate the total value of the Schedule of Additional Unit Prices was provided to bidders.

On April 19, 2011, the following two qualified bidders submitted compliant tenders:

Bidder	Schedule of Prices	Schedule of Additional Unit Prices	Total
Knappett Industries Ltd.	\$1,571,830	\$49,838	\$1,621,668
Copcan Contracting Ltd.	\$1,808,390	\$96,353	\$1,904,743

Knappett Industries Ltd. bid provides the best combination of Unit Prices and Additional Unit Prices and will result in the lowest contract price based on core work and potential additional work items.

ALTERNATIVES

1. Award the contract to Knappett Industries Ltd. for the tendered price of \$1,571,830 with a construction contingency of \$500,000.
2. Do not award the contract.

FINANCIAL IMPLICATIONS

Alternative 1

The budget estimate included in the 2011 capital plan is \$3 million for the construction and engineering costs associated with the Cell One Stage One Fill Area final closure.

Based on the final tender amounts the total cost of the project is as follows:

Table 1: 2011 Regional Landfill Cell One Stage One Fill Area Final Closure Cost Estimate

	Budget	Final Estimate
Construction	\$2,400,000	\$1,571,830
Construction Contingency	\$225,000	\$500,000
Engineering	\$375,000	\$347,966
Engineering Contingency	N/A	\$25,000
Total	\$3,000,000	\$2,444,796

As shown in the table above, there are sufficient funds in the 2011 budget to proceed with this project.

Alternative 2

The Cell One Stage One Fill Area final closure project is an essential component of the remedial action plan identified in the Landfill D&O Plan to address environmental issues in Cell One. If the Board does not proceed with the project in 2011, excess leachate generation will continue and construction of the nature park will be delayed.

ENVIRONMENTAL IMPLICATIONS

The Regional Landfill must be operated in accordance with the design, performance and operational requirements of the Operational Certificate (OC) for the site issued by the Ministry of Environment in 2004. The OC requires that leachate must be collected and conveyed to a municipal sewage treatment system. Now that the D&O Plan has confirmed the potential for off-site impacts from leachate in Cell One, it is incumbent upon the RDN to show due diligence and expedite the final closure of the Cell One Stage One fill area to mitigate the infiltration of water into the landfill.

SUSTAINABILITY IMPLICATIONS

In November 2004, after consultation with the community in the vicinity of the landfill and staff from the City of Nanaimo and RDN parks departments regarding a range of potential options for the site, the Board approved the construction of a park as the preferred post-closure use. The creation of a community amenity such as a park was seen as a sustainable approach that balanced social, environmental and economic concerns at the site. This sustainable park concept cannot be implemented until the leachate issues in Cell One are remediated.


SUMMARY/CONCLUSIONS

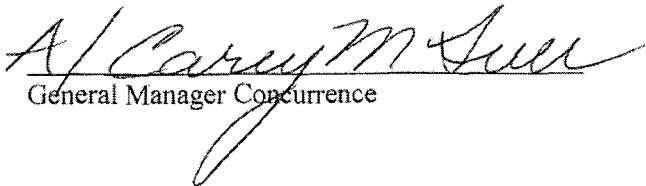
The approved 2011 capital plan for the Regional Landfill includes funds for the final closure of the Cell One Stage One Fill Area. On April 19, 2011 Knappett Industries Ltd. submitted the low qualified tender for this project (including estimated additional unit price items). XCG recommends the award of the contract to Knappett Industries Ltd. for the tendered amount of \$1,790,261 with a construction contingency of \$500,000. There are adequate funds in the 2011 budget to fund this project; consequently staff recommends that the Board award this tender to Knappett Industries Ltd.

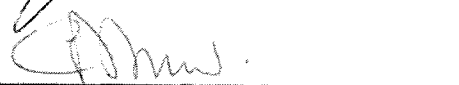
RECOMMENDATION

That the Board award the Regional Landfill Cell One Stage One final closure project to Knappett Industries Ltd. for the tendered amount of \$1,571,830 with a construction contingency of \$500,000.


Report Writer


Manager Concurrence

for

General Manager Concurrence


CAO Concurrence

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE MEETING OF THE GRANTS-IN-AID ADVISORY COMMITTEE
HELD ON WEDNESDAY, MAY 4, 2011 AT 9:00 AM
IN THE REGIONAL DISTRICT OFFICES

Present: M. Young Chairperson
T. Westbroek Director, District 69
F. Van Eynde Citizen Advisory Group
B. Erickson Citizen Advisory Group
P. Biro Citizen Advisory Group
C. Knapp Citizen Advisory Group
L. Burgoyne Administrative Assistant

DISTRICT 68

Funds available: \$ 4,082.40

MOVED F. Van Eynde, SECONDED T. Westbroek, that the following grants be awarded:

Name of Organization	Amount Requested	Amount Recommended
BC Competitive Trail Riding Association	\$ 2,400	\$ 600
Gabriola Arts Council	4,000	1,000
Hope Centre	1,632	800
Jonanco Hobby Workshop Association	1,150	600
Poetry Gabriola Society	1,000	<u>1,000</u>
		<u>\$ 4,000</u>

CARRIED

The Committee agreed that the following comments be conveyed to the applicants:

BC Competitive Trail Riding Association – grant funding approved to purchase four portable water troughs to provide water to the horses during events.

Gabriola Arts Council – grant funds to be used to purchase arts and crafts materials for the organization’s Kid’s Corner program.

Hope Centre – approved funding to be used towards the purchase of a movie screen for the organization’s multi-purpose room.

Jonanco Hobby Workshop Association – funds were approved towards the purchase of toilets and railings for bathroom renovations making their facility more accessible to handicapped people.

Poetry Gabriola Society – funds to be used towards the purchase of building materials to build a wheelchair access ramp into the organization’s Poetry Yurt.

DISTRICT 69

Funds available: \$ 12,240.60

MOVED F. Van Eynde, SECONDED T. Westbroek, that the following grants be awarded:

Name of Organization	Amount Requested	Amount Recommended
Arrowsmith Agricultural Association	\$ 3,000	\$ 1,000
Arrowsmith Community Enhancement Society	250	250
Coombs 100 Year Celebration (French Creek Community PAC)	1,000	500
Errington War Memorial Hall Association	2,140	1,500
Forward House Community Society	3,500	2,000
Friends of Nanoose Library Society	1,200	1,200
Lighthouse Community Centre Society	3,200	2,000
Oceanside Volunteer Association	1,400	1,000
Parksville & District Association for Community Living	4,682	2,000
Parksville-Qualicum Beach & District Branch of the SPCA	952	600
Vancouver Island Opera	1,120	<u>1,000</u>
		<u>\$ 13,050</u>

CARRIED

The Committee agreed that the following comments be conveyed to the applicants:

Arrowsmith Agricultural Association – grant funds to be used towards the purchase of chairs for the organization’s new recreation hall. T. Westbroek will continue to follow-up with the organization regarding stackable chairs available for sale from the Qualicum Beach Civic Centre.

Arrowsmith Community Enhancement Society – approved funds to be used to purchase hamburger patties and condiments to supplement the organization’s community pot luck picnics.

Coombs 100 Year Celebration (French Creek Community PAC) – funds to be used towards the purchase of audio/video equipment for the organization’s media room allowing them to record stories about the history of their community for their 100-year celebration.

Errington War Memorial Hall Association – grant funding to be used towards the purchase of a camera to document community life through activities at the hall. This documentation will be added to the organization’s archive of social life of the residents in their community.

Forward House Community Society – grant funding will be used towards electrical and interior finishing work required to revamp a multi-purpose space for use as meeting space for volunteers, students and youth groups.

Friends of Nanoose Library Society – the funding will be used to replace gutters and down-pipes on the Library hall.

Lighthouse Community Centre Society – grant to be used towards the purchase of exit signs, a sound mixer to improve the sound system, a projector, and cedar siding for building repairs. Installation of the siding will be done by volunteers.

Oceanside Volunteer Association – grant funds to be used towards the cost of room rental and advertising for a series of upcoming workshops on social media and marketing, strategic planning and succession planning, and volunteer management strategies.

Parksville & District Association for Community Living – the approved funding will be used towards expenses for the organization’s annual Christmas Party and to purchase lockers for their clients to store their personal belongings in.

Parksville-Qualicum Beach & District Branch of the SPCA – funds to be used towards the purchase of a freezer for the facility.

Vancouver Island Opera – funds to be used to pay for the organization to rent the Qualicum Beach Civic Centre for their upcoming opera production.

ADJOURNMENT

The meeting adjourned at 9:40 AM.

CHAIRPERSON