

REGIONAL DISTRICT OF NANAIMO

REGULAR BOARD MEETING

TUESDAY, JUNE 24, 2014

7:00 PM

(RDN Board Chambers)

A D D E N D U M

PAGES

- 2. LATE DELEGATIONS** (requires motion – All Directors – One Vote)
- 3 **Dianne Eddy**, re Town of Qualicum Beach RGS Amendment Application, and What it Represents to Other Rural Areas.
- 4 **Kevin Monahan**, re Town of Qualicum Beach’s application for a minor amendment to the Regional Growth Strategy.
- 5. COMMUNICATIONS/CORRESPONDENCE** (All Directors – One Vote)
- 5-6 **Norm Letnick, Minister of Agriculture**, re Seaweed Harvesting.
- 7 **Jeffrey R. Bird**, re Notice of Bylaw Contravention, 1955 Stokes Road, EA ‘B’.
- 8 **Ann Zolorycki, Marcel LeBlanc**, re Development Permit with Variance Application No. PL2014-047 – Pronger – 6173 Island Highway West, Electoral Area ‘H’
- 9-14 **Bill Woollam**, re Impacts of Fracking.
- 7. STANDING COMMITTEE, SELECT COMMITTEE AND COMMISSION MINUTES AND RECOMMENDATIONS**
- 7.5 SCHEDULED STANDING, ADVISORY, AND SELECT COMMITTEES**
- 15-17 **Minutes of the District 69 Recreation Commission Meeting held Thursday, June 19, 2014** (All Directors – One Vote).

That the minutes of the District 69 Recreation Commission meeting held Thursday, June 19, 2014, be received for information.

18-23

Parkville Curling Club Viability Under Reduced Tax Exemption (Parkville, Qualicum Beach, EAs E, F, G, H – Weighted Vote).

1. *That the Regional District request the City of Parkville to grant 100% tax exemption status for the land and building leased by the Parkville Curling Club Society excluding the commercial area of the building (licensed lounge) in the calculation of taxation assessment.*
2. *That the Regional District commission an independent building assessment of the District 69 Arena with up to \$15,000 through the Corporate Climate Action Fund (CCAF) to confirm the current level of performance, integrity and life expectancy of the structure and major operating systems to use in long term management of the asset.*

24-43

District 69 Fees and Charges Report - Bylaw 1701, 1704, 1705

1. *That the “District 69 Recreation Services Fees and Charges Bylaw No. 1701, 2014” be introduced and read three times.* (Parkville, Qualicum Beach, EAs E, F, G, H – Weighted Vote).
2. *That the “District 69 Recreation Services Fees and Charges Bylaw No. 1701, 2014” be adopted.* (Parkville, Qualicum Beach, EAs E, F, G, H – Weighted Vote – 2/3).
3. *That the “District 69 Arena Services Fees and Charges Bylaw No. 1704, 2014” be introduced and read three times.* (Parkville, Qualicum Beach, EAs E, F, G, H – Weighted Vote).
4. *That the “District 69 Arena Services Fees and Charges Bylaw No. 1704, 2014” be adopted.* (Parkville, Qualicum Beach, EAs E, F, G, H – Weighted Vote – 2/3).
5. *That the “District 69 Aquatic Services Fees and Charges Bylaw No. 1705, 2014” be introduced and read three times.* (Parkville, Qualicum Beach, EAs F, G, H – Weighted Vote).
6. *That the “District 69 Aquatic Services Fees and Charges Bylaw No. 1705, 2014” be adopted.* (Parkville, Qualicum Beach, EAs F, G, H – Weighted Vote – 2/3).

8. ADMINISTRATOR’S REPORTS

44-67

Community Works Fund Agreement 2014-2024 (All Directors – Weighted Vote).

Re: Town of Qualicum Beach RGS Amendment Application, and What it Represents to Other Rural Areas

From: Dianne Eddy

Sent: Monday, June 23, 2014 10:39 AM

Subject: Request as a delegation for the REGULAR BOARD MEETING TUESDAY, JUNE 24, 2014.

Topic: re Town of Qualicum Beach RGS amendment application and what it represents to other rural areas.

I presume I will have 5 minutes and I will have a Power Point presentation.

Please Confirm.

Regards,

Dianne Eddy, representative for Mapleguard Ratepayers' Association

5058 Longview Dr.

Bowser

Re: Town of Qualicum Beach's application for a minor amendment to the Regional Growth Strategy

From: Kevin Monahan

Sent: Monday, June 23, 2014 2:53 PM

Subject: Late Delegation to RDN Board Meeting June 24

Please consider this e-mail a request to make a delegation to the RDN Board at tomorrow's RDN Board meeting. The subject of my delegation will be the Town of Qualicum Beach's application for a minor amendment to the Regional Growth Strategy to move the Growth Containment Boundary in Qualicum Beach.

I understand that as a late delegation I will be limited to 5 minutes and the delegation will be at the pleasure of the Board.

Please let me know if this proposed delegation is acceptable.

Kevin Monahan

monahan@shipwrite.bc.ca

586 Alder St.

Qualicum Beach, BC

V9K 1J3

Ph 250-594-4774



RDN CAOS OFFICE			
CAO	<input checked="" type="checkbox"/>	GM R&P	
GMS&CD	<input checked="" type="checkbox"/>	GM T&SW	
GM R&CU		DF	
JUN 19 2014			
DCS		BOARD	<input checked="" type="checkbox"/>
CHAIR	<input checked="" type="checkbox"/>		

JUN 17 2014

File: 0280-30

Ref: 179789

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

Dear Mr. Stanhope:

Thank you for your letter, addressed to Pat Pimm, former Minister of Agriculture, and for sharing concerns regarding harvesting seaweed from local beaches in the Deep Bay/ Bowser area. As the recently appointed Minister of Agriculture, I am pleased to respond.

Government is taking a cautious and adaptive management approach to licensing the commercial harvesting of beach-cast seaweed. While harvesting presents an economic opportunity for B.C. coastal communities, we understand the need to ensure that it is sustainable and done in a manner that protects the marine environment.

Because Fisheries and Oceans Canada (DFO) is responsible for fish habitat, staff collaborated with DFO to seek their advice and guidelines that inform conditions of licensing so that harvesting is carried out in a manner that does not substantively impact the foreshore or endanger the marine ecosystem. DFO advise that when mitigation measures are followed, harvesting of beach-cast seaweed is not likely to contravene the habitat protection provisions of the *Fisheries Act*.

Ministry staff have over thirty years of scientific knowledge and experience in marine sciences and marine resource management. They are taking a precautionary approach to managing the seaweed resource, based on adaptive management principles. The aim of adaptive management is to reduce uncertainty in decision-making over time through an iterative process of monitoring and improvement. To be considered for licensing, applicants are required to submit harvest plans that address the environmental, social and First Nations considerations associated with the harvesting activity. These plans are adjudicated as part of the decision-making process.

.../2

The Ministry has received a great deal of input from the public since first licensing this activity in 2007, and continues to invite public comment. While there are no provisions in legislation requiring formal public consultation on aquatic plant licensing decisions, ministry staff are available to work with local governments, such as the Regional District of Nanaimo, to assist with any public inquiries they may receive.

Again, thank you for sharing the concerns of the Board and its constituents with us.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'N' followed by a long horizontal stroke that extends to the right.

Norm Letnick
Minister

Regional District of Nanaimo
Bylaw Services
6300 Hammond Bay Road
Nanaimo, B.C. V9T 6N2 cc: Howard Houle

June 19, 2014

Re: Notice of Bylaw Contravention
1955 Stokes Road, Gabriola, B.C.

I read a public account of the RDN Committee of the Whole board meeting the week of June 1st and have some comments and rebuttals.

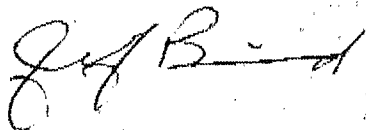
Julian Fell is quoted "If the neighbours aren't complaining, where is the harm?" **I am a neighbour and I am complaining.** "Unsafe to me means fire, disease, vermin. I'm not seeing that here". The structure in question has a wood burning appliance installed without permit or inspection. Is it a CSA certified product? Was it installed by a qualified installer? Is it installed correctly? Is there a fire hazard? Without the permit/inspection process, we do not know. We know it is installed in a structure without seismically safe construction. Woodfire-Seismically unsafe-Earth Quake: a bad combination on a heavily wooded island. Domestic sewage is reaching the surface of the property is reported by RDN inspectors. This is a potential source of groundwater contamination and disease. The sewage coupled with composting of human and poultry feces is an attractant to flies, birds and rodents. **I am seeing fire, disease and vermin.**

Jim Kipp is concerned with rental of substandard housing. **I am concerned with substandard housing, period.** The permit process is the main protection of code compliance. I recognize that there is likely a limited resource availability in Bylaw Services and Mr. Kipp is expressing his desire to see these resources used where landlords are exploiting and endangering tenants. Fair enough, however, I see a danger in not acting against this contravention because it will be a **diminishment of your authority.** It could send the message to all RDN residents that they can build anything they wish without regard to health or safety regulations and just "opt-out" of the permit/inspection process. We already have this issue where there are no complaints are submitted due to complacency or fear.

One RDN bylaw freedom allows living full time in a temporary structure, trailer etc., while a primary residence is under construction. I agree completely with this arrangement, however, I would change your wording to emphasis that this freedom comes **only with an active and valid permit process in place.** The lack of this stipulation prevented my filing of a complaint sooner.

I would like to add that the residents are elderly (even for Gabriolans) and their ability to scramble from a fire or survive a gastro-intestinal illness is diminished. They have an unsafe living condition.

Thank you for your consideration,



Jeffrey R Bird
1945 Stokes Road
Gabriola – res. 250-325-8963 – work 250-758-2255

From: Ann & Marcel [<mailto:zolorycki@shaw.ca>]
Sent: Sunday, June 22, 2014 6:10 PM
Subject: PL2014-047

We are strongly opposed to the height variance on this property as it greatly affects our adjacent home. We have lived in this house since we built in 2005/06 and have lived in the 6100 block of the Island Highway since 1990. Sadly, we discovered the plan for development by letter from the RDN.

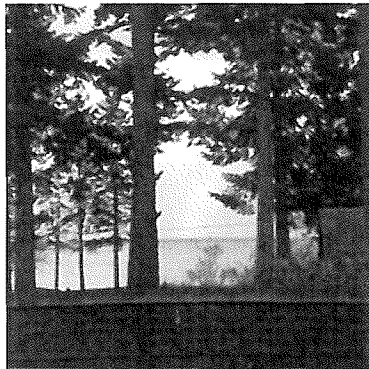
This plan adversely and substantially affects the use and enjoyment of our adjacent land.

We will no longer be afforded a view of the ocean, including the sunrise, the veil of the moon on the ocean, the passing cruiseships and the lighthouse across the Salish Sea.

The morning sun will be blocked from our yard.

From our home and our yard, should this building be as planned, this house will be all that we see.

Attached is a photo of our present view, as a picture is worth a thousand words...



PL2014-047

[VIEW SLIDE SHOW](#) [DOWNLOAD ALL](#)

This album has 1 photo and will be available on SkyDrive until 20/09/2014.

Ann Zolorycki
Marcel LeBlanc
6168 Island Highway West
Qualicum Bay
(250) 757-9526

From: Bill Woollam
Sent: Friday, June 20, 2014 3:01 PM
Subject: with proper links: ban 'Fracking' in your municipality

Mayor, Council, and Administrators:

Is it not vital to look into the future and envision the environmental impact on our land and water systems for our children and fellow citizens? Contained in the attachments is a Burnaby, BC City Council Resolution for a moratorium on hydraulic fracturing. Please have your own city council write up a similar resolution banning fracking in your region.

I am hoping that the short term dollar gain by unconventional natural gas drilling/extraction methods cannot justify the contamination of our limited drinking water sources here in BC.

Cement casing failures in the fracking shafts used in unconventional drilling extraction for natural gas range from one in twenty to as often as three out of four, according to a 2014 study "[Oil and gas wells and their integrity: Implications for shale and unconventional resource exploitation](#)", by Richard J. Davies et al. This breakdown of the concrete casing acts as a conduit for toxic chemicals in the fracking fluid ([and even radioactive radium](#)) to escape into aquifers, wells, ponds, and rivers as they make their way to the surface due to high underground pressure. Tailing ponds which hold fracking waste-water often leak, or overflow, into surrounding creeks and rivers.

Another process known as coal bed methane extraction is just as questionable. In an area of Wyoming which entails a group of 82 wells, one and half million gallons of water a day are dumped locally (enough to fill a football field ten feet deep in just 57 hours). The surrounding dumping area becomes saturated with salts and sodium brought up from these deep coal bed methane wells. <http://www.watershedsentinel.ca/content/coal-bed-methane-new-gas-wells-promise-vancouver-island-blast-past>

Even scientists are warning of earthquake risks from fracking operations. <http://news.nationalgeographic.com/news/energy/2014/05/140502-scientists-warn-of-quake-risk-from-fracking-operations/>

Or consider what a simple hauling truck spill, <http://www.planetexperts.com/fracking-waste-dumped-illegally-karnes-county-texas/>, would do to an entire pond or lake where just one part per million of toxic fracking fluid is enough to contaminate and kill the life in that water system.

See: What is in Fracking fluid?

<http://www.watershedsentinel.ca/content/whats-frack-water>

There is growing [peer-reviewed scientific evidence](#) of the harmful effects of shale gas development. Meanwhile, 'pro-fracking' opinions focus on the big bucks and ignore the detrimental effects on our limited, freshwater systems.

For those who would like to understand what 'fracking' is....and why drilling for natural gas contaminates aquifers.... Here is a worthwhile 17 minute documentary

https://www.youtube.com/watch?v=dEB_Wwe-uBM

There is also a growing list of communities, towns, cities, states and countries banning the unsafe process of hydraulic fracking for natural gas. <http://keaptapwatersafe.org/global-bans-on-fracking/>

Sincerely
Bill Woollam
960 Marchmont Rd
Duncan, BC
V9L 2X1
250-746-0290

ENVIRONMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: HYDRAULIC FRACTURING

RECOMMENDATIONS:

1. THAT Council adopt a Resolution to request a moratorium on hydraulic fracturing until senior governments give full consideration to the potential human and environmental impacts of hydraulic fracturing, and undertake a comprehensive public consultation process.
2. THAT the Resolution be forwarded to the Federal Minister of Environment and the B.C. Minister of Environment.
3. THAT a copy of this Resolution be forwarded to Burnaby MLA's, Burnaby MP's and LMLGA.

REPORT

The Environment Committee, at its meeting held on 2013 February 12, received and adopted the attached report seeking Council consideration for a Resolution to request a moratorium on hydraulic fracturing.

Hydraulic Fracturing ('fracking') involves injecting water, sand and chemicals at high pressure down a well to crack rock formation to release natural gas and other petroleum deposits. The concerns related to fracking are high water use, disposal of wastewater, the potential for surface water and groundwater contamination, and the potential for air pollution.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor A. Kang
Vice Chair

Councillor N. Volkow
Member

Copied to:	City Manager Acting Director Engineering Director Planning & Building City Solicitor
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TO: CHAIR AND MEMBERS ENVIRONMENT COMMITTEE **DATE:** 2013 February 01

FROM: ACTING DIRECTOR ENGINEERING **FILE:** 36600 01

SUBJECT: HYDRAULIC FRACTURING

PURPOSE: To seek Council consideration for a Resolution to request a moratorium on hydraulic fracturing.

RECOMMENDATIONS:

1. **THAT** the Committee recommend Council adopt a Resolution to request a moratorium on hydraulic fracturing until senior governments give full consideration to the potential human and environmental impacts of hydraulic fracturing, and undertake a comprehensive public consultation process.
2. **THAT** the Resolution be forwarded to the Federal Minister of Environment and the B.C. Minister of Environment.
3. **THAT** a copy of this Resolution be forwarded to Burnaby MLA's, Burnaby MP's and LMLGA.

REPORT**1.0 INTRODUCTION**

The Chair of the Environment Committee received correspondence from the Council of Canadians requesting that the City adopt a resolution requesting a moratorium on hydraulic fracturing. This report provides a response to the request received.

2.0 BACKGROUND

Hydraulic fracturing, also known as "fracking," involves injecting water, sand and chemicals at high pressure down a well to crack rock formation to release natural gas and other petroleum deposits. The natural gas can then be extended to the surface under controlled conditions through the wellhead to be collected for processing and distribution. This process has been known for about 60 years, but has only been used extensively in the past decade. The expansion of its use was made possible by horizontal drilling which opened the door to access difficult-to-reach gas deposits, such as those found in non-porous shale basins.

The concerns related to hydraulic fracturing are similar to concerns echoed for other resource extraction techniques, including high water use, disposal of wastewater, the potential for surface

To: Environment Committee
From: Acting Director Engineering
Re: Hydraulic Fracturing: Impacts and Regulations
2013 February 01..... Page 2

water and groundwater contamination, and the potential for air pollution. The difference between hydraulic fracturing and other resource extraction technologies is the maturity of the scientific research on its impacts to the receiving environment.

3.0 REGULATORY OVERVIEW

Canada

Across Canada, provinces have taken a wide variety of stances on hydraulic fracturing. Quebec has a moratorium on hydraulic fracturing and all oil and gas exploration activities under the Saint Lawrence River. Other provinces, including British Columbia, Alberta and Saskatchewan, allow hydraulic fracturing. Nova Scotia had approved some operations but will not approve any more hydraulic fracturing until a review of the process is completed in 2014. A 2012 October report done for the New Brunswick government noted that the province should proceed with shale gas exploration but with a phased-in approach that would limit it to one to three sites to allow for research and development.

In British Columbia, the main basis for regulation on oil and gas development is the *Oil and Gas Activities Act* that came into effect on 2010 October 04. Within the Act are multiple sections that directly address the issue of hydraulic fracturing. In order to protect freshwater resources, the Act forbids fracturing operations at depths of less than 600m without a permit. Similarly, water licences and groundwater quality is under provincial jurisdiction. To this end, each well permit holder must submit detailed records indicating the date the fracture was completed, the types and amounts of every ingredient injected into the well and the supplier of each of the ingredients. This has led British Columbia to be the first province to require all operators to disclose their fluids. The chemicals that are used in the fracturing process are regulated by the Chemical Management Plan which assesses the toxicity of the substance before it can be manufactured or imported to Canada. In addition, the Canadian Environmental Protection Act (CEPA) assesses chemical substances and the management of toxins.

United States

The United States pioneered the hydraulic fracturing industry which has seen a wide array of technologies and processes quite different than the operations in Canada. The regulation and reporting process also varies from that in place in Canada. However given the implications of hydraulic fracturing to the receiving environment, the United States Environmental Protection Agency (USEPA) at the request of Congress is conducting a study to better understand potential impacts of hydraulic fracturing on drinking water and ground water, and to identify the driving factors that may affect the severity and frequency of such impacts. In 2012 December the US EPA released a progress report titled "Study of the Potential Impacts of Hydraulic Fracturing on Drinking Water Resources". A final draft report is expected to be released for public comment and peer review in 2014.

Given the concerns relating to impact to the receiving environment, and varied policies and approaches taken by Provinces across Canada on hydraulic fracturing, the following resolution has been prepared in response to the request received.

Google Search: Peer-reviewed Research on Fracking Contamination

To: Environment Committee
From: Acting Director Engineering
Re: Hydraulic Fracturing: Impacts and Regulations
2013 February 01..... Page 3

4.0 RESOLUTION

While hydraulic fracturing is not an issue of local concern in Burnaby, the City has from time to time advocated on environmental matters which have provincial or national significance. To this end, the following Resolution is provided for the Committee and Council's consideration:

- Whereas** hydraulic fracturing uses a large amount of water; and
- Whereas** more scientific study is needed on the impact of hydraulic fracturing and the receiving environment; and
- Whereas** more legal and regulation reporting support is required for hydraulic fracturing; and
- Whereas** water, air and resources are shared commons, and as such, require public consultation and a process that enables communities to be a part of the decision-making process; and
- Whereas** there is no consistent policy and approach taken by Provinces on hydraulic fracturing;

THEREFORE BE IT RESOLVED that the City requests a moratorium on hydraulic fracturing until senior governments give full consideration to the potential human and environmental impacts of hydraulic fracturing, and undertake a comprehensive public consultation process.

BE IT FURTHER RESOLVED that the Resolution be forwarded to the Federal Minister of Environment and the B.C. Minister of Environment.

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to Burnaby MLA's and Burnaby MP's and LMLGA.

With Council adoption, the resolution could be advanced for consideration in the UBCM and FCM resolutions process at upcoming annual conventions.


for Barry Davis, P.Eng
Acting Director Engineering

KC/DD:br

Copied: City Manager
Director Planning and Building
City Solicitor

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE
DISTRICT 69 RECREATION COMMISSION REGULAR MEETING
HELD ON THURSDAY, JUNE 19, 2014 AT 2:00PM
AT OCEANSIDE PLACE – MULTI-PURPOSE ROOM

Attendance: Scott Tanner, Councillor, Town of Qualicum Beach
Gordon Wiebe, Electoral Area 'E'
Joe Stanhope, Director, RDN Board, Electoral Area 'G'
Richard Leontowich, Electoral Area 'H'
Peter Morrison, Councillor, City of Parksville
Bill Veenhof, Director, RDN Board Appointee

Staff: Tom Osborne, General Manager of Recreation and Parks
Dean Banman, Manager of Recreation Services
Ann-Marie Harvey, Recording Secretary

Regrets: David Edgeley, Electoral Area 'F'
Ross Milligan, Trustee, District #69 School Board

CALL TO ORDER

Chair Tanner called the meeting to order at 2:01pm

MINUTES

MOVED Commissioner Stanhope, SECONDED Commissioner Veenhof that the Minutes of the Regular District 69 Recreation Commission meeting May 15, 2014 be approved.

CARRIED

COMMUNICATIONS/CORRESPONDENCE

MOVED Commissioner Stanhope, SECONDED Commissioner Veenhof that the following correspondence be received:

A. Weeks, City of Parksville, to D. Banman, RDN, **Re: Permissive Tax Exemption**

CARRIED

REPORTS

Monthly Update – Oceanside Place – May 2014

Mr. Banman gave a summary of the items in the Oceanside Place Monthly Update report.

Monthly Update – Ravensong Aquatic Centre - May 2014

Mr. Banman gave a summary of the items in the Ravensong Aquatic Centre Monthly Update report.

Monthly Update – Northern Recreation Program Services – May 2014

Mr. Banman gave a summary of the items in the Oceanside Place Monthly Update report.

Monthly Update of Community and Regional Parks and Trails Projects – May 2014

Mr. Osborne summarized the Community and Regional parks projects for the Electoral Area's.

Parkville Curling Club Viability Under Reduced Tax Exemption Jun 9 2014

The Commission discussed the report and its options. Mr. Banman and Mr. Osborne clarified questions the Commissioners had and explained some of the different scenarios of options.

Commissioner Morrison noted that he felt the City of Parkville would likely not increase the tax exemption to 100%.

MOVED Commissioner Stanhope, SECONDED Commissioner Wiebe that the Regional District request the City of Parkville to grant 100% tax exemption status for the land and building leased by the Parkville Curling Club Society excluding the commercial area of the building (licensed lounge) in the calculation of taxation assessment.

CARRIED

MOVED Commissioner Stanhope, SECONDED Commissioner Leontowich that the Regional District commission an independent building assessment of the District 69 Arena with up to \$15,000 through the Corporate Climate Action Fund (CCAF) to confirm the current level of performance, integrity and life expectancy of the structure and major operating systems to use in long term management of the asset.

CARRIED

District 69 Fees and Charges Report - Bylaw 1701, 1704, 1705

MOVED Commissioner Stanhope, SECONDED Commissioner Veenhof that the "District 69 Recreation Services Fees and Charges Bylaw No. 1701, 2014" be introduced and read three times.

CARRIED

MOVED Commissioner Stanhope, SECONDED Commissioner Veenhof that the "District 69 Recreation Services Fees and Charges Bylaw No. 1701, 2014" be adopted.

CARRIED

MOVED Commissioner Stanhope, SECONDED Commissioner Veenhof that the "District 69 Arena Services Fees and Charges Bylaw No. 1704, 2014" be introduced and read three times.

CARRIED

MOVED Commissioner Stanhope, SECONDED Commissioner Veenhof that the "District 69 Arena Services Fees and Charges Bylaw No. 1704, 2014" be adopted.

CARRIED

MOVED Commissioner Stanhope, SECONDED Commissioner Morrison that the "District 69 Aquatic Services Fees and Charges Bylaw No. 1705, 2014" be introduced and read three times.

CARRIED

MOVED Commissioner Stanhope, SECONDED Commissioner Morrison that the "District 69 Aquatic Services Fees and Charges Bylaw No. 1705, 2014" be adopted.

CARRIED

COMMISSIONER ROUND TABLE

Commissioner Leontowich told the Commission of the Bluegrass Festival happening June 27-29 (Fri-Sun), hosted by the Qualicum Bay Lions & the Lighthouse Community Hall

ADJOURNMENT

MOVED Commissioner Veenhof that the meeting be adjourned at 3:20 pm.

CARRIED

Chair

TO: Tom Osborne
General Manager, Recreation and Parks Services

DATE: June 9, 2014

FROM: Dean Banman
Manager of Recreation Services

FILE:

SUBJECT: Parksville Curling Club Viability under Reduced Tax Exemption

PURPOSE

To provide the information requested under RDN Board resolution #14-264 related to the Parksville Curling Club (PCC) Society's use of the District 69 Arena and the reduction of the tax exemption to the facility and lands.

BACKGROUND

In the fall of 2013 the PCC was made aware that the 100% tax exemption eligibility they had been given since their inception (2003) by the City of Parksville had been reduced to 50% effective 2014. Along with this immediate 50% reduction the Club was informed of the possibility of further reductions in exemption status in future years may materialize.

Based on BC Assessment valuations in January 2014 this effectively placed a property tax assessment on PCC of \$16,564.26 (50% of \$33,128.52). With the help of RDN and City of Parksville staff an appeal was submitted to BC Assessment and the assessed valuation was reduced from \$1,567,000 to \$630,103 which reduced the assessment by approximately 60% to \$13,126.85. The taxes payable by PCC now stands at \$6,563.43 (50% of \$13,126.85).

Although now lower than originally assessed an unanticipated annual tax assessment fee of \$6,563.43 is still in effect and placing pressure on the operating of the PCC. To this PCC appeared as delegations at the February 2014 District 69 Recreation Commission and the March 2014 City of Parksville Council Meeting. The District 69 Recreation Commission passed the following resolution that was approved by the RDN Board at their Regular Meeting in March 2014:

RDN Board Resolution #14-264

That staff prepare a report on the impacts the Parksville Curling Club and the District 69 Arena facility is facing with the reduction and removal of the Permissive Tax Exemption by the City of Parksville for the leased parklands and to provide options that will ensure the club and the regional district facility can be sustained in the long term.

At the April 23, 2014 Regular Meeting of the City of Parksville, the City Council received a city staff report outlining possible options related to the PCC tax exemption. This report was received as information only, leaving the tax assessment owed by PCC for 2014 still at \$6,563.43.

Through the Sublease Agreement with the RDN, the Society is responsible for all operational and capital costs associated with the facility and surrounding grounds. The Club's current membership is just over 300 members. The society regularly hosts bonspiels and larger sanctioned events such as the 2012 and 2013 Men's Provincial Championships, 2009 BC Scotties Tournament of Hearts and most recently the 2014 BC High School Championships. With their membership base PCC anticipates a \$22.00 per member additional annual fee will be required to meet the demands of the reduction in permissive tax exemption. PCC has indicated that there is a likelihood that should this additional membership fee be put in place, membership could fall dramatically to the point that the continued operation of PCC is at risk.

ALTERNATIVES

1. To convert the existing Lease Agreement between the RDN and the Parksville Curling Club to an Operating Agreement and therefore being eligible for 100% statutory tax exemption under Division 6 (s) 220 of the Community Charter.
2. To request the City of Parksville to grant 100% tax exemption status for the land and building excluding the commercial area of the building (licensed lounge) in the calculation of taxation assessment.
3. To approach the City of Parksville with a request to amend the existing Lease Agreement between the RDN and City to reduce the size of the leased area by approximately 65% in order to further reduce the land's assessment by the same amount.
4. That alternative direction be provided.

FINANCIAL IMPLICATIONS

1. Converting the Existing Lease with PCC to an Operating Agreement

The agreement between the RDN and PCC may be eligible for 100% statutory tax exemption under Division 6 (s) 220 of the Community Charter if it was seen as the RDN still held or was vested in the District 69 Arena. Currently the sub-lease between the RDN and PCC is an impediment to this statutory exemption being applicable. There may be a possibility through a City of Parksville bylaw under Division 7 (s) 225 of Community Charter that a 100% permissive tax exemption to the PCC may be possible should the existing lease agreement between the RDN and PCC be converted to a form that reflects more of an operating agreement between the RDN and PCC.

These types of agreements would however place the RDN in more possession and control of the District 69 Arena and increase both its responsibility and liability. The RDN's solicitor Stewart, McDannold, Stuart (SMS) has provided legal opinion on the matter. In essence, an operating or partnering agreement may provide PCC with 100% tax exemption but the RDN would then likely need to take on additional responsibilities. Some examples of the types of responsibilities the RDN *may* need to assume are;

maintenance and repair over a specified dollar amount and provision of an annual operating management fee.

Additional liability responsibilities would likely result and could be mitigated with language within an agreement. The essence of an operating or co-management type agreement is to satisfy the requirement within the Community Charter that the RDN held or was vested in the control of the building. SMS does provide comment in their opinion that the influencing case law and local government legislation in this area of law makes tax exemption eligibility not straight forward and open to interpretation.

RDN staff have reviewed existing agreements from other local governments that have 100% tax exemption and the language within these agreements are consistent with these local governments active role in the operating/management of the facilities. Some examples of the agreements reviewed include City of Parksville (Parksville Community Centre Society), Town of Qualicum Beach (Qualicum and District Curling Club) and individual agreements between City of Nanaimo and; Nanaimo Curling Club and Nanaimo White Rapids (Kin Pool). Equally important to the 100% tax exemption status of these groups is the willingness of local governments to approve 100% tax exemption status under Division 7 of the Community Charter.

2. Granting of Full Tax Exemption Excluding Commercial Areas of the Facility

By limiting the taxable area for tax exemption purposes to the approximately 300 sq. m. commercial area of the facility (licensed lounge) the assessed area value of would be \$13,233, down from \$630,103 and the taxable amount to \$276.00, down from \$13,127. It can be argued that a tax exemption on the licensed lounge provides PCC with an unfair advantage over other commercial establishments with the City of Parksville that provide these same services and are required to pay property taxes. For this reason it is relevant that some percentage of tax assessment is warranted at PCC. No other facility or organization provides curling within the City of Parksville or immediate area so no unfair competitive advantage related to the other portion of the PCC leased land and facility is apparent. It appears from City of Parksville Bylaw 1500 Schedule 'A' that they do have a willingness to approve 100% tax exemptions for like facilities and services that hold the same property class as PCC.

3. Reduction of Lease Area

The RDN could request the City of Parksville amend the existing lease space to a smaller area in closer proximity to the arena. The existing space leased by the RDN from the City of Parksville and subsequently sub-leased to PCC includes 127 parking stalls, 8 light standards, and boulevard landscaping with approximately 30 trees. Utilities for the light standards and boulevard watering is supplied from the PCC currently at no cost to the City of Parksville. Throughout the year this space is used by patrons of the community park with the majority of use by PCC September to March. PCC is responsible for the space year around. For purposes of PCC, the leased area could be reduced by approximately 65% (13,700 sq. m. to 4,800 sq. m.) which in affect would reduce the assessed value the same percentage or by \$409,567. This in effect would reduce the tax assessment to approximately \$5,251 from the current amount of \$13,126.85.

The existing lease between the City of Parksville and the RDN was renewed in April 2013 and expires at the end of March, 2018. The City of Parksville is under no obligation to amend the existing agreement.

4. Other Considerations

The RDN has intimate knowledge of the efforts, both financial and labour, a recreation facility such as a curling facility requires. A facility the size and age of the District 69 Arena will continue to require annual maintenance along with capital work.

Through possible Corporate Climate Action fund (CCAF) or other relevant sources, funding an independent assessment of the District 69 Arena building integrity and life expectation of major operating systems would help both PCC and RDN in management of the asset. The information gathered from this assessment could be used in the development of an asset management plan for the facility. The implementation and management of this plan would, depending on the structure of a use agreement, fall to either the RDN, PCC or both. It is estimated that the building assessment would cost in the range of \$10,000 - \$15,000.

PCC currently charges each of its members an annual \$20.00 facility development fund fee. These fees go into a dedicated reserve fund to help finance capital projects. This fund currently has a balance of \$14,000. Prior to 2003 when PCC was looking to possibly build a facility or convert an existing structure, fundraising efforts had accumulated approximately \$100,000. Over the years this fund has been used in conjunction with the facility development fund in financing capital projects. Currently the original \$100,000 fund sits at \$50,000 and is used as a security against a \$50,000 line of credit.

The Curling Club has made over \$157,700 in leasehold improvement to the facility including but not limited to replacement of the facility's condenser, installation of a Low E ceiling, an addition of a lounge, repairs to the roof, and upgrades to the ladies washroom.

In the event the Parksville Curling Club is unable to operate the District 69 Arena and the RDN's participants of the District 69 Arena function, which includes Parksville, Qualicum Beach, Electoral Area's E, F, G and H, decide to demolish the building if deemed to have no community use value, the cost to undertake this work would be borne by participants.

In 2012 the RDN commissioned a facility asset appraisal for the District 69 Arena and the demolition costs for the facility (not including any soil remediation if required) was estimated to be \$235,000. This figure may be low as when the City of Nanaimo's Civic Arena was demolished in 2006, the cost was \$739,645 (not including soil remediation). As the range between the two samples is relatively large, the RDN would need to confirm the likely demolition costs as part of their long term financial planning process. Table I outlines the proportional share for both cost removal estimates.

Table I - Proportional Share of District 69 Arena Demolition Costs

\$235,000 Estimate		\$739,645 Estimate	
Parksville (26%) -	\$61,940	Parksville -	\$194,950
Qualicum Beach(20%) -	\$45,988	Qualicum Beach -	\$144,742
EA E (18%) -	\$41,514	EA E -	\$130,662
EA F (12%) -	\$27,187	EA F -	\$85,569
EA G (16%) -	\$37,712	EA G -	\$118,696
EA H (8%)-	\$20,659	EA H -	\$65,026

A revision should be made to Bylaw #1504 that would expand the authority to use reserve funds for the demolition of the District 69 Arena should it be required. For illustrative purposes if \$20,000 was

annually budgeted under a revised Bylaw #1504 the impact on the tax assessment of the contributing areas is shown in Table II. The information through a building assessment would provide more accurate information on the required need to begin contributing to this reserve fund.

Table II - Proportional Share of District 69 Arena Annual \$20,000 Contribution to Bylaw #1504

Parksville	\$5,200	EA F	\$2,400
Qualicum Beach	\$4,000	EA G	\$3,200
EA E	\$3,600	EA H	\$1,600

STRATEGIC PLAN IMPLICATIONS

The fitness and social benefits derived from the RDN working with the City of Parksville and the PCC related lease agreements promote active living which is a recognized initiative within the strategic plan. Specifically, the RDN is striving to achieve its goal to provide opportunities to residents that improve the physical, social, and cultural and health needs while striving to balance location, accessibility, and usage fees. The initiatives PCC has consistently undertaken also increase the sports tourism exposure that is desirable to the community and is also a specified initiative with the existing RDN strategic plan.

SUMMARY

As of 2014 the Parksville Curling Club Society (PCC) is subject to a 50% tax assessment on the District 69 Arena property and building it leases from the RDN. Prior to 2014 PCC was given a 100% tax exemption from the City of Parksville. Due to the sheer size of the leased area the 2013 assessed value was \$1,567,000. At this value the PCC was faced with paying a \$16,564.26 (50% of \$33,128.52) property tax bill. In early 2014 PCC appealed this assessed value and was successful in having the value reduced to \$630,103. At this assessed value the current property assessment for the PCC is \$6,563.43 (50% of 13,126.85).

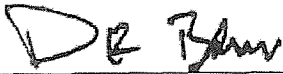
Under the current sub-lease agreement with the RDN, PCC is responsible for 100% of the operating and capital work required at the District 69 Arena as well as all applicable taxes. Since taking over the facility as a curling club PCC has met this obligation with investments of approximately \$157,000 in the building and its equipment.

Through no fault of the PCC some of the significant operating systems and structures are showing signs of age and the need for more capital planning. PCC feels that the additional financial burden of paying annual property tax (\$6,563.43) will add more hardship to the operating of the facility. They have appeared as a delegation to both the District 69 Recreation Commission and City of Parksville Council requesting reinstatement of the 100% tax exemption status.

The District 69 Recreation Commission and Regional Board directed staff to provide a report on the impact the removal of 100% tax exemption will have on the District 69 Arena as well as the PCC. The City of Parksville has replied to PCC that no changes back to a 100% tax exemption are being considered at this time and in fact more reductions in tax exemptions may be considered in the future.

RECOMMENDATIONS

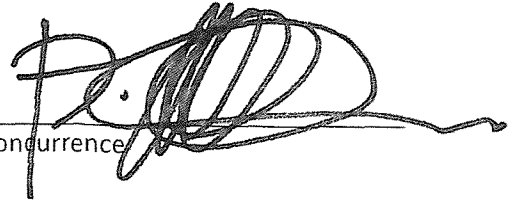
1. That the Regional District request the City of Parksville to grant 100% tax exemption status for the land and building leased by the Parksville Curling Club Society excluding the commercial area of the building (licensed lounge) in the calculation of taxation assessment.
2. That the Regional District commission an independent building assessment of the District 69 Arena through the Corporate Climate Action fund (CCAF) to confirm the integrity and life expectancy of the structure and major operating systems to use in long term management of the asset.
3. That the District 69 Arena Reserve Fund Bylaw #1504 be amended to allow funds to be allocated for the eventual removal of the District 69 Arena when required.



Report Writer



General Manager Concurrence



C.A.O. Concurrence



RDN REPORT	
CAO APPROVAL	
EAP	
COW	
JUN 12 2014	
RHD	
BOARD	
<i>District 69 Rec Commission</i>	

MEMORANDUM

TO: Tom Osborne
General Manager of Recreation and Parks

DATE: June 10, 2014

FROM: Dean Banman
Manager of Recreation Services

FILE:

SUBJECT: District 69 Recreation Services Fees and Charges Bylaw No. 1701, 2014
District 69 Arena Services Fees and Charges Bylaw No. 1704, 2014
District 69 Aquatic Services Fees and Charges Bylaw No. 1705, 2014

PURPOSE

To seek Regional Board approval for establishing District 69 Recreation Services Fees and Charges Bylaw (No. 1701, 2014), District 69 Arena Services Fees and Charges Bylaw (No. 1704, 2014), District 69 Aquatic Services Fees and Charges Bylaw (No. 1705, 2014) and to establish the fee schedules for these bylaws for a term commencing on September 1, 2014 through to August 31 2016.

BACKGROUND

Historically, as per Policy C2.1 - Recreation Fees and Charges (Appendix D), recreation services fees and charges in District 69 have been reviewed annually. This review begins with meetings of the Sub Committee of the District 69 Recreation Commission. Recommendations are then reviewed by the District 69 Recreation Commission before being considered by the Regional Board. The recreation service fees and charges that are reviewed include; program fees for Northern Community Recreation Services, as well as admission, rental fees and program fees for the Ravensong Aquatic Centre and Oceanside Place.

According to the Local Government Act Part 10.1 (s) 363 the authority for local government to establish and collect fees is required to come from authority under an established bylaw rather than a Board policy. To this effect the three bylaws (Appendix A, B, and C) are being brought before the RDN Board for three readings and adoption. In addition to the Bylaws being established staff are also looking for the Board to approve the schedules contained within the bylaws which establish the fees and charges for the three service function areas of Northern Community Recreation Services, Ravensong Aquatic Centre and Oceanside Place.

A review of the fees and charges of similar facilities in the mid-Vancouver Island region is taken into consideration when establishing admission fees and rental prices for both Oceanside Place and Ravensong Aquatic Centre. The schedule of fees and charge outlined in Bylaw 1704 and Bylaw 1705 were reviewed by the District 69 Recreation Fees and Charges Sub-committee and the District 69 Recreation Commission. The recommendations within this report are a result of these reviews.

ALTERNATIVES

1. That the District 69 Recreation Services Fees and Charges Bylaw (No. 1701, 2014), the District 69 Arena Services Fees and Charges Bylaw (No. 1704, 2014), and the District 69 Aquatic Services Fees and Charges Bylaw (No. 1705, 2014) be adopted and fee schedules for these bylaws for the years September 1, 2014 – August 31 2016 be established.
2. That the District 69 Recreation Services Fees and Charges Bylaw (No. 1701, 2014), the District 69 Arena Services Fees and Charges Bylaw (No. 1704, 2014), and the District 69 Aquatic Services Fees and Charges Bylaw (No. 1705, 2014) not be adopted and alternate direction be provided.

FINANCIAL IMPLICATIONS

1. NORTHERN COMMUNITY RECREATION SERVICES

The Northern Community Recreation Services function pertains to the delivery of recreation program services throughout District 69. Schedule A provides detail on how fees and charges will be applied under the authority of Bylaw #1701. This detail not only includes cost recovery percentages but also the principles applied when costing recreation programs.

Traditionally in the recreation industry fees for recreation programs have been calculated on a model that sees a percentage of subsidization/profit applied using only the demographic of age. The existing subsidization/profit better known as recovery rates for RDN Recreation Services can be seen in Table 1 below.

Table 1- Current RDN District 69 Recreation Program Recovery Rates

Category:	Recovery Rates (%)
Pre-School Programs (5 yrs. and under)	100
Children’s Programs (Kindergarten-Grade 5)	100
Youth Programs (Grade 6-12)	75
Adult Programs (19 yrs. and above)	125
Summer and Holiday Camps	75
Contract Camps	100
Family Programs	75
Leadership Development	75

Within the last few years discussions have been taking place within local government recreation departments in relation to the calculation of user fees and their relevant application to better reflect community vs. individual benefit. In short the greater the individual benefit regardless of age the less the level of local government subsidization should be. When the benefit to the overall community is greater than so should the subsidization. The basis that as a resident ages their ability to pay changes is still relevant and should continue to be a factor in determining ability to pay for recreation services but should not be the sole deciding factor.

The existing RDN recreation program recovery rate structure does not allow the ability to price programs with a greater individual benefit vs. community benefit that are high in demand at a profitable price. For example a specialized elite sport camp for youth can only recovery up to 75% of its costs even though these camps go beyond developing fundamental movement skills and are in high demand not yet satisfied by the private sector. If a program of this nature was able to be priced based more on market demand a profit from this program would be very likely. This profit could be used to support programs that the department should provide at a subsidized rate. Programs that provide fundamental skills in areas such as; healthy living, leadership, community development and inclusion benefit not only the individual but the community as a whole and should be priced accordingly with some level of subsidization.

Staff are cognizant that a product mix of recreation services is required and will continue to offer services that are more weighted towards those that benefit both the community and individual resident(s). Typically these types of programs are not as profitable and as a result of little sustainable value to private business.

The anticipated shift in Northern Community Recreation Service fees proposed in Schedule 'A' of Bylaw #1701 will not adversely affect tax requisition rates established within the existing five year financial plan. It is anticipated that the change in fact will offer the ability to deliver more profitable/user pay programs that will be able to support those department programs offered at less than 100% cost recovery. Table 2 shows the anticipated program recovery rates and categories

Table 2- 2013 - 2014 RDN District 69 Recreation Program Recovery Rates

Purpose	Strategic Goal	Examples	Recovery Rate (%)
Building Healthy Communities by meeting needs	Community events of significance that benefit the majority of the community and/or citizens	KidFest, Building Learning Together, Active Aging Week, Terry Fox	<75
Building Healthy Communities and Citizens by meeting needs	Programs and services that develop fundamental skills equally benefitting both the community and individual; youth leadership, fundamental physical movement, wellness, programs for people with consistent barriers or at risk Programs and services that develop fundamental skills benefitting both the community and individual	Minds in Motion, core summer programs, after school programming, Inclusion, Fundamental swimming and skating lessons, Leaders In Training	75-100
Building Healthy Citizens by meeting needs	Programs and services that develop fundamental skills benefitting the community but more so the individual based on market demand	Specialized swimming and skating lessons, guided alpine hikes, Non-Impact Aerobics (NIA), Yoga	>100
Building Satisfied Citizens by meeting wants and demands	Programs and services that meet the hobbies or special interests demands of individuals that are not met by the private sector	Specialized camps (sport, art, technology), private swim and skating lessons	>125

Recovery rates for program services will include the following costs.

- a) Instructor(s) wages including program preparation time
- b) Program equipment, supplies and materials
- c) Facility rental
- d) Transportation and/or mileage (as per the RDN vehicle mileage rate)
- e) Administration fee (RDN administration fee, photocopying, promotions, registration). Applied only to programs where instructors are paid an hourly rate or flat fee.

For perspective Table 3 provides the total revenue projected for 2014 of the recreation programs of 69 Northern Community Recreation Services that would be influenced by the recovery rates outlined in Table 2 above.

Table 3 – Total Revenue for 2014 Northern Community Recreation Services Registered Programs

Category	Total (\$)
Adult	46,500
Preschool	11,500
Child	5,500
Youth	4,200
Summer	124,500
Total	192,200

II. ADMISSION FEES TO SWIM AND SKATE SESSIONS

Annual percentage increases are applied if warranted to facility admissions and rental rates. As part of this year’s review process, as in past years, a summary of admission rates from other mid-island recreation departments was completed and are summarized in Table 4.

Table 4 compares both the current mid-island averages for admission fees as of March 2014 and proposed rates for 2014-16. During the 2012 review at the sub-committee and commission level it was decided to minimize the affect extreme low or high fees and charges from mid - island communities influence the averages used in the review. As a result the highest and lowest rates from the mid-island communities are not included in the calculation of the averages. Upon review of the information provided by the mid-island communities, a majority of them are planning to increase fees and charges in a number of their categories. An average increase of 3% for comparative purposes has been used in Table 4.

Table 4 shows that with a 3% increase, three out of the five RDN admission categories will be higher than the 2014/2015 projected mid-island average. Table 4 also shows the comparison between the proposed increase of 3% against current admission rates.

Table 4- 2014 Mid - Vancouver Island Facility Admission Rates

All figures include GST	Child (4-12)	Student (13-18)	Adult (19-59)	Senior (60-79)	Family
RDN Admissions: current	2.98	3.98	5.68	4.44	11.53
Mid Island Average: current	2.85	3.76	5.44	4.14	11.84
Mid Island Average: + 3%	2.94	3.87	5.60	4.26	11.33
RDN Admissions : proposed 2013 -2014	3.07	4.00	5.85	4.57	11.88
City of Nanaimo: current	3.50	5.00	6.25	5.00	13.50
City of Nanaimo :2014-15	3.61	5.15	6.44	5.15	13.91

“Special Rate” Admissions

“Special Rate” admissions of \$2.00 for children and youth and \$4.00 for the adult and senior rate categories are designed to meet the needs of patrons with limited or fixed incomes and to utilize facilities during non-peak times. The Department provides a number of opportunities for these reduced rates to attract individuals and families who may otherwise not be able to participate in these recreational pursuits. An all-inclusive rate that includes GST and is rounded off to a simple amount is attractive to both users and staff. Customers tend to bring the exact admission amount making transactions simple. Although these rates are mostly applied to non-peak facility times or within facility schedules when time constraints do not allow for a session of full length, costs associated with these facility times are still apparent. If still not affordable or inconvenient alternatives for deeper discounts are still available through Active Living Membership card or the Financial Assistance Program.

Similar to the information provided in Table 3 under “*NORTHERN COMMUNITY RECREATION SERVICES*”, Table 5 below provides information in determining the possible changes in admission revenue for public sessions at both Oceanside Place and Ravensong Aquatic Centre.

Table 5- 2013 Total Public Session Admissions – Oceanside Place / Ravensong Aquatic Centre

Oceanside Place		Ravensong Aquatic Centre	
Tot	435	Tot	2,810
Child	4,407	Child	5,656
Student	1,127	Student	4,102
Adult	3,661	Adult	25,356
Senior	5,748	Senior	34,421
Family	5,664	Family	11,823
Golden	265	Golden	5,545
Totals	21,307	Totals	89,713

III. a) FACILITY RENTAL FEES AND CHARGES – OCEANSIDE PLACE

Category rates range as much as Commercial Prime of \$267.72 per hour to as low as youth non-prime off season dry floor of \$50.21 per hour. Factors affecting the rate applied to rentals are; time of year, time of day, main age group of participant utilizing the facility, frequency of use and whether use is for profit or non-profit purposes. Tables 6 and 7 provide a barometer of comparison between arena facility rates compared to mid-island averages.

Table 6 below provides a summary of the hours used at Oceanside Place in the main booking categories and can provide relevance to the impact any increase or reduction in ice rental fees may have. For example the information within the table shows that a change to the Senior Tournament rate category has less of an impact than a change to Minor Prime Winter. The information in Table 6 shows the numbers from 2012 which are consistent with those from 2013 and likely to remain consistent for the duration of the proposed schedule.

A complete breakdown of proposed rentals rates for all classifications can be found in Appendix B. Of special note is the use of a senior rental rate in relation to ice and dry floor rentals. Of the communities surveyed, no other has a senior category. Groups falling within this age category in these communities are charged the existing adult rate.

Table 6- 2012 Oceanside Place Hours of Use and Rental Fees

Category	2012 Total Hours	2012 Total Fees \$
Minor Prime Shoulder Season	475	31,810
Minor Prime Winter	2,106	155,800
Minor Non-Prime Winter	524	34,180
Adult Prime Winter	528	6,900
Minor tournament	396	26,360
Minor Prime Dry Floor	141	6,600
Adult Tournament	132	14,255
Minor Non-Prime Shoulder Season	125	6,850
Adult Prime Shoulder Season	100	12,000
Senior Non-Prime Winter	63	6,900
Senior Tournament	56	5,585
Total	4,646	307,240

Table 7- 2014 Mid - Vancouver Island Facility Rental Rates - Ice

All figures include GST	Minor Non-Prime	Minor Prime	Adult Prime	Adult Non-Prime
RDN Rental Rate, Ice: current	74.84	84.84	166.88	130.50
Mid Island Average: current	66.24	88.38	159.24	127.57
Mid Island Average: + 3%	68.23	91.03	164.02	131.39
RDN Rental Rate, Ice: 3% proposed 2014-15	77.09	87.39	171.89	134.42
City of Nanaimo: current	80.63	80.63	161.26	130.49
City of Nanaimo: 2014	83.05	83.05	166.10	134.40

Table 8 compares dry floor rental rates and shows that the proposed rates for 2014 / 2015 are within the projected range of the 2014 / 2015 Mid-Island average.

Table 8- 2013 mid - Vancouver Island Facility Rental Rates – Dry Floor

All figures include GST	Youth Prime	Adult Prime
RDN Rental Rate: current	51.19	70.38
Mid Island Average: current	44.00	62.01
Mid Island Average: + 3%	45.32	63.87
RDN Rental Rates: 2% proposed 2014-15	52.73	72.49
City of Nanaimo: current	45.62	91.94
City of Nanaimo: 2014	46.99	94.70

Additional Services - At Cost.

User groups at both facilities are charged “at cost” for additional services and supplies that may be required for their event. Removal and reinstall of arena glass, arena floor, and electrical connection/disconnection charges are a few examples of at cost charges.

III. b) FACILITY RENTAL FEES AND CHARGES – RAVENSONG AQUATIC CENTRE

Four broad categories make up the majority of hourly rental use at Ravensong Aquatic Centre. Table 9 provides a comparison between aquatic main pool facility rates compared to mid-island averages. A complete breakdown of proposed rental rates for all classifications can be found in Appendix C. Comparisons between aquatic facilities is challenging as pool amenities (slides, water features, steam, sauna) vary.

Table 9- 2014 Mid - Vancouver Island Facility Rental Rates – Aquatic

All figures include GST	Minor Community Group	Adult Community Group	Lane	Commercial
RDN Rental Rate: current	127.37	189.84	13.72	339.57
Mid Island Average: current	117.11	168.76	11.51	351.65
Mid Island Average: + 3%	120.62	201.40	11.86	362.20
RDN Rental rates proposed (3%) 2014-15	131.19	195.54	14.13	349.76
City of Nanaimo (Beban): current	195.08	351.44	10.14	390.15
City of Nanaimo (Beban): 2014	200.93	361.98	10.44	401.85

Table 9- 2013 Ravensong Aquatic Centre Hours of Use and Rental Fees

Category	2012 Total Hours	2012 Total Fees \$
Minor Community Group	1,674	\$25,400
Adult Community Group	150	\$7,631

Operational costs at both Oceanside Place and Ravensong Aquatic Centre continue to increase and include volatile utilities such as natural gas, water, and electricity that within the last few three years have been joined by environmental sustainability initiatives (carbon offsets). Not only are these expenses seen within RDN recreation facilities but also in the rental rates charged by third parties when RDN recreation programs use other community facilities such as schools and community halls. Although some future cost savings of operating expenses at RDN venues are anticipated in areas such as energy conservation, replacement of inefficient equipment and the implementation of time saving practices, operational expenses are still expected to increase.

The proposed increases to the program, admission and rental fees outlined are intended to fund not only annual operating expenses but also increase the sustainability of reserve funds for the three recreation service functions. Adequate reserve fund balances especially for capital intense facilities such as arenas and aquatic centres are critical for long term sustainability.

If the fees and charges are not increased as proposed consideration needs to be given to the direction provided in the five year financial plan. Presently the plan has projected revenues from program registration fees, facility admissions and rental fees to increase annually at 3%. If a reduction or “freeze” in fees and charges is approved or an increase of less than 3% and the volume of rentals and admissions does not increase proportionally, an increase in tax requisitions on future budgets or reductions in capital or operating expenditures would be required.

If the proposed increase to fees and charges create a financial barrier to some residents, additional support can be provided through the Financial Access Program provided through the Recreation and Parks Department, and for children and youth through the Society of Organized Services. The membership concept implemented in 2009 provides another option for patrons providing savings on admission fees while maintaining an active lifestyle.

STRATEGIC PLAN IMPLICATIONS

The fitness and social benefits derived from investments into initiatives that promote active living is recognized within the strategic goals for RDN Recreation and Parks. The fees and charges proposed strives to aid the RDN in meeting its goal to provide opportunities to residents that improve the physical, social, cultural and health needs while striving to balance location, accessibility and usage fees.

Providing affordable access to programs and facilities is paramount for residents to enjoy an active lifestyle. However this affordability is in contrast to the expenses in operating facilities and offering recreation programs. Most local governments commit to subsidizing fees and charges of recreation programs/facilities and have consistently applied a broad based universal amount in the percentages that these subsidies will be. This subsidization is done with the understanding that programs and services provided improve the quality of life to resident and community vitality. It also recognizes that direct users of the facilities receive more individual benefit from use and should contribute directly to the operation and capital expenses of these facilities.

SUMMARY

Fees and charges for the three District 69 recreation functions (Appendices A, B and C) are being proposed for a term commencing on September 1, 2014 through to August 31, 2016. In setting these fees a variety of factors have been considered, including mid - island averages from other local governments that provide public recreation services, financial pressures on facility users, increasing operational costs, and projected revenue targets in the Five Year Financial Plan.

Over the years the District 69 Recreation Commission and RDN Board have endeavored to keep fees and charges in-line with mid-island communities. Relevant information is collected annually and used in determining rate changes in District 69. In addition to affordability, whenever possible recreation services fees and charges should consider fair market value as this reduces the reliance on general taxation.

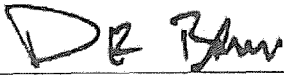
Staff propose that a new determination of calculating recovery rates for recreation programs be used. One that not only takes into consideration age but also better reflects benefits to the individual and community. Under this new model programs that are offered regardless of age that have a strong bias to individual benefit, for example a high level elite summer baseball program, would be priced more based on market demand and may be able to be priced with a profit margin. Additionally a program offered to adults to combat the onset of chronic illness that will increase the likelihood of a longer productive life plus lessen the burden on other community resources (homelessness, medical services, social services home visits) could be offered at a lower recovery rate than the existing 125%.

The proposed model would allow but also require staff when creating programming opportunities to ensure the product mix of programming not only has a blend of sustainable recovery rates that meet the needs of the community but would allow for more entrepreneurial programming with higher recovery rates regardless the target markets age.

It is recommended that Fees and Charges Bylaws be adopted and their related schedules for a term commencing September 1, 2014 through to August 31, 2016 for Northern Community Recreation Services (No. 1701, 2014 – Appendix A), Oceanside Place (No. 1704, 2014 – Appendix B) and Ravensong Aquatic Centre (No. 1705, 2014 – Appendix C).

RECOMMENDATIONS

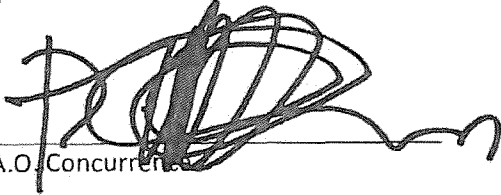
1. That "District 69 Recreation Services Fees and Charges Bylaw No. 1701, 2014" be introduced and read three times.
2. That "District 69 Recreation Services Fees and Charges Bylaw No. 1701, 2014" be adopted.
3. That "District 69 Arena Services Fees and Charges Bylaw No. 1704, 2014" be introduced and read three times.
4. That "District 69 Arena Services Fees and Charges Bylaw No. 1704, 2014" be adopted.
5. That "District 69 Aquatic Services Fees and Charges Bylaw No. 1705, 2014" be introduced and read three times.
6. That "District 69 Aquatic Services Fees and Charges Bylaw No. 1705, 2014" be adopted.



Report Writer



General Manager Concurrence



C.A.O. Concurrence

APPENDIX 'A'

BYLAW 1701

ATTACHED

APPENDIX A

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1701

**A BYLAW TO ESTABLISH THE COST RECOVERY RATES FOR FEES AND CHARGES
FOR DISTRICT 69 RECREATION SERVICES**

WHEREAS pursuant to section 363 of the *Local Government Act*, a regional district may, by bylaw, impose a fee or charge in respect of services provided and the use of regional district property;

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

1. CITATION

This bylaw may be cited for all purposes as "District 69 Recreation Services Fees and Charges Bylaw No. 1701, 2014".

2. COST RECOVERY RATES FOR FEES AND CHARGES

There are hereby established cost recovery rates to impose fees and charges for District 69 Recreation Services as set out in Schedule 'A' attached to and forming part of this bylaw.

3. EFFECTIVE DATE

This Bylaw comes into effect on September 1, 2014.

Introduced and read three times this day of , 2014.

Adopted this day of , 2014.

CHAIRPERSON

CORPORATE OFFICER

Schedule 'A' DISTRICT 69 RECREATION SERVICES FEES AND CHARGES BYLAW NO. 1701, 2014

Purpose	Strategic Goal	Examples	Recovery Rate (%)
Building Healthy Communities by meeting needs	Community events of significance that benefit the majority of the community and/or citizens	KidFest, Building Learning Together, Active Aging Week, Terry Fox	<75
Building Healthy Communities and Citizens by meeting needs	Programs and services that develop fundamental skills equally benefitting both the community and individual; youth leadership, fundamental physical movement, wellness, programs for people with consistent barriers or at risk	Minds in Motion, core summer programs, after school programming, Inclusion,	75-100
	Programs and services that develop fundamental skills benefitting both the community and individual	Fundamental swimming and skating lessons, Leaders In Training	
Building Healthy Citizens by meeting needs	Programs and services that develop fundamental skills benefitting the community but more so the individual based on market demand	Specialized swimming and skating lessons, guided alpine hikes, Non-Impact Aerobics (NIA), Yoga	>100
Building Satisfied Citizens by meeting wants and demands	Programs and services that meet the hobbies or special interests demands of individuals that are not met by the private sector	Specialized camps (sport, art, technology), private swim and skating lessons	>125

Recovery rates for program services will include the following costs.

- a) Instructor(s) wages including program preparation time
- b) Program equipment, supplies and materials
- c) Facility rental
- d) Transportation and/or mileage (as per the RDN vehicle mileage rate)
- e) Administration fee (RDN administration fee, photocopying, promotions, registration). Applied only to programs where instructors are paid an hourly rate or flat fee.

APPENDIX 'B'

BYLAW 1704

ATTACHED

APPENDIX B

REGIONAL DISTRICT OF NANAIMO BYLAW

NO. 1704

A BYLAW TO ESTABLISH FEES AND CHARGES FOR DISTRICT 69 ARENA SERVICES

WHEREAS pursuant to section 363 of the *Local Government Act*, a regional district may, by bylaw, impose a fee or charge in respect of services provided and the use of regional district property;

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

1. CITATION

This bylaw may be cited for all purposes as "District 69 Arena Services Fees and Charges Bylaw No. 1704, 2014".

2. FEES AND CHARGES

There are hereby levied fees and charges for District 69 Arena Services as set out in Schedule 'A' attached to and forming part of this bylaw.

3. EFFECTIVE DATE

This Bylaw comes into effect on September 1, 2014.

Introduced and read three times this day of , 2014.

Adopted this day of , 2014.

CHAIRPERSON

CORPORATE OFFICER

District 69 Arena Services Fees and Charges Bylaw No. 1704, 2014- SCHEDULE A						
OCEANSIDE PLACE						
ADMISSIONS						
Category	2013/14	2013/14	2014/15	2014/15	2015/16	2015/16
Calculation Admissions & Rentals: Take base rate from previous year and add rate increase, then multiply new base rate by 1.05 for total inc. tax.						
	Base Rate	Total inc. 5% GST	Base Rate 3% increase	Total inc. 5% GST	Base Rate 3% increase	Total inc. 5% GST
Tot (0-3)	Free	Free	Free	Free	Free	Free
Child (4-12)	2.84	2.98	2.93	3.07	3.01	3.16
Student (13-18 or Valid Student Card)	3.79	3.98	3.90	4.10	4.02	4.22
Adult (19-59)	5.41	5.68	5.57	5.85	5.74	6.03
Senior (60-79)	4.23	4.44	4.36	4.57	4.49	4.71
Golden (80+)	Free	Free	Free	Free	Free	Free
Family	10.98	11.53	11.31	11.87	11.65	12.23
Special Rate (Child/Youth)	1.34	1.50	2.00	2.00	2.00	2.00
Special Rate (Adult/Senior)	2.68	3.00	4.00	4.00	4.00	4.00
Oceanside Place Additional Admission categories:						
Family w/ Skate Rental	14.72	15.46	15.16	15.92	16.09	16.89
Child / Youth Skate Rental	1.36	1.43	1.40	1.47	1.48	1.55
Adult / Senior Skate Rental	2.70	2.84	2.78	2.92	2.95	3.10
Skate Sharpening (price incl. PST)	4.98	5.58	5.13	5.74	5.44	6.09
Membership Card Replacement Fee	5.20	5.46	5.00	5.25	5.15	5.41
ACTIVE LIVING CARDS (OP and RAC)						
Category	2013/14	2013/14	2014/15	2014/15	2015/16	2015/16
	Base Rate	Total inc. 5% GST	Base Rate	Total inc. 5% GST	Base Rate 3% increase	Total inc. 5% GST
3 Month - Regular admission x twice wkly x 13 wks						
Child (4-12)	73.84	77.53	76.06	79.86	78.34	82.25
Student (13-18 or Valid Student Card)	98.54	103.47	101.50	106.57	104.54	109.77
Adult (19-59)	140.66	147.69	144.88	152.12	149.23	156.69
Senior (60-79)	109.98	115.48	113.28	118.94	116.68	122.51
Family	285.48	299.75	294.04	308.75	302.87	318.01
6 Month - Three month fee x 1.8						
Child (4-12)	132.91	139.56	136.90	143.74	141.01	148.06
Student (13-18 or Valid Student Card)	177.37	186.24	182.69	191.83	188.17	197.58
Adult (19-59)	253.19	265.85	260.78	273.82	268.61	282.04
Senior (60-79)	197.96	207.86	203.90	214.10	210.02	220.52
Family	513.86	539.55	529.28	555.74	545.16	572.42
12 Month - Six month fee x 1.5						
Child (4-12)	199.37	209.34	205.35	215.62	211.51	222.08
Student (13-18 or Valid Student Card)	266.06	279.36	274.04	287.74	282.26	296.37
Adult (19-59)	379.79	398.78	391.18	410.73	402.91	423.06
Senior (60-79)	296.94	311.79	305.85	321.15	315.03	330.78
Family	770.79	809.33	793.92	833.62	817.74	858.62
10X Active Passes (OP & RAC) Regular admission (x 9 - 10) x10 for base rate.						
<small>Note: We enter the regular admission rate - 10.00 Class.</small>						
Child (4-12)	25.60	26.88	26.33	27.64	27.12	28.47
Student (13-18 or Valid Student Card)	34.10	35.81	35.13	36.89	36.19	38.00
Adult (19-59)	48.70	51.14	50.15	52.66	51.66	54.24
Senior (60-79)	38.10	40.01	39.21	41.17	40.39	42.41
Family	98.80	103.74	101.78	106.87	104.84	110.08
Child (4-12) w/skate rentals	37.80	39.69	38.93	40.88	40.44	42.46
Student (13-18) w/skate rentals	46.30	48.62	47.74	50.13	49.51	51.98
Adult (19-59) w/skate rentals	73.00	76.65	75.18	78.94	78.21	82.12
Senior (60-79) w/skate rentals	62.40	65.52	64.24	67.45	66.94	70.29
Family w/skate rentals	132.50	139.13	136.45	143.28	144.81	152.05
Child/Student skate rentals	12.20	12.81	12.61	13.24	13.32	13.99
Adult/Senior skate rentals	24.30	25.52	25.03	26.28	26.55	27.88
Skate Sharpening (price incl. PST)	44.80	50.18	46.16	51.70	48.96	54.84

OCEANSIDE PLACE RENTALS						
Category	2013/14	2013/14	2014/15	2014/15	2015/16	2015/16
<small>Note: Commercial Events Daily Rate = hourly rate ± 10 or 15% of gross revenue. Portable floor cost = staff cost for install, cleaning and removal. Non Profit events will be charged applicable hourly rate as defined by demographic of group and time of day</small>	Base Rate	Total inc. 5% GST	Base Rate	Total inc. 5% GST	Base Rate 3% Increase	Total inc. 5% GST
Tournament Rates						
Minor Tournament	69.94	73.44	72.04	75.64	74.20	77.91
Adult Tournament	117.23	123.09	120.75	126.78	124.37	130.59
Senior Tournament	114.18	119.89	117.61	123.49	121.13	127.19
Commercial Events Prime - No Maximum	161.39	169.46	166.23	174.54	171.22	179.78
Commercial Events Non Prime - No Maximum	137.50	144.38	141.63	148.71	145.87	153.17
Winter Rates (September 1 - March 31)						
Minor Prime	80.80	84.84	83.22	87.39	85.72	90.01
Minor Non Prime - increase of 1.04 for 3 years 2011,12,13	71.28	74.84	73.42	77.09	75.62	79.40
Adult Prime - increase of 1.045 for 1 year 2011 & 1.04 for 2012, 2013	154.32	162.04	158.95	166.90	163.72	171.90
Adult Non Prime - increase of 1.04 for 2012	124.29	130.50	128.02	134.42	131.86	138.45
Senior Prime - increase of 1.04 for 2012	147.67	155.05	152.10	159.71	156.66	164.50
Senior Non Prime - increase of 1.04 for 2012	115.28	121.04	118.74	124.68	122.30	128.42
Hockey / Skating Schools - increase of 1.04 for 2012	152.10	159.71	156.66	164.50	161.36	169.43
Commercial Events Prime - increase of 1.04 for 2012 - Maximum of 10 hrs	240.83	252.87	248.05	260.46	255.50	268.27
Commercial Events Non Prime - increase of 1.04 for 2012 - Maximum of 10 hrs	190.11	199.62	195.81	205.60	201.69	211.77
Set Up / Tear Down - increase of 1.04 for 3 years 2011,12,13	71.28	74.84	73.42	77.09	75.62	79.40
Shoulder Season Rates (April 1 - August 31)						
Minor Prime	69.36	72.83	71.44	75.01	73.58	77.26
Minor Non Prime	59.42	62.39	61.20	64.26	63.04	66.19
Adult Prime	128.04	134.44	131.88	138.48	135.84	142.63
Adult Non Prime	104.62	109.85	107.76	113.15	110.99	116.54
Senior Prime	124.30	130.52	128.03	134.43	131.87	138.46
Senior Non Prime	100.75	105.79	103.77	108.96	106.89	112.23
Hockey / Skating Schools	110.80	116.34	114.12	119.83	117.55	123.43
Commercial Events Prime - Maximum of 10 hrs	219.69	230.67	226.28	237.59	233.07	244.72
Commercial Events Non Prime - Maximum of 10 hrs	125.53	131.81	129.30	135.76	133.17	139.83
Set Up / Tear Down	59.42	62.39	61.20	64.26	63.04	66.19
OCEANSIDE PLACE RENTALS						
Category	2013/14	2013/14	2014/15	2014/15	2015/16	2015/16
	Base Rate	Total inc. 5% GST	Base Rate	Total inc. 5% GST	Base Rate 3% Increase	Total inc. 5% GST
Dry Floor						
Minor prime	48.75	51.19	50.21	52.72	51.72	54.30
Minor Non Prime	42.65	44.78	43.93	46.13	45.25	47.51
Adult Prime	67.03	70.38	69.04	72.49	71.11	74.67
Adult Non Prime	54.84	57.58	56.49	59.31	58.18	61.09
Senior Prime	67.03	70.38	69.04	72.49	71.11	74.67
Senior Non Prime	50.21	52.72	51.72	54.30	53.27	55.93
Hockey / Skating Schools	75.30	79.07	77.56	81.44	79.89	83.88
Commercial Events Prime - Maximum of 10 hours	219.69	230.67	226.28	237.59	233.07	244.72
Commercial Events Non Prime - Maximum of 10 hours	125.53	131.81	129.30	135.76	133.17	139.83
Set Up / Tear Down	43.93	46.13	45.25	47.51	46.61	48.94
Other Amenities						
The Pond (Leisure Ice)						
Ice In Prime	47.71	50.10	49.14	51.60	50.62	53.15
Ice In Non Prime	40.90	42.95	42.13	44.23	43.39	45.56
Ice In in conjunction with full sheet	20.43	21.45	21.04	22.10	21.67	22.76
Ice Out Prime	34.07	35.77	35.09	36.85	36.14	37.95
Ice Out Non Prime	27.25	28.61	28.07	29.47	28.91	30.36
Ice Out In Conjunction with full sheet	20.43	21.45	21.04	22.10	21.67	22.76
Multipurpose Room						
Full Room	37.67	39.55	38.80	40.74	39.96	41.96
Half Room	18.83	19.77	19.39	20.36	19.98	20.98
Commercial Full Room	43.93	46.13	45.25	47.51	46.61	48.94
Commercial Half Room	25.10	26.36	25.85	27.15	26.63	27.96
Full Room w/ Ice/Floor Rental	25.10	26.36	25.85	27.15	26.63	27.96
Half Room w/ Ice/Floor Rental	12.56	13.19	12.94	13.58	13.32	13.99
Day Rate (Full Room)	221.53	232.61	228.18	239.58	235.02	246.77
Day Rate (Half Room)	110.75	116.29	114.07	119.78	117.49	123.37
Meeting Room						
Meeting Room	5.99	6.29	6.17	6.48	6.35	6.67
Meeting Room w/ Ice / Floor rental	5.99	6.29	6.17	6.48	6.35	6.67

OCEANSIDE PLACE RENTALS						
Category	2013/14	2013/14	2014/15	2014/15	2015/16	2015/16
	Base Rate	Total inc. 5% GST	Base Rate	Total inc. 5% GST	Base Rate 3% increase	Total inc. 5% GST
Facility Rental Packages						
Winter Wonderland Ice Rentals						
Under 50 people - 1 hour	172.67	181.30	177.85	186.74	183.19	192.34
50 -100 people - 1 hour	223.85	235.04	230.57	242.09	237.48	249.36
100-200 people - 1 hour	275.03	288.78	283.28	297.44	291.78	306.37
Under 50 people - 1.5 hours	212.69	223.32	219.07	230.02	225.64	236.92
50 -100 people - 1.5 hours	263.87	277.06	271.79	285.38	279.94	293.94
100-200 people - 1.5 hours	315.04	330.79	324.49	340.72	334.23	350.94
Under 50 people - 2 hours	273.46	287.13	281.66	295.75	290.11	304.62
50 -100 people - 2 hours	324.64	340.87	334.38	351.10	344.41	361.63
100-200 people - 2 hours	375.81	394.60	387.08	406.44	398.70	418.63
Private Ice Rentals - The Pond						
Up to 30 people - 1 hour	89.19	93.65	91.87	96.46	94.62	99.35
Up to 30 people - 1.5 hours	113.03	118.68	116.42	122.24	119.91	125.91
Up to 30 people - 2 hours	157.64	165.52	162.37	170.49	167.24	175.60
Private Ice Rentals - HMA / VKA - Winter						
Under 75 people - 1 hour	121.49	127.56	125.13	131.39	128.89	135.33
Under 75 people - 1.5 hours	161.52	169.60	166.37	174.68	171.36	179.92
Under 75 people - 2 hours	222.26	233.37	228.93	240.37	235.80	247.59
75-200 people - 1 hour	162.95	171.10	167.84	176.23	172.87	181.52
75-200 people - 1.5 hours	202.97	213.12	209.06	219.51	215.33	226.10
75-200 people - 2 hours	284.48	298.70	293.01	307.67	301.80	316.90
Private Ice Rentals - HMA / VKA - Shoulder						
Under 75 people - 1 hour	110.82	116.36	114.14	119.85	117.57	123.45
Under 75 people - 1.5 hours	145.51	152.79	149.88	157.37	154.37	162.09
Under 75 people - 2 hours	200.94	210.99	206.97	217.32	213.18	223.84
75-200 people - 1 hour	152.29	159.90	156.86	164.70	161.56	169.64
75-200 people - 1.5 hours	186.96	196.31	192.57	202.20	198.35	208.26
75-200 people - 2 hours	263.15	276.31	271.04	284.60	279.18	293.13
Additional Services	At Cost		At Cost		At Cost	
services and supplies that may be required for event. Removal and reinstall of arena glass, arena floor, and electrical connection/disconnection charges, etc.						

APPENDIX 'C'

BYLAW 1705

ATTACHED

APPENDIX C

REGIONAL DISTRICT OF NANAIMO BYLAW

NO. 1705

A BYLAW TO ESTABLISH FEES AND CHARGES FOR DISTRICT 69 AQUATIC SERVICES

WHEREAS pursuant to section 363 of the *Local Government Act*, a regional district may, by bylaw, impose a fee or charge in respect of services provided and the use of regional district property;

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

1. CITATION

This bylaw may be cited for all purposes as "District 69 Aquatic Services Fees and Charges Bylaw No. 1705, 2014".

2. FEES AND CHARGES

There are hereby levied fees and charges for District 69 Aquatic Services as set out in Schedule 'A' attached to and forming part of this bylaw.

3. EFFECTIVE DATE

This Bylaw comes into effect on September 1, 2014.

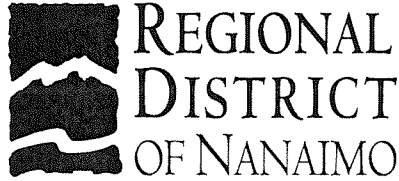
Introduced and read three times this day of , 2014.

Adopted this day of , 2014.

CHAIRPERSON

CORPORATE OFFICER

District 69 Aquatic Services Fees and Charges Bylaw No. 1705, 2014- SCHEDULE A						
RAVENSONG AQUATIC CENTRE						
ADMISSIONS						
Category	2013/14	2013/14	2014/15	2014/15	2015/16	2015/16
<small>Calculation: Admissions & Rentals Table Base Rate from previous year and add rate increase then multiply new base rate by 1.05 for total inc. tax</small>						
	Base Rate	Total inc. 5% GST	Base Rate 3% increase	Total inc. 5% GST	Base Rate increase	Total inc. 5% GST
Tot (0-3)	Free	Free	Free	Free	Free	Free
Child (4-12)	2.84	2.98	2.93	3.07	3.01	3.16
Student (13-18 or Valid Student Card)	3.79	3.98	3.90	4.10	4.02	4.22
Adult (19-59)	5.41	5.68	5.57	5.85	5.74	6.03
Senior (60-79)	4.23	4.44	4.36	4.57	4.49	4.71
Golden (80+)	Free	Free	Free	Free	Free	Free
Family	10.98	11.53	11.31	11.87	11.65	12.23
Special Rate (Child/Youth)	1.54	1.50	2.00	2.00	2.00	2.00
Special Rate (Adult/Senior)	2.68	3.00	4.00	4.00	4.00	4.00
Membership Card Replacement Fee	5.20	5.46	5.00	5.25	5.15	5.41
ACTIVE LIVING CARDS (OP and RAC)						
Category	2013/14	2013/14	2014/15	2014/15	2015/16	2015/16
	Base Rate	Total inc. 5% GST	Base Rate	Total inc. 5% GST	Base Rate increase	Total inc. 5% GST
3 Month - Regular admission x twice wkly x 13 wks						
Child (4-12)	73.84	77.53	76.06	79.66	78.34	82.25
Student (13-18 or Valid Student Card)	98.54	103.47	101.50	106.57	104.54	109.77
Adult (19-59)	140.66	147.69	144.86	152.12	149.23	156.69
Senior (60-79)	109.98	115.48	113.28	118.94	116.68	122.51
Family	285.48	299.75	294.04	308.75	302.87	318.01
6 Month - Three month fee x 1.8						
Child (4-12)	132.91	139.56	136.90	143.74	141.01	148.06
Student (13-18 or Valid Student Card)	177.37	186.24	182.69	191.83	188.17	197.58
Adult (19-59)	253.19	265.85	260.78	273.82	268.61	282.04
Senior (60-79)	197.96	207.86	203.90	214.10	210.02	220.52
Family	513.86	539.55	529.28	555.74	545.16	572.42
12 Month - Six month fee x 1.6						
Child (4-12)	199.37	209.34	205.35	215.62	211.51	222.08
Student (13-18 or Valid Student Card)	266.06	279.36	274.04	287.74	282.26	296.37
Adult (19-59)	379.79	398.76	391.18	410.73	402.91	423.08
Senior (60-79)	296.94	311.79	305.85	321.15	315.03	330.78
Family	770.79	809.33	793.92	833.62	817.74	856.62
10X Active Passes (OP & RAC) Regular admission x 10 x 10 for base rate						
Child (4-12)	25.60	26.88	26.33	27.64	27.12	28.47
Student (13-18 or Valid Student Card)	34.10	35.81	35.13	36.89	36.19	38.00
Adult (19-59)	48.70	51.14	50.15	52.68	51.66	54.24
Senior (60-79)	38.10	40.01	39.21	41.17	40.39	42.41
Family	98.80	103.74	101.78	106.87	104.84	110.08
RAVENSONG AQUATIC CENTRE RENTALS						
Category	2013/14	2013/14	2014/15	2014/15	2015/16	2015/16
	Base Rate	Total inc. 5% GST	Base Rate	Total inc. 5% GST	Base Rate increase	Total inc. 5% GST
Minor Community Groups (0-18 yrs)						
Main Pool	60.84	64.88	63.27	67.43	65.76	70.05
Whirl-Leisure Pool	40.45	42.47	41.66	43.75	42.91	45.06
Per Lane <small>200.00 x 20.00</small>	13.07	13.72	13.46	14.14	13.87	14.58
Pool All	121.30	127.37	124.94	131.19	128.69	135.12
Adult Community Groups						
Main Pool	120.53	126.56	124.15	130.35	127.87	134.26
Whirl-Leisure Pool	60.25	63.26	62.06	65.16	63.92	67.12
Per Lane <small>200.00 x 20.00</small>	19.24	20.20	19.82	20.81	20.41	21.43
Pool All	180.80	189.64	186.22	195.54	191.81	201.40
Commercial						
Main Pool	201.48	211.55	207.52	217.90	213.75	224.44
Whirl-Leisure Pool	100.75	105.79	103.77	108.95	106.89	112.23
Per Lane	31.98	33.56	32.94	34.59	33.93	35.62
	323.40	339.57	333.10	349.76	343.10	360.25
Guards						
Additional Guard per 1 hour session	38.17	40.08	39.32	41.28	40.49	42.52
Private Swim Instruction						
Individual						
Up to 4 lessons @ 30 minutes each	25.62	26.90	26.39	27.71	27.18	28.54
5 or more Lessons @ 30 minutes each	23.39	24.56	24.09	25.30	24.81	25.68
Group (up to max. 4 people)						
Up to 4 lessons @ 30 minutes each - 2 person charge	37.15	39.01	38.26	40.18	39.41	41.38
additional person charge	12.98	13.63	12.73	13.57	12.73	13.37
Physiotherapy Rates per client						
Private Plan (BC MSP or direct payment)	8.44	8.86	8.69	9.13	8.95	9.40
Group Plan (CBC, WCB, RCMP, etc.)	10.78	11.32	11.10	11.66	11.44	12.01
Additional Services						
	At Cost		At Cost		At Cost	
User groups at both facilities are charged 'at cost' for additional services and supplies that may be required for events.						



RDN REPORT		
CAO APPROVAL		
EAP		
COW		
JUN 23 2014		
RHD		
BOARD	✓	

MEMORANDUM

TO: W. Idema
Director of Finance

DATE: June 23, 2014

FROM: T. Moore
Manager, Accounting Services

FILE:

SUBJECT: Community Works Fund Agreement 2014-2024

PURPOSE:

To authorize the Chair and Corporate Officer to execute the Community Works Fund (CWF) Agreement 2014-2024.

BACKGROUND:

On December 4, 2005, the Regional District of Nanaimo (RDN) executed the first CWF Agreement with the Union of British Columbia Municipalities.

On November 14, 2012, the RDN authorized an amendment to the Community Works Fund Agreement that allowed for the RDN to enter into agreements with other eligible recipients for eligible projects. This allowed the RDN to include not-for-profit associations and improvement districts as eligible funding recipients and was scheduled to expire March 31, 2015.

On May 22, 2014 Canada and British Columbia announced that the Administrative Agreement on the Federal Gas Tax Fund in British Columbia (Renewed Gas Tax Agreement or GTA) has been signed between Canada, British Columbia and UBCM, and takes effect as of April 1, 2014. Under the Agreement on the Transfer of Federal Gas Tax revenues, local governments are receiving annual sums which may be used for local priorities which improve public infrastructure. Each local government will be required to sign a corresponding agreement with UBCM in order to continue to receive funding.

In June 2014, the RDN received a CWF Agreement 2014-2024 (see Attachment 1). This agreement is expected to replace the current 2005-2015 CWF Agreement. Highlights of the renewed agreement include an expanded range of eligible categories, program delivery has been streamlined with a single application-based Strategic Priorities Fund (SPF) program and a greater portion of funding will be delivered through allocations under the Community Works Fund (CWF). As well, there is an expectation under the new program that ultimate recipients (local governments and other eligible entities) are required to “work to strengthen” asset management during the term of the agreement. Unspent funds remaining from the first agreement are not restricted for use only under the previous agreement’s eligible categories, but can be applied to the new range of eligible projects effective April 1, 2014.

ALTERNATIVES:

1. Authorize the execution of the CWF Agreement 2014-2024
 - Under this alternative, RDN would be able to use unspent funds from the first agreement and newly allocated funds on an expanded range of eligible projects over an expanded term of contract to 2024.
2. Status Quo
 - Under this alternative, RDN would not authorize the execution of the CWF Agreement 2014-2024.
 - The existing agreement would expire March 31, 2015.

FINANCIAL IMPLICATIONS:


1. Authorize the execution of the CWF Agreement 2014-2024
 - Under the renewed CWF Agreement, it is projected that \$1,596,728 will be allocated to the RDN in 2014/15 and 2015/16; then \$1,676,566 in 2016/17 and 2017/18; and \$1,756,239 in 2018/19.
2. Status Quo
 - If the RDN chose not to sign the agreement, we would jeopardize a number of years of funding that the new agreement offers.

SUMMARY/CONCLUSIONS:


In June 2014, the RDN received a CWF Agreement 2014-2024 (see Attachment 1). This agreement is expected to replace the current 2005-2015 CWF Agreement. Highlights of the renewed agreement include an expanded range of eligible categories, program delivery has been streamlined with a single application-based Strategic Priorities Fund (SPF) program and a greater portion of funding will be delivered through allocations under the Community Works Fund (CWF). As well, there is an expectation under the new program that ultimate recipients (local governments and other eligible entities) are required to “work to strengthen” asset management during the term of the agreement. Unspent funds remaining from the first agreement are not restricted for use only under the previous agreement’s eligible categories, but can be applied to the new range of eligible projects effective April 1, 2014.

RECOMMENDATION:


That the Chairperson and Corporate Officer be authorized to execute the Community Works Fund Agreement 2014-2024 as shown in Attachment 1 to participate in the expanded Community Works Fund Program.



Report Writer



Director of Finance



C.A.O. Concurrence

Gas Tax Program Services

...delivering the federal gas tax agreement funding in British Columbia

May 30, 2014

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

Dear Chair Joe Stanhope:

Please find enclosed two (2) copies of your Community Works Fund (CWF) Agreement 2014-2024 under the Administrative Agreement on the Federal Gas Tax Fund in British Columbia (Gas Tax Agreement). This Agreement will replace your current 2005-2015 CWF Agreement.

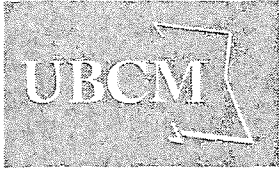
If Board resolves to enter into the Agreement, the Chair and the Corporate Officer should sign both copies and return both to UBCM, along with a certified Board resolution. Upon receipt, the Union of BC Municipalities (UBCM) will sign and date the Agreement and return one fully executed copy for your records. At that time, and provided UBCM has received your 2013 Gas Tax annual expenditure report, UBCM will release your first of two Community Works Fund payments for 2014 in the amount of \$798,364.36. Your second payment is expected to be released by December 2014 and payments will continue in a semi-annual basis over the term of the 2014-2024 CWF Agreement.

The CWF will continue to provide dedicated long-term predictable federal funding to local governments for investments in capital and capacity building projects. Local governments will continue to make local choice on which eligible projects to fund through this program.

UBCM will also be making an additional payment towards CWF funding from interest accumulated over the term of the first Gas Tax Agreement (2005 – present). It is expected that this payment will see an additional \$8 million allocated to BC Local Governments over the next two years of funding, and will coincide with your regular CWF payment starting July 2014.

Any CWF funding that you still have as unspent through CWF payments from 2005-2013 will be considered funds under your new CWF Agreement and any obligations outlined in the new Agreement will take effect for those funds upon completion of your 2013 Gas Tax annual expenditure report.

The renewed Gas Tax Agreement can be found on the UBCM website at www.ubcm.ca under the Funding Programs, Renewed Gas Tax Agreement tab.



Administration provided
By UBCM

Funding provided by:
Government of Canada



In partnership with:
The Province of BC



Gas Tax Program
Services

Local Government House
525 Government St
Victoria BC V8V 0A8

Phone: 250-356-5134
Fax: 250-356-5119

Website:

www.ubcm.ca
under
Funding Programs

Renewed Gas Tax Fund

Please feel free to contact Brant Felker, Gas Tax Policy & Program Manager if you have any questions about CWF or other programs under the Gas Tax Agreement. Brant can be reached by e-mail at bfelker@ubcm.ca or by phone at 250-356-0893.

Yours truly,

A handwritten signature in black ink, appearing to read "Rhona Martin". The signature is written in a cursive style with a large initial "R".

Rhona Martin
UBCM President

2014-2024 COMMUNITY WORKS FUND AGREEMENT
under the
ADMINISTRATIVE AGREEMENT
ON THE FEDERAL GAS TAX FUND IN BRITISH COLUMBIA

This Agreement made as of _____, 201__.

BETWEEN:

Nanaimo Regional District (the Local Government)

AND

The **UNION OF BRITISH COLUMBIA MUNICIPALITIES (UBCM)** as continued by section 2 of the *Union of British Columbia Municipalities Act RSC 2006, c.1*, as represented by the President

WHEREAS:

- A. Canada, British Columbia and UBCM wish to help communities build and revitalize their public infrastructure that supports national objectives of productivity and economic growth, a clean environment and strong cities and communities;
- B. Canada, British Columbia and UBCM have entered into the Agreement setting out the roles and responsibilities of the Parties for the administration of the Federal Gas Tax Fund (GTF) in British Columbia;
- C. The Agreement provides for delivery of funding that may be received by UBCM from Canada, including interest thereon, through three programs, one of which is Community Works Fund;
- D. The Agreement sets out the purpose, terms and conditions of the Community Works Fund, and requires that in order to receive Community Works Fund funding, a Local Government must sign a Funding Agreement with UBCM;

NOW THEREFORE, in consideration of the mutual promises herein, UBCM and the Local Government agree as follows:

1. PURPOSE

The purpose of this Community Works Fund Agreement is to set out the roles and responsibilities of the Local Government and UBCM related to any Community Works Fund funds that may be delivered to the Local Government by UBCM:

2. SCHEDULES

The following Schedules, originating in whole or part from the Agreement, are attached to and form part of this Community Works Fund Agreement:

- Schedule A - Definitions
- Schedule B - Eligible Project Categories
- Schedule C - Eligible and Ineligible Expenditures

Schedule D - Reporting and Audits
Schedule E - Communications Protocol

3. ROLE OF UBCM

3.1 UBCM has, pursuant to the Agreement, agreed with Canada and British Columbia to:

- A. receive GTF funding from Canada and allocate funds so received from Canada pursuant to the Agreement, including allocating Community Works Funds to the Local Government to be spent on Eligible Projects and Eligible Expenditures in accordance with the terms and conditions of this Community Works Fund Agreement;
- B. report to Canada and British Columbia, including Annual Reports and Outcome Reports, as required by the Agreement; and
- C. fulfill other roles and responsibilities as set out in the Agreement.

4. CONTRIBUTION PROVISIONS

- 4.1 Over the term of this Community Works Fund Agreement, UBCM will pay the Local Government its annual allocation within 30 days of receipt of such funds from Canada.
- 4.2 Payments under section 4.1 are subject to UBCM receiving sufficient GTF funds from Canada, and Local Government compliance with this Community Works Fund Agreement and any other Funding Agreement under the First Agreement.
- 4.3 Annual allocation is based on a formula set out in section 3.4 of Annex B of the Agreement. In the first year of this Community Works Fund Agreement, the Local Government will receive \$1,596,728.73, in two equal instalments which, subject to section 4.2, are expected to be delivered in the month following July 15 and November 15, 2014.
- 4.4 Annual allocation to the Local Government for all subsequent years under this Community Works Fund Agreement continue to be based on the funding formula set out in the Agreement, but are subject to change by UBCM from the amount set out in section 4.3 due to such circumstances as local government boundary changes and new Local Government incorporations, changes in Census populations and changes in amounts that may be received by UBCM from Canada.
- 4.5 Timing of payments in subsequent years under this Community Works Fund Agreement to the Local Government by UBCM are subject to change due to any changes in timing of payments to UBCM by Canada.

5. USE OF FUNDS BY LOCAL GOVERNMENT

- 5.1 Any GTF funding that may be received by the Local Government and any Unspent Funds, and any interest earned thereon held by the Local Government must be used by the Local Government in accordance with this Community Works Fund Agreement, including specifically Section 6. (Commitments of the Local Government).
- 5.2 Any GTF funding that may be received by the Local Government and any Unspent Funds, and any interest earned thereon held by the Local Government will be treated as federal funds with respect to other federal infrastructure programs.

6. COMMITMENTS OF THE LOCAL GOVERNMENT

- 6.1 The Local Government shall:
- A. Ensure that any Unspent Funds and any GTF funding received from UBCM, as well as any interest earned thereon are expended and used in accordance with Schedule B (Eligible Project Categories) and Schedule C (Eligible and Ineligible Expenditures).
 - B. Treat any Unspent Funds and any GTF funding received from UBCM, as well as any interest earned thereon as federal funds with respect to other federal infrastructure programs.
 - C. Over the term of this Community Works Fund Agreement, ensure that any Unspent Funds and any GTF funding received from UBCM, as well as any interest earned thereon result in incremental spending as measured by the methodology, which will include a Base Amount, approved by the Partnership Committee.
 - D. Comply with all Ultimate Recipient requirements outlined in Schedule E (Communications Protocol).
 - E. During the term of this Community Works Fund Agreement work to strengthen Asset Management, in accordance with the Asset Management framework developed by the Partnership Committee.
 - F. Invest, in a distinct account, GTF funding received from UBCM in advance of paying Eligible Expenditures.
 - G. With respect to Contracts, award and manage all Contracts in accordance with the Local Government's relevant policies and procedures and, if applicable, in accordance with the Agreement on Internal Trade and applicable international trade agreements, and all other applicable laws.
 - H. Invest into Eligible Projects, any revenue that is generated from the sale, lease, encumbrance or other disposal of an asset resulting from an Eligible Project where such disposal takes place within five (5) years of the date of completion of the Eligible Project.
 - I. Submit a report to UBCM, in a format acceptable to UBCM, by June 1 in each year, which includes:
 - GTF transactions of the Local Government for the previous calendar year, in sufficient detail to allow UBCM to produce the Annual Report required by Schedule D (Reporting and Audits);
 - a declaration from the Chief Financial Officer that the Local Government has complied with all Funding Agreements between it and UBCM; and

- any other information required by UBCM to fulfill its responsibilities under the Agreement, including, but not limited to project outcomes in relation to anticipated program benefits, expenditures made for tangible capital assets, and progress made towards Asset Management improvements.
- J. Allow Canada and UBCM reasonable and timely access to all of its documentation, records and accounts and those of their respective agents or Third Parties related to the use of any Unspent Funds and any GTF funding, as well as any interest earned thereon, and all other relevant information and documentation requested by Canada or UBCM or its designated representatives for the purposes of audit, evaluation, and ensuring compliance with this Community Works Fund Agreement.
- K. Ensure that no current or former public servant or public office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies will derive direct benefit from GTF funding, Unspent Funds and interest earned thereon, unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes.
- L. Keep proper and accurate accounts and records in respect of all Eligible Projects for at least six (6) years after completion of the Eligible Project and, upon reasonable notice, make them available to Canada or UBCM.
- M. Ensure actions do not establish or be deemed to establish a partnership, joint venture, principal-agent relationship or employer-employee relationship in any way or for any purpose whatsoever between Canada, British Columbia, or UBCM and the Local Government, or between Canada, British Columbia, or UBCM and a Third Party.
- N. Ensure the Local Government does not represent themselves, including in any agreement with a Third Party, as a partner, employee or agent of Canada, British Columbia or UBCM.
- O. Ensure that the Local Government will not, at any time, hold the Government of Canada or British Columbia or any of their respective officers, servants, employees or agents responsible for any claims or losses of any kind that they, Third Parties or any other person or entity may suffer in relation to any matter related to GTF funding or an Eligible Project and that they will, at all times, compensate the Government of Canada or British Columbia and their respective officers, servants, employees and agents for any claims or losses of any kind that any of them may suffer in relation to any matter related to GTF funding or an Eligible Project, except to the extent to which such claims or losses relate to the negligence of an officer, employee, or agent of Canada in the performance of his or her duties.
- P. Ensure that the Local Government will not, at any time, hold UBCM or any of its officers, servants, employees or agents responsible for any claims or losses of any kind that they, Third Parties or any other person or entity may suffer in relation to any matter related to GTF funding or an Eligible Project and that they will, at all times, compensate UBCM and its officers, servants, employees and agents for any claims or losses of any kind that any of them may suffer in relation to any matter related to GTF funding or an Eligible Project, except to the extent to which such claims or losses relate to the act of negligence of an officer, employee, or agent of UBCM in the performance of his or her duties.
- Q. Agree that the above requirements which, by their nature, should extend beyond the expiration or termination of this Agreement will extend beyond such expiration or termination.

7. TRANSITION

- 7.1 As of the effective date of this Community Works Fund Agreement, the First Community Works Fund Agreement is terminated.
- 7.2 Notwithstanding section 7.1, the Parties agree that prior to its termination, the First Community Works Fund Agreement is amended to add to section 6.2 of that agreement: Schedule A (Eligible Project Categories and Project Examples); Schedule B (Eligible Costs for Eligible Recipients) and Schedule E (Reporting and Audit).
- 7.3 Notwithstanding section 7.1, the Parties agree that the survival rights and obligations in Section 6.2 of the First Community Works Fund Agreement (including those added to that section by virtue of Section 7.2), and any other section of the First Community Works Fund Agreement that is required to give effect to that survival section, will continue to apply beyond the termination of the First Community Works Fund Agreement subject to the following:
- A. Regardless of any wording in the First Community Works Fund Agreement with another effect, Unspent Funds, including interest earned thereon, will, as of the effective date of this Community Works Fund Agreement, be subject to this Community Works Fund Agreement;
 - B. Unspent Funds that fall within the reporting period of the 2013 Annual Expenditure Report (as defined in the First Community Works Fund Agreement) will be reported by the Local Government to UBCM in accordance with the First Community Works Fund Agreement;
 - C. Unspent Funds that fall within the reporting period that includes January 1, 2014 to the effective date of this Community Works Fund Agreement will be reported by the Local Government to UBCM in accordance with this Community Works Fund Agreement;
 - D. The survival of the reporting obligations under Section 3.2 and section 1.1 of Schedule E (Reporting and Audits) of the First Community Works Fund Agreement extends only until these obligations are fulfilled by the Local Government for the 2013 reporting year, after which, the reporting obligations under Section 6.1(i) and Schedule D of this Community Works Fund Agreement will apply; and
 - E. Any matters that Section 3.1 (iv) and Schedule G of the First Community Works Fund Agreement would have applied to will be dealt with under Section 6.1(d) and Schedule E (Communications Protocol) of this Community Works Fund Agreement.

8. TERM

This Community Works Fund Agreement will be effective as of April 1, 2014 and will be in effect until March 31, 2024 unless the Parties agree to renew it. In the event where this Community Works Fund Agreement is not renewed, any GTF funding and Unspent Funds, and any interest earned thereon held by the Local Government, that have not been expended on Eligible Projects or other expenditures authorized by this Community Works Fund Agreement as of March 31, 2024 will nevertheless continue to be subject to this Community Works Fund Agreement until such time as may be determined by the Parties.

9. SURVIVAL

The rights and obligations, set out in Sections 5.1, 5.2 and 6.1 will survive the expiry or early termination of this Community Works Fund Agreement and any other section which is required to give effect to the termination or to its consequences shall survive the termination or early termination of this Community Works Fund Agreement.

10. AMENDMENT

The Local Government acknowledges that the Agreement may from time to time be amended by agreement of Canada, British Columbia and UBCM and if and whenever such amendments to the Agreement are made, the Local Government agrees that UBCM may require this Community Works Fund Agreement to be amended to reflect, at the sole discretion of UBCM, the amendments made to the Agreement. Where UBCM requires this Community Works Fund Agreement to be so amended, it will provide to the Local Government notice in writing of the amendments it requires. Such amendments shall form part of this Community Works Fund Agreement and be binding on the Local Government and UBCM thirty (30) days after such notice, unless before then the Local Government elects in writing to give written notice of termination of this Community Works Fund Agreement to UBCM.

11. WAIVER

No provision of this Community Works Fund Agreement shall be deemed to be waived by UBCM, unless waived in writing with express reference to the waived provisions and no excusing, condoning or earlier waiver of any default by the Local Government shall be operative as a waiver, or in any way limit the rights and remedies of UBCM or Canada.

12. NO ASSIGNMENT

This Community Works Fund Agreement is not assignable by the Local Government and the Local Government shall not assign, pledge, or otherwise transfer any entitlement to allocation of funds under this Community Works Fund Agreement to any person and shall upon receipt of any allocation of funds hereunder pay and expend such funds thereafter only in accordance with the terms of this Community Works Fund Agreement.

13. NOTICE

Any notice, information or document provided for under this Community Works Fund Agreement must be in writing and will be effectively given if delivered or sent by mail, postage or other charges prepaid, or by facsimile or email. Any notice that is delivered will have been received on delivery; and any notice mailed will be deemed to have been received eight (8) calendar days after being mailed.

Any notice to UBCM will be addressed to:

Executive Director
525 Government Street
Victoria, British Columbia
V8V 0A8
Facsimile: 250 356-5119
Email: ubcm@ubcm.ca

Any notice to the Local Government will be addressed to:

The Corporate Officer at the place designated as the Local Government office.

SIGNATURES

This Community Works Fund Agreement has been executed on behalf of the Local Government by those officers indicated below and each person signing the agreement represents and warrants that they are duly authorized and have the legal capacity to execute the agreement.

Nanaimo Regional District

UNION OF BC MUNICIPALITIES

Original signed by:

Original signed by:

Chair

Corporate Officer

Corporate Officer

General Manager, Victoria Operations

Signed by Nanaimo Regional District on the _____ day of _____, 201__.

The Community Works Fund Agreement have been executed by UBCM on the _____ day of _____, 201__.

Schedule A – Definitions

“**Agreement**” means the Administrative Agreement on the Federal Gas Tax Fund in British Columbia.

“**Annual Report**” means the duly completed annual report to be prepared and delivered by UBCM to Canada and British Columbia, as described in Schedule D (Reporting and Audits).

“**Asset Management**” (AM) includes planning processes, approaches or plans that support integrated, lifecycle approaches to effective stewardship of infrastructure assets in order to maximize benefits and manage risk. AM is further described in Schedule F (Asset Management) of the Agreement, and can include:

- an inventory of assets;
- the condition of assets;
- level of service;
- risk assessment;
- a cost analysis;
- community priority setting;
- long-term financial planning.

“**Base Amount**” means an amount established over a time-period, reflecting non-federal investments in Infrastructure and against which GTF investments will be measured to ensure that GTF investments are incremental.

“**Chief Financial Officer**” means in the case of a municipality, the officer assigned financial administration responsibility under S. 149 of the *Community Charter*, and in the case of a Regional District, the officer assigned financial administration responsibility under S. 199 of the *Local Government Act*, R.S.B.C. 1996, c.323.

“**Communications Protocol**” means the protocol by which all communications activities related to GTF funding will be delivered as described in Schedule E (Communications Protocol).

“**Community Works Fund**” means the fund provided from the Federal gas tax revenues to be dispersed to local governments based on a percentage of the per capita allocation for local spending priorities in accordance with the terms and conditions set out in the Agreement.

“**Community Works Fund Agreement**” means this Agreement made between UBCM and Local Government.

“**Contract**” means an agreement between an Ultimate Recipient and a Third Party whereby the latter agrees to supply a product or service to an Eligible Project in return for financial consideration.

“**Eligible Expenditures**” means those expenditures described as eligible in Schedule C (Eligible and Ineligible Expenditures).

“**Eligible Projects**” means projects as described in Schedule B (Eligible Project Categories).

“**First Agreement**” means the agreement for the transfer of federal gas tax revenues entered into on September 19, 2005 by the Government of Canada, British Columbia and UBCM, with an expiry date of March 31, 2019, as amended.

“First Community Works Fund Agreement” means the agreement entered between UBCM and Local Government in order to administer the Community Works Fund under the First Agreement.

“Funding Agreement” means an agreement between UBCM and an Ultimate Recipient setting out the terms and conditions of the GTF funding to be provided to the Ultimate Recipient as entered under the First Agreement or the Agreement.

“GTF” means the Gas Tax Fund, a program established by the Government of Canada setting out the terms and conditions for the administration of funding that may be provided by Canada to recipients under section 161 of the *Keeping Canada’s Economy and Jobs Growing Act*, S.C. 2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33, or any other source of funding as determined by Canada.

“Ineligible Expenditures” means those expenditures described as ineligible in Schedule C (Eligible and Ineligible Expenditures).

“Infrastructure” means municipal or regional, publicly or privately owned tangible capital assets in British Columbia primarily for public use or benefit.

“Local Government” means a municipality as defined in the *Community Charter* [SBC 2003] Chapter 26, a regional district as defined in the *Local Government Act* [RSBC 1996] Chapter 323, and the City of Vancouver as continued under the *Vancouver Charter* [SBC 1953] Chapter 55.

“Outcomes Report” means the report to be delivered by March 31, 2018 and again by March 31, 2023 by UBCM to Canada and British Columbia which reports on how GTF investments are supporting progress towards achieving the program benefits, more specifically described in Schedule D (Reporting and Audits).

“Partnership Committee” means the Committee required to be established by the Agreement to govern the implementation of the Agreement and further described in Annex C of the Agreement.

“Party” means Canada, British Columbia or UBCM when referred to individually and collectively referred to as “Parties”.

“Third Party” means any person or legal entity, other than Canada, British Columbia, UBCM or an Ultimate Recipient, who participates in the implementation of an Eligible Project by means of a Contract.

“Ultimate Recipient” means a Local Government.

“Unspent Funds” means Funds (as defined by the First Agreement) that have not been spent towards an Eligible Project (as defined under the First Agreement) prior to the effective date of the Agreement.

Schedule B – Eligible Project Categories

Eligible Projects include investments in Infrastructure for its construction, renewal or material enhancement in each of the following categories:

- A. Local roads, bridges – roads, bridges and active transportation infrastructure (active transportation refers to investments that support active methods of travel. This can include: cycling lanes and paths, sidewalks, hiking and walking trails).
- B. Highways – highway infrastructure.
- C. Short-sea shipping – infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean.
- D. Short-line rail – railway related infrastructure for carriage of passengers or freight.
- E. Regional and local airports – airport-related infrastructure (excludes the National Airport System).
- F. Broadband connectivity – infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities.
- G. Public transit – infrastructure that supports a shared passenger transport system which is available for public use.
- H. Drinking water – infrastructure that supports drinking water conservation, collection, treatment and distribution systems.
- I. Wastewater – infrastructure that supports wastewater and storm water collection, treatment and management systems.
- J. Solid waste – infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable materials and garbage.
- K. Community energy systems – infrastructure that generates or increases the efficient usage of energy.
- L. Brownfield Redevelopment – remediation or decontamination and redevelopment of a brownfield site within Local Governments boundaries, where the redevelopment includes:
 - the construction of public infrastructure as identified in the context of any other eligible project category under the GTF, and/or;
 - the construction of Local Government public parks and publicly-owned social housing.
- M. Sport Infrastructure – amateur sport infrastructure (excludes facilities, including arenas, which would be used as the home of professional sports teams or major junior hockey teams (e.g. Western Hockey League)).
- N. Recreational infrastructure – recreational facilities or networks.

O. Cultural infrastructure – infrastructure that supports arts, humanities, and heritage.

P. Tourism infrastructure – infrastructure that attract travelers for recreation, leisure, business or other purposes.

Q. Disaster mitigation – infrastructure that reduces or eliminates long-term impacts and risks associated with natural disasters.

Eligible Projects also include:

R. Capacity building – includes investments related to strengthening the ability of Local Governments to develop long-term planning practices.

Note: Investments in health infrastructure (hospitals, convalescent and senior centres) are not eligible.

Schedule C – Eligible and Ineligible Expenditures

1. ELIGIBLE EXPENDITURES

1.1 Eligible Expenditures of Ultimate Recipients will be limited to the following:

A. the expenditures associated with acquiring, planning, designing, constructing or renovating a tangible capital asset, as defined by Generally Accepted Accounting Principles (GAAP), and any related debt financing charges specifically identified with that asset;

B. for capacity building category only, the expenditures related to strengthening the ability of Local Governments to improve local and regional planning including capital investment plans, integrated community sustainability plans, life-cycle cost assessments, and Asset Management Plans. The expenditures could include developing and implementing:

- studies, strategies, or systems related to asset management, which may include software acquisition and implementation;
- training directly related to asset management planning; and,
- long-term infrastructure plans.

C. the expenditures directly associated with joint communication activities and with federal project signage for GTF-funded projects.

1.2 Employee and Equipment Costs: The incremental costs of the Ultimate Recipient's employees or leasing of equipment may be included as Eligible Expenditures under the following conditions:

- the Ultimate Recipient is able to demonstrate that it is not economically feasible to tender a contract;
- the employee or equipment is engaged directly in respect of the work that would have been the subject of the contract; and
- the arrangement is approved in advance and in writing by UBCM.

1.3 Administration expenses of UBCM related to program delivery and implementation of this Agreement, in accordance with Section 9 (Use and Recording of Funds by UBCM) of Annex B (Terms and Conditions).

2. INELIGIBLE EXPENDITURES

The following are deemed Ineligible Expenditures:

- A. project expenditures incurred before April 1, 2005;
- B. project expenditures incurred before April 1, 2014 for the following investment categories:
 - highways;
 - regional and local airports;
 - short-line rail;
 - short-sea shipping;
 - disaster mitigation;
 - broadband connectivity;
 - brownfield redevelopment;
 - cultural infrastructure;
 - tourism infrastructure;
 - sport infrastructure; and
 - recreational infrastructure.
- C. the cost of leasing of equipment by the Ultimate Recipient, any overhead costs, including salaries and other employment benefits of any employees of the Ultimate Recipient, its direct or indirect operating or administrative costs of Ultimate Recipients, and more specifically its costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its staff, except in accordance with Eligible Expenditures above;
- D. taxes for which the Ultimate Recipient is eligible for a tax rebate and all other costs eligible for rebates;
- E. purchase of land or any interest therein, and related costs;
- F. legal fees; and
- G. routine repair and maintenance costs.

Schedule D –Reporting and Audits

1. REPORTING

Reporting requirements under the GTF will consist of an Annual Report and an Outcomes Report that will be submitted to Canada and British Columbia for review and acceptance. The reporting year is January 1st to December 31st.

1.1 ANNUAL REPORT

By September 30th of each year, UBCM will provide to Canada and British Columbia an Annual Report in an electronic format deemed acceptable by Canada consisting of the following in relation to the previous reporting year:

Financial Report Table: The financial report table will be submitted in accordance with the following template.

Annual Report Financial Table	Annual	Cumulative
	20xx - 20xx	2014 - 20xx
UBCM		
Opening Balance ²⁰³	\$xxx	
Received from Canada	\$xxx	\$xxx
Interest Earned	\$xxx	\$xxx
Administrative Cost	(\$xxx)	(\$xxx)
Transferred to Ultimate Recipients	(\$xxx)	(\$xxx)
Closing Balance of unspent funds	\$xxx	
Ultimate Recipients in aggregate		
Opening Balance ²⁰⁴	\$xxx	
Received from UBCM	\$xxx	\$xxx
Interest Earned	\$xxx	\$xxx
Spent on Eligible Expenditures	(\$xxx)	(\$xxx)
Closing Balance of unspent funds	\$xxx	

²⁰³ For the 2014 Annual Report this means the amount reported as unspent by UBCM the 2013 Annual Expenditure Report (as defined under the First Agreement).

²⁰⁴ For the 2014 Annual Report this means the amount reported as unspent by Eligible Recipients (as defined under the First Agreement) in the 2013 Annual Expenditure Report (as defined under the First Agreement).

Independent Audit or Audit Based Attestation:

UBCM will provide an independent audit opinion, or an attestation based on an independent audit and signed by a senior official designated in writing by British Columbia and UBCM, as to:

- A. the accuracy of the information submitted in the Financial Report Table; and
- B. that Funds were expended for the purposes intended.

Project List

UBCM will maintain, and provide to Canada and British Columbia a project list submitted in accordance with the following template.

Annual Report - GTF Project List Template

Project ID	Ultimate Recipient	Project Title	Project Description	Investment category	Total Project Cost	Funds (GTF) Spent	Completed

1.2 OUTCOMES REPORT

By March 31, 2018 and March 31, 2023, UBCM will provide to Canada and British Columbia and make publicly available, an Outcomes Report that will report in aggregate on the degree to which investments are supporting the progress in British Columbia towards achieving the following program benefits:

- A. Beneficial impacts on communities of completed Eligible Projects;
- B. Enhanced impact of GTF as a predictable source of funding including incremental spending; and
- C. Progress made on improving Local Government Asset Management.

The Outcomes Report will present performance data and a narrative on program benefits. The partnership committee will develop and approve a methodology for reporting on performance in respect of each of the program benefits

2. AUDITS

Canada may, at its expense, carry out any audit in relation to the Agreement, and for this purpose, reasonable and timely access to all documentation, records and accounts that are related to the Agreement and the use of GTF funding, and any interest earned thereon, and to all other relevant information and documentation requested by Canada or its designated representatives, will be provided to Canada and its designated representatives by:

- British Columbia and UBCM, as applicable, where these are held by British Columbia, UBCM, or their respective agents or Third Parties; and
- Ultimate Recipients where these are held by the Ultimate Recipient or a Third Party or their respective agents.

Canada may, at its expense, complete a periodic evaluation of the GTF to review the relevance and performance (i.e. effectiveness, efficiency and economy) of the GTF. British Columbia and UBCM will provide Canada with information on program performance and may be asked to participate in the evaluation process. The results of the evaluation will be made publicly available.

Schedule E – Communications Protocol

1. PURPOSE

1.1 The provisions of this Communications Protocol apply to all communications activities related to any GTF funding which may be delivered by Canada, including allocations, and Eligible Projects funded under this Agreement. Communications activities may include, but are not limited to, public or media events, news releases, reports, web articles, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, awards programs, and multi-media products.

1.2 Through collaboration, the Parties agree to work to ensure clarity and consistency in the communications activities meant for the public.

2. JOINT COMMUNICATIONS APPROACH

2.1 The Parties agree to work in collaboration to develop a joint communications approach that identifies guiding principles, including those related to the provision of upfront project information, project signage, and planned communications activities throughout the year. This joint communications approach will have the objective of ensuring that communications activities undertaken each calendar year communicate a mix of Eligible Project types from both large and small communities, span the full calendar year and use a wide range of communications mediums.

2.2 The Parties agree that the initial annual joint communications approach will be finalized and approved by the partnership committee within 60 working days following the inaugural meeting of the partnership committee.

2.3 The Parties agree that achievements under the joint communications approach will be reported to the partnership committee once a year, or more frequently as requested by the partnership committee.

2.4 The Parties agree to assess the effectiveness of the joint communications approach on an annual basis and, as required, update and propose modifications to the joint communications approach. Any modifications will be brought to the partnership committee for approval.

3. INFORM CANADA ON ALLOCATION AND INTENDED USE OF GTF FUNDING FOR COMMUNICATIONS PLANNING PURPOSES

3.1 UBCM agrees to provide to Canada upfront information on planned Eligible Projects and Eligible Projects in progress on an annual basis, prior to the construction season. The Parties will agree, in the joint communications approach, on the date this information will be provided. The information will include, at a minimum:

Ultimate Recipient name; Eligible Project name; Eligible Project category, a brief but meaningful Eligible Project description; amount of Funds being used toward the Eligible Project; and anticipated start date.

3.2 The Parties agree that the above information will be delivered to Canada in an electronic format deemed acceptable by Canada. This information will only be used for communications planning purposes and not for program reporting purposes.

3.3 The Parties agree that the joint communications approach will define a mechanism to ensure the most up-to-date Eligible Project information is available to Canada to support media events and announcements for Eligible Projects.

4. PROJECT SIGNAGE

4.1 The Parties and Ultimate Recipients may each have a sign recognizing their contribution to Eligible Projects.

4.2 At Canada's request, Ultimate Recipients will install a federal sign to recognize federal funding at Eligible Project site(s). Federal sign design, content, and installation guidelines will be provided by Canada and included in the joint communications approach.

4.3 Where British Columbia, UBCM or an Ultimate Recipient decides to install a permanent plaque or other suitable marker with respect to an Eligible Project, it must recognize the federal contribution to the Eligible Project(s) and be approved by Canada.

4.4 The Ultimate Recipient is responsible for the production and installation of Eligible Project signage, or as otherwise agreed upon.

4.5 British Columbia or UBCM agree to inform Canada of signage installations on a basis mutually agreed upon in the joint communications approach.

5. MEDIA EVENTS AND ANNOUNCEMENTS FOR ELIGIBLE PROJECTS

5.1 The Parties agree to have regular announcements of Eligible Projects that are benefiting from GTF funding that may be provided by Canada. Key milestones may be marked by public events, news releases and/or other mechanisms.

5.2 Media events include, but are not limited to, news conferences, public announcements, official events or ceremonies, and news releases.

5.3 A Party or an Ultimate Recipient may request a media event.

5.4 Media events related to Eligible Projects will not occur without the prior knowledge and agreement of the Parties and the Ultimate Recipient.

5.5 The Party or Ultimate Recipient requesting a media event will provide at least 15 working days' notice to the other Parties or Ultimate Recipient of their intention to undertake such an event. The event will take place at a mutually agreed date and location. The Parties and the Ultimate Recipient will have the opportunity to participate in such events through a designated representative. The Parties will each designate their own representative.

5.6 The conduct of all joint media events and products will follow the *Table of Precedence for Canada* as outlined at <http://www.pch.gc.ca/pgm/ceem-cced/prtcl/precedence-eng.cfm>.

5.7 All joint communications material related to media events must be approved by Canada and recognize the funding of the Parties.

5.8 All joint communications material must reflect Canada's policy on official languages and the federal identity program.

6. PROGRAM COMMUNICATIONS

6.1 The Parties and Ultimate Recipients may include messaging in their own communications products and activities with regard to the GTF.

6.2 The Party or Ultimate Recipient undertaking these activities will provide the opportunity for the other Parties and Ultimate Recipient to participate, where appropriate, and will recognize the funding of all contributors.

6.3 The Parties agree that they will not unreasonably restrict the other Parties or Ultimate Recipient from using, for their own purposes, public communications products related to the GTF prepared by a Party or Ultimate Recipients, or, if web-based, from linking to it.

6.4 Notwithstanding Section 5 (Communications Protocol), Canada retains the right to meet its obligations to communicate information to Canadians about the GTF and the use of funding through communications products and activities.

7. OPERATIONAL COMMUNICATIONS

7.1 The Ultimate Recipient is solely responsible for operational communications with respect to Eligible Projects, including but not limited to, calls for tender, construction, and public safety notices. Operational communications as described above are not subject to the federal official language policy.

7.2 Canada, British Columbia, UBCM or the Ultimate Recipient will share information promptly with the Parties should significant emerging media or stakeholder issues relating to an Eligible Project arise. The Parties will advise Ultimate Recipients, when appropriate, about media inquiries received concerning an Eligible Project.

8. COMMUNICATING SUCCESS STORIES

British Columbia and UBCM agree to facilitate communications between Canada and Ultimate Recipients for the purposes of collaborating on communications activities and products including but not limited to Eligible Project success stories, Eligible Project vignettes, and Eligible Project start-to-finish features.

9. ADVERTISING CAMPAIGNS

Recognizing that advertising can be an effective means of communicating with the public, a Party or an Ultimate Recipient may, at their own cost, organize an advertising or public information campaign related to the GTF or Eligible Projects. However, such a campaign must respect the provisions of this Agreement. In the event of such a campaign, the sponsoring Party or Ultimate Recipient agrees to inform the other Parties of its intention, and to inform them no less than 21 working days prior to the campaign launch.