

AGENDA
REGULAR COMMITTEE OF THE WHOLE MEETING
SHAW AUDITORIUM, 80 COMMERCIAL STREET, NANAIMO, BC,
MONDAY, 2015-MAR-09, IMMEDIATELY FOLLOWING THE SPECIAL COUNCIL MEETING

1. **CALL THE REGULAR COMMITTEE OF THE WHOLE MEETING TO ORDER:**

2. **INTRODUCTION OF LATE ITEMS:**

3. **ADOPTION OF AGENDA:**

4. **ADOPTION OF MINUTES:**

- | | | |
|-----|--|------------------|
| (a) | Minutes of the Special Committee of the Whole Meeting held in the Board Room, Service and Resource Centre, 411 Dunsmuir Street, on Thursday, 2015-JAN-08 at 9:00 a.m. | <i>Pg. 5-6</i> |
| (b) | Minutes of the Regular Committee of the Whole Meeting held in the Shaw Auditorium, 80 Commercial Street, on Monday, 2015-JAN-12 at 4:30 p.m. | <i>Pg. 7-11</i> |
| (c) | Minutes of the Special Committee of the Whole Meeting held in the Board Room, Service and Resource Centre, 411 Dunsmuir Street, on Thursday, 2015-JAN-15 at 9:00 a.m. | <i>Pg. 12-14</i> |
| (d) | Minutes of the Special Committee of the Whole Meeting held in the Board Room, Service and Resource Centre, 411 Dunsmuir Street, on Wednesday, 2015-JAN-21 at 9:00 a.m. | <i>Pg. 15-16</i> |
| (e) | Minutes of the Special Committee of the Whole Meeting held in the Board Room, Service and Resource Centre, 411 Dunsmuir Street, on Thursday, 2015-JAN-22 at 9:00 a.m. | <i>Pg. 17</i> |
| (f) | Minutes of the Special Committee of the Whole Meeting held in the Board Room, Service and Resource Centre, 411 Dunsmuir Street, on Friday, 2015-JAN-30 at 9:00 a.m. | <i>Pg. 18-19</i> |
| (g) | Minutes of the Special Committee of the Whole Meeting held in the Board Room, Service and Resource Centre, 411 Dunsmuir Street, on Wednesday, 2015-FEB-04 at 9:00 a.m. | <i>Pg. 20-21</i> |
| (h) | Minutes of the Special Committee of the Whole Meeting held in the Board Room, Service and Resource Centre, 411 Dunsmuir Street, on Thursday, 2015-FEB-05 at 9:30 a.m. | <i>Pg. 22-23</i> |
| (i) | Minutes of the Special Committee of the Whole Meeting held in the Board Room, Service and Resource Centre, 411 Dunsmuir Street, on Thursday, 2015-FEB-12 at 10:00 a.m. | <i>Pg. 24-25</i> |

5. **PRESENTATIONS:**

- (a) Dr. Paul Hasselback, Medical Health Officer, Island Health, to provide a presentation regarding the 2014 Local Health Area Profile Data for Nanaimo. Pg. 26-43

6. **ADMINISTRATION:**

NONE

7. **CORPORATE SERVICES:**

(a) **Operating Results for the Period Ending 2014-DEC-31**

Purpose: To provide Council with a summary of the operating results for the period ending 2014-DEC-31.

Staff Recommendation: That Council receive for information the report pertaining to Operating Results for the Period Ending 2014-DEC-31. Pg. 44-50

(b) **Capital Project Results for the Period Ending 2014-DEC-31**

Purpose: To provide Council with a summary of the capital project results for the period ending 2014-DEC-31.

Staff Recommendation: That Council receive for information the report pertaining to the Capital Project Results for the Period Ending 2014-DEC-31. Pg. 51-57

(c) **2014 Surplus Reserve Allocation**

Purpose: To provide Council with information on the allocation of the 2014 surplus.

Staff Recommendation: That Council receive the report pertaining to the 2014 Surplus Reserve Allocation. Pg. 58-60

(d) **2015-2019 Financial Plan Review**

Purpose: To continue with the 2015 – 2019 Financial Plan review process.

Staff Recommendation: That Council receive for information the report pertaining to the 2015–2019 Financial Plan Review. Pg. 61-64

(e) **Volunteer Nanaimo Grant Request**

Purpose: To obtain Council approval regarding an Other Grant funding request.

Staff Recommendation: That Council award an Other Grant to the Nanaimo Volunteer & Information Centre Society (OG-01) in the amount of \$1,526.23 to cover the cost of the rental at Beban Park Auditorium on 2015-APR-16 for their 2015 Volunteer Appreciation Luncheon.

Pg. 65-66

(f) **Authority to Enter On and Use Private Property – 1066 St. George Crescent**

Presentation:

1. Mr. Bill Corsan, Manager of Real Estate.

Purpose: To obtain Council approval under Section 16 of the Community Charter authorizing City Staff and contractors access to lands at 1066 St. George Crescent as part of the Hospital Area Utility Upgrade Project.

Staff Recommendation: That Council adopt the resolution as described in Attachment A, authorizing employees of the City and its contractors to enter upon lands at 1066 St. George Crescent as part of the Hospital Area Utility Upgrade Project.

Pg. 67-69

8. **COMMUNITY SERVICES:**

(a) **2014 City Fleet Fuel Consumption**

Purpose: To provide Council with an update on progress to reduce fleet fuel consumption as directed by Council during the 2014 budget process.

Staff Recommendation: That Council receive for information the report pertaining to 2014 City Fleet Fuel Consumption.

Pg. 70-75

9. **CORRESPONDENCE (not related to a Report to Council):**

NONE

10. **NOTICE OF MOTION:**

11. **OTHER BUSINESS:**

12. **DELEGATIONS (not related to a Report to Council): (10 MINUTES)**

- (a) Ms. June Ross, on behalf of the Vancouver Island Water Watch Coalition, regarding establishing a Watershed Board. *Pg. 76*
- (b) Mr. Paul Manly, on behalf of the Mid Island Chapter of the Council of Canadians, requesting that the City of Nanaimo and the RDN work with First Nations, senior levels of government and the current land owners to begin a process to make the community drinking watershed publicly owned and controlled. *Pg. 77*
- (c) Ms. Morgan Kennah, Island Timberlands and Mr. Chris Cole, TimberWest Forest Corp., to provide an overview of their ownership, activities and partnerships with respect to land and water management in the supply area from where the City sources its drinking water. *Pg. 78*
- (d) Mr. Alan Boos, requesting that the City revisit its policy related to retail vendors in City parks. *Pg. 79*
- (e) Mr. Kevan Griffith and Rev. Samaya Oakley, Unitarian Extreme/Cold Weather Shelter, regarding the future and funding sources of the Shelter. *Pg. 80*

13. **QUESTION PERIOD: (Agenda Items Only)**

14. **PROCEDURAL MOTION:**

That the meeting be closed to the public in order to deal with agenda items under the *Community Charter* Section 90(1):

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;
- (c) labour relations or other employee relations;
- (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the *Freedom of Information and Protection of Privacy Act*; and,
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

15. **ADJOURNMENT:**

ACTING MAYOR: COUNCILLOR BRENNAN
2015-MAR-09 to 2015-APR-26

MINUTES
SPECIAL COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE,
411 DUNSMUIR STREET, NANAIMO, BC
THURSDAY, 2015-JAN-08 AT 9:00 A.M.

PRESENT: Mayor W. B. McKay, Chair

Members: Councillor W. L. Bestwick (arrived 9:07 a.m.)
Councillor M. D. Brennan
Councillor G. W. Fuller
Councillor J. Hong
Councillor J. A. Kipp
Councillor W. L. Pratt
Councillor I. W. Thorpe

Absent: Councillor W. M. Yoachim

Staff: E. C. Swabey, City Manager
T. M. Hickey, General Manager of Community Services
(vacated 10:24 a.m.)
T. P. Seward, Director of Social & Protective Services
T. L. Hartley, Director of Human Resources & Organizational Planning
B. E. Clemens, Director of Finance (vacated 10:24 a.m.)
D. Lindsay, Director of Community Development (vacated 10:24 a.m.)
P. Cooper, Communications Manager
J. Birch, Manager of Information Technology
C. Richardson, Fire Chief (vacated 10:24 a.m.)
C. Jackson, Manager of Legislative Services

1. CALL THE OPEN MEETING TO ORDER:

The Special Committee of the Whole Meeting was called to order at 9:04 a.m.

2. ADMINISTRATION:

(a) Council Orientation Presentations

1. Mr. Tom Roper, Roper-Greyell, provided a presentation regarding employee/labour relations.

The meeting recessed at 10:24 a.m. and reconvened at 10:34 a.m.

2. Ms. Heather MacKenzie and Mr. Terry Honcharuk, Integrity Group, provided a presentation regarding respectful workplace.

3. OTHER BUSINESS:

- (a) Mr. E. C. Swabey, City Manager, advised that the 2015 Early Approvals report will be on the 2015-JAN-12 Committee of the Whole Agenda.

4. ADJOURNMENT:

It was moved and seconded at 12:08 p.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER

MINUTES
REGULAR COMMITTEE OF THE WHOLE MEETING
SHAW AUDITORIUM, 80 COMMERCIAL STREET,
MONDAY, 2015-JAN-12 AT 4:30 P.M.

PRESENT: Mayor W. B. McKay, Chair

Members: Councillor W. L. Bestwick
Councillor G. W. Fuller
Councillor J. Hong
Councillor J. A. Kipp
Councillor W. L. Pratt
Councillor I. W. Thorpe
Councillor W. M. Yoachim

Absent: Councillor M. D. Brennan

Staff: E. C. Swabey, City Manager
T. M. Hickey, General Manager of Community Services
T. P. Seward, Director of Social & Protective Services
B. E. Clemens, Director of Finance
D. Lindsay, Director of Community Development
R. J. Harding, Director of Parks, Environment & Recreation
S. Samborski, Senior Manager of Culture & Heritage
G. Goodall, Director of Engineering & Public Works
B. Prokopenko, Senior Manager of Engineering
P. Cooper, Communications Manager
J. Horn, Social Planner
C. Davis, Manager of Sanitation, Recycling & Public Works
Administration
D. Duncan, Manager of Financial Planning
P. Rosen, Manager Engineering Projects
G. Foy, Manager of Transportation
D. Fournier, Manager of Municipal Infrastructure
D. Blackwood, Client Support Specialist
C. Jackson, Manager of Legislative Services
S. Snelgrove, Recording Secretary

1. CALL THE OPEN MEETING TO ORDER:

The Regular Committee of the Whole Meeting was called to order at 4:30 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Councillor Kipp advised that he would be bringing forward an item under Agenda item 11 (a) Other Business regarding days of meetings.

- (b) Councillor Bestwick advised that Mr. Jeremy Baker was in attendance and wished to address Council as a late delegation regarding a BC Ferries feasibility study and bridge to Gabriola Island.
- (c) Agenda Item 14 Procedural Motion – Add section 90(1)(g) of the *Community Charter* - Litigation or potential litigation affecting the municipality.

3. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda, as amended, be adopted. The motion carried unanimously.

4. ADOPTION OF MINUTES:

It was moved and seconded that the following Committee of the Whole Meeting Minutes be adopted as circulated:

- 2014-DEC-08 at 4:30 p.m.
- 2014-DEC-11 at 9:00 a.m.
- 2014-DEC-18 at 9:00 a.m.
- 2014-DEC-08 at 4:30 p.m.

The motion carried unanimously.

5. PRESENTATIONS:

- (a) Ms. Charlotte Davis, Manager of Sanitation, Recycling and Public Works Administration, provided a video presentation regarding the Zero Waste Challenge and Mayor McKay presented prizes to the following winners of the Zero Waste Challenge:
 - Mr. and Mrs. Hiltz and Mr. Norm Abbey - Most Improved Recycler
 - Mr. and Mrs. Villeneuve - Best Diversion Rate
 - Mr. and Mrs. St. Arnault and Mr. Dean Rownd - 2nd Best Diversion Rate
- (b) Mr. Jeremy Baker spoke regarding a BC Ferries feasibility study and a bridge to Gabriola Island.

6. CORPORATE SERVICES:

(a) 2015 Projects – Early Approval

It was moved and seconded that Council approve all projects previously approved in the 2014-2018 Financial Plan and include the following projects for 2015:

- Boundary Avenue Corridor and Utility Project,
- Island Highway/Old Victoria Road/Haliburton Road Traffic Signals Project; and,

refer new items to a special meeting of Council.

The motion carried unanimously.

(b) Building Canada Fund Grant Application for Port Theatre Expansion Project

Presentation:

1. Mr. Bruce Halliday

It was moved and seconded that Council:

1. support an application for \$4.6 million for the Port Theatre Expansion project under the Federal Gas Tax Fund – Strategic Priorities Fund component of the New Building Canada Plan; and,
2. direct Staff to amend the 2014 – 2018 Financial Plan bylaw to include the Port Theatre Expansion project.

The motion carried.

Opposed: Councillors Bestwick, Hong

7. COMMUNITY SERVICES:

(a) 2015 Social Development Grant Program

It was moved and seconded that Council allocate the following Social Development Grant for 2015:

Proponent	Program	Funding \$
Tillicum Lelum Aboriginal Friendship Centre	Youth Safe House; supports to youth experiencing mental health issues	70,000

The motion carried unanimously.

8. NOTICE OF MOTION:

- (a) Councillor Fuller advised that he will be bringing forward a motion regarding the Vancouver Island Conference Centre.

9. OTHER BUSINESS:

(a) Councillor Kipp re: Days of Meetings

Councillor Kipp provided a presentation.

It was moved and seconded that Council direct Staff to prepare the required report, schedule, booking and notification to:

1. change the day of Council meetings to the 1st and 3rd Thursday of each month;
2. change the day of Committee of the Whole meetings to the 2nd and 4th Thursdays of each month;
3. change the day of Public Hearings to the 1st available Monday of each month;
4. deliver the agendas Friday at 10:00 a.m., 6 days prior to the meeting; and,
5. addendum or delegations to the meeting would be required by the Legislative Services Department by 12:00 p.m. on the Tuesday preceding the meeting and be available by 4:00 p.m. the Wednesday preceding the meeting as an addendum.

The motion carried unanimously.

10. QUESTION PERIOD:

- Mr. Fred Taylor, re: Days of Meetings, 2015 Projects - Early Approval
- Mr. Robert Fuller, re: Building Canada Fund Grant Application for Port Theatre Expansion Project

11. PROCEDURAL MOTION:

It was moved and seconded that the meeting be closed to the public in order to deal with agenda items under the *Community Charter* Section 90(1):

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;
- (e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality;
- (g) litigation or potential litigation affecting the municipality; and,
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

The motion carried unanimously.

Council moved into "In Camera" at 6:46 p.m.

Council moved out of "In Camera" at 8:58 p.m.

12. ADJOURNMENT:

It was moved and seconded at 8:59 p.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER

MINUTES
SPECIAL COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE, 411 DUNSMUIR STREET
THURSDAY, 2015-JAN-15 AT 9:00 A.M.

PRESENT: Mayor W. B. McKay, Chair

Members: Councillor W. L. Bestwick
Councillor G. W. Fuller
Councillor J. Hong
Councillor J. A. Kipp (vacated 2:47 p.m.)
Councillor W. L. Pratt
Councillor I. W. Thorpe
Councillor W. M. Yoachim

Absent: Councillor M. D. Brennan

Staff: E. C. Swabey, City Manager
T. M. Hickey, General Manager of Community Services
(arrived 10:07 a.m.)
T. P. Seward, Director of Social & Protective Services
T. L. Hartley, Director of Human Resources & Organizational Planning
B. E. Clemens, Director of Finance (arrived 12:20 p.m.)
D. Lindsay, Director of Community Development
R. J. Harding, Director of Parks, Environment & Recreation
(arrived 12:59 p.m., vacated 1:53 p.m.)
S. Samborski, Senior Manager of Culture & Heritage (arrived 12:20 p.m.)
G. Goodall, Director of Engineering & Public Works (arrived 12:51 p.m.,
vacated 2:10 p.m.)
P. Cooper, Communications Manager
J. Kemp, Executive Assistant (vacated 12:00 p.m.)
C. Jackson, Manager Legislative Services (arrived 1:22 p.m.)
S. Snelgrove, Recording Secretary

1. CALL THE OPEN MEETING TO ORDER:

The Special Committee of the Whole Meeting was called to order at 9:09 a.m.

2. ADMINISTRATION:

(a) Council Orientation – Partnerships

Presentations:

1. Dr. Ralph Nilson, President and Vice-Chancellor, and Mr. Dan Hurley, Executive Director, University Relations, provided an overview of Vancouver Island University operations.

2. Mr. Kim Smythe, CEO, and Mr. Wally Wells, Executive Secretary, Greater Nanaimo Chamber of Commerce, provided a presentation regarding Chamber activities.
3. Mr. Sasha Angus, CEO, and Mr. A. J. Hustins, Chair, Nanaimo Economic Development Corporation, provided a presentation.

The meeting recessed at 10:25 a.m. and reconvened at 10:34 a.m.

4. Mr. John Cooper, President, and Ms. Corry Hostetter, Executive Director, Downtown Nanaimo Business Improvement Association, presented the 2014-2017 Strategic Priorities and Activities Plan.
5. Mr. Bernie Dumas, President and CEO, and Mr. Richard Ringma, Vice-Chair, Board of Directors, Nanaimo Port Authority, provided a presentation.
6. Mr. Mike Hooper, President and CEO, Nanaimo Airport, provided a presentation.
7. Mr. Paul Thorkelsson, CAO, Regional District of Nanaimo, presented the 2013-2015 RDN Board Strategic Plan.

The meeting recessed at 12:05 p.m. and reconvened at 12:38 p.m.

(b) Core Review

Ms. Judy Kirk, Kirk and Co. Consulting, facilitated a discussion regarding a core review.

The meeting recessed at 2:09 p.m. and reconvened at 2:16 p.m.

The following individuals spoke regarding a core review.

1. Mr. George Hanson, President, Vancouver Island Economic Alliance
2. Mr. Tim McGrath
3. Mr. Bob Moss
4. Mr. Dan Appell
5. Mr. Laurence Amy, CUPE Local 401

Councillor Kipp vacated the Board Room at 2:47 p.m.

3. ADJOURNMENT:

It was moved and seconded at 2:50 p.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER

MINUTES
SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE 411 DUNSMUIR STREET,
WEDNESDAY, 2015-JAN-21 AT 9:00 A.M.

PRESENT: Mayor W. B. McKay, Chair

Members: Councillor W. L. Bestwick
Councillor M. D. Brennan (arrived 10:09 a.m.)
Councillor J. Hong
Councillor W. L. Pratt
Councillor I. W. Thorpe

Absent: Councillor J. A. Kipp
Councillor G. W. Fuller
Councillor W. M. Yoachim

Staff: E. C. Swabey, City Manager
T. P. Seward, Director of Social & Protective Services
T. L. Hartley, Director of Human Resources & Organizational Planning
B. E. Clemens, Director of Finance
D. Lindsay, Director of Community Development
Supt. Fisher, OIC, Nanaimo Detachment RCMP
G. Goodall, Director of Engineering & Public Works
G. Ferrero, Director of Information Technology & Legislative Services
S. Rupa, Inspector, RCMP
C. Richardson, Fire Chief
S. Samborski, Senior Manager of Culture & Heritage
B. Prokopenko, Senior Manager of Engineering
P. Cooper, Communications Manager
M. Dietrich, Manager, Police Support Services
P. Rosen, Manager, Engineering Projects
B. Sims, Manager, Water Resources
D. Fournier, Manager of Municipal Infrastructure
D. Duncan, Manager, Financial Planning
G. Foy, Manager, Transportation
S. Ricketts, Manager, Construction
B. Joiner, Infrastructure Planning & Energy Manager
A. Groot, Manager, Facility Planning & Operations
C. Jackson, Manager of Legislative Services

1. CALL THE OPEN MEETING TO ORDER:

The Special Committee of the Whole Meeting was called to order at 9:04 a.m.

2. CORPORATE SERVICES:

(a) Complete Review of Early Approval Projects

Mr. B. E. Clemens, Director of Finance, introduced the Early Approval Projects.

It was moved and seconded that Council approve all 16 items as described in the 2015 Early Approval Projects list. The motion carried unanimously.

(b) Draft 2015-2019 Financial Plan Review

It was moved and seconded that Council direct Staff to return to Council with a Draft 2015-2019 Financial Plan Review Report that only includes a 1% tax increase for asset management reserves.

It was moved and seconded that the motion directing Staff to return to Council with a Draft 2015-2019 Financial Plan Review Report that only includes a 1% tax increase for asset management reserves be referred to the next Regular Committee of Whole Meeting to be held 2015-JAN-26. The motion was defeated.

Opposed: Councillors Brennan, Pratt, Thorpe

The vote was taken on the main motion, as follows:

It was moved and seconded that Council direct Staff to return to Council with a Draft 2015-2019 Financial Plan Review Report that only includes a 1% tax increase for asset management reserves. The motion carried.

Opposed: Councillors Bestwick, Hong

3. ADJOURNMENT:

It was moved and seconded at 10:41 a.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

MINUTES
SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE 411 DUNSMUIR STREET,
THURSDAY, 2015-JAN-22 AT 9:00 A.M.

PRESENT: Mayor W. B. McKay, Chair

Members: Councillor W. L. Bestwick (vacated at 11:17 a.m.)
Councillor M. D. Brennan
Councillor G. W. Fuller
Councillor J. Hong
Councillor J. A. Kipp
Councillor W. L. Pratt
Councillor I. W. Thorpe
Councillor W. M. Yoachim

Staff: E. C. Swabey, City Manager
T. P. Seward, Director of Social & Protective Services
T. L. Hartley, Director of Human Resources & Organizational Planning
B. E. Clemens, Director of Finance
D. Lindsay, Director of Community Development
C. Richardson, Fire Chief
R. J. Harding, Director of Parks, Environment & Recreation
S. Samborski, Senior Manager of Culture & Heritage
P. Cooper, Communications Manager
G. Ferrero, Director of Information Technology & Legislative Services
C. Jackson, Manager of Legislative Services

1. CALL THE OPEN MEETING TO ORDER:

The Special Committee of the Whole Meeting was called to order at 9:04 a.m.

2. ADMINISTRATION:

(a) Council Orientation – Municipal Legal Issues:

Presentation:

1. Mr. Sukh Manhas, Young Anderson.

The meeting was adjourned for a refreshment break at 10:43 a.m. and reconvened at 10:53 a.m.

3. ADJOURNMENT:

It was moved and seconded at 11:31 p.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

MINUTES
SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE 411 DUNSMUIR STREET,
FRIDAY, 2015-JAN-30 AT 9:00 A.M.

PRESENT: Mayor W. B. McKay, Chair

Members: Councillor W. L. Bestwick (vacated at 11:15 a.m.)
Councillor M. D. Brennan
Councillor J. Hong
Councillor J. A. Kipp
Councillor W. L. Pratt
Councillor I. W. Thorpe

Absent: Councillor G. W. Fuller
Councillor W. M. Yoachim

Staff: E. C. Swabey, City Manager
T. P. Seward, Director of Social & Protective Services
T. L. Hartley, Director of Human Resources & Organizational Planning
B. E. Clemens, Director of Finance
R. J. Harding, Director of Parks, Environment & Recreation
Supt. Fisher, OIC, Nanaimo Detachment RCMP
C. Richardson, Fire Chief
S. Samborski, Senior Manager of Culture & Heritage
Insp. Rupa, Operations Officer, RCMP Nanaimo Detachment
P. Cooper, Communications Manager
M. Dietrich, Manager, Police Support Services
D. Duncan, Manager, Financial Planning
C. Jackson, Manager of Legislative Services

1. CALL THE OPEN MEETING TO ORDER:

The Special Committee of the Whole Meeting was called to order at 9:02 a.m.

2. CORPORATE SERVICES:

(a) Draft 2015-2019 Financial Plan

Presentations:

1. Supt. Mark Fisher, RCMP re: RCMP Staffing Plan
2. Mr. Craig Richardson, Fire Chief re: Fire Services Plan

(b) Draft 2015-2019 Financial Plan – Proposed Budget Reductions

It was moved and seconded that Council approve the changes to the Draft 2015-2019 Financial Plan as identified in the Staff report to reduce the 2015 property tax increase to 1% and direct Staff to bring forward a 2015-2019 Financial Plan bylaw. The motion carried.

Opposed: Councillors Brennan, Pratt and Thorpe

It was moved and seconded that implementation of the Fire Plan by proceeding with Fire Hall No. 6 in 2015 be delayed, with further Council consideration after completion of the Core Review. The motion carried.

Opposed: *Councillors Brennan and Pratt*

It was moved and seconded that Council direct Staff to bring forward a Draft 2015-2019 Financial Plan Bylaw for Council consideration at a future Regular Council Meeting. The motion carried.

Opposed: *Councillors Brennan and Pratt*

Councillor Bestwick vacated the Board Room at 11:15 a.m.

3. ADJOURNMENT:

It was moved and seconded at 12:25 p.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

MINUTES
SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE 411 DUNSMUIR STREET,
WEDNESDAY, 2015-FEB-04 AT 1:00 P.M.

PRESENT: Mayor W. B. McKay, Chair

Members: Councillor W. L. Bestwick
Councillor M. D. Brennan
Councillor J. Hong
Councillor J. A. Kipp
Councillor W. L. Pratt
Councillor I. W. Thorpe
Councillor W. M. Yoachim

Absent: Councillor G. W. Fuller

Staff: E. C. Swabey, City Manager
T. L. Hartley, Director of Human Resources & Organizational Planning
B. E. Clemens, Director of Finance (entered at 1:42 p.m.)
R. J. Harding, Director of Parks, Environment & Recreation
S. Samborski, Senior Manager of Culture & Heritage
G. Goodall, Director of Engineering & Public Works
C. Richardson, Fire Chief
P. Cooper, Communications Manager
M. Dietrich, Manager, Police Support Services
G. Ferrero, Director of Information Technology & Legislative Services
C. Jackson, Manager of Legislative Services

1. CALL THE OPEN MEETING TO ORDER:

The Special Committee of the Whole Meeting was called to order at 1:02 p.m.

2. ADMINISTRATION:

(a) Council Discussion – Committees and Commissions

Delegation:

1. Ms. Kathleen Darby spoke regarding arts and culture.

It was moved and seconded that Council members be appointed to committees in the current committee structure; and that the structure be considered as part of the Core Review. The motion carried unanimously.

It was moved and seconded that a Red Tape Committee and an Intergovernmental Committee be included on an upcoming agenda for discussion. The motion carried unanimously.

3. ADJOURNMENT:

It was moved and seconded at 3:55 p.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

MINUTES
SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE 411 DUNSMUIR STREET,
THURSDAY, 2015-FEB-05 AT 9:30 A.M.

PRESENT: Mayor W. B. McKay, Chair

Members: Councillor W. L. Bestwick (arrived 9:39 a.m.)
Councillor M. D. Brennan (arrived 9:43 a.m.)
Councillor J. Hong
Councillor J. A. Kipp
Councillor W. L. Pratt
Councillor I. W. Thorpe
Councillor W. M. Yoachim

Absent: Councillor G. W. Fuller

Staff: E. C. Swabey, City Manager
T. L. Hartley, Director of Human Resources & Organizational Planning
B. E. Clemens, Director of Finance
D. Lindsay, Director of Community Development
R. J. Harding, Director of Parks, Environment & Recreation
S. Samborski, Senior Manager of Culture & Heritage
G. Goodall, Director of Engineering & Public Works
P. Cooper, Communications Manager
G. Ferrero, Director of Information Technology & Legislative Services
C. Jackson, Manager of Legislative Services

1. CALL THE OPEN MEETING TO ORDER:

The Special Committee of the Whole Meeting was called to order at 9:32 a.m.

2. ADMINISTRATION:

- (a) Council Orientation:
- Legislative Services Procedures
 - Communications/Media Interactions

3. PROCEDURAL MOTION:

It was moved and seconded that the meeting be closed to the public in order to deal with agenda items under the *Community Charter* Section 90(1):

- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2); and,

Community Charter Section 90(2):

- (b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

The motion carried unanimously.

5. ADJOURNMENT:

It was moved and seconded at 11:59 a.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER

MINUTES
SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE 411 DUNSMUIR STREET,
THURSDAY, 2015-FEB-12 AT 10:00 A.M.

PRESENT: Mayor W. B. McKay, Chair

Members: Councillor M. D. Brennan
Councillor J. Hong
Councillor W. L. Pratt
Councillor I. W. Thorpe

Absent: Councillor W. L. Bestwick
Councillor G. W. Fuller
Councillor J. A. Kipp
Councillor W. M. Yoachim

Staff: E. C. Swabey, City Manager
T. L. Hartley, Director of Human Resources & Organizational Planning
B. E. Clemens, Director of Finance
D. Lindsay, Director of Community Development
C. Richardson, Fire Chief
S. Samborski, Senior Manager of Culture & Heritage
P. Cooper, Communications Manager
G. Ferrero, Director of Information Technology & Legislative Services
C. Jackson, Manager of Legislative Services

1. CALL THE OPEN MEETING TO ORDER:

The Special Committee of the Whole Meeting was called to order at 10:02 a.m.

2. ADMINISTRATION:

- (a) Council Orientation:
- Legislative Services Procedures
 - Communications/Media Interactions

3. QUESTION PERIOD:

- Mr. Jim Taylor inquired about legislative procedures and communications.

4. ADJOURNMENT:

It was moved and seconded at 12:08 p.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER

Medical Health Officer Report to: City of Nanaimo Committee of the Whole March 9, 2015

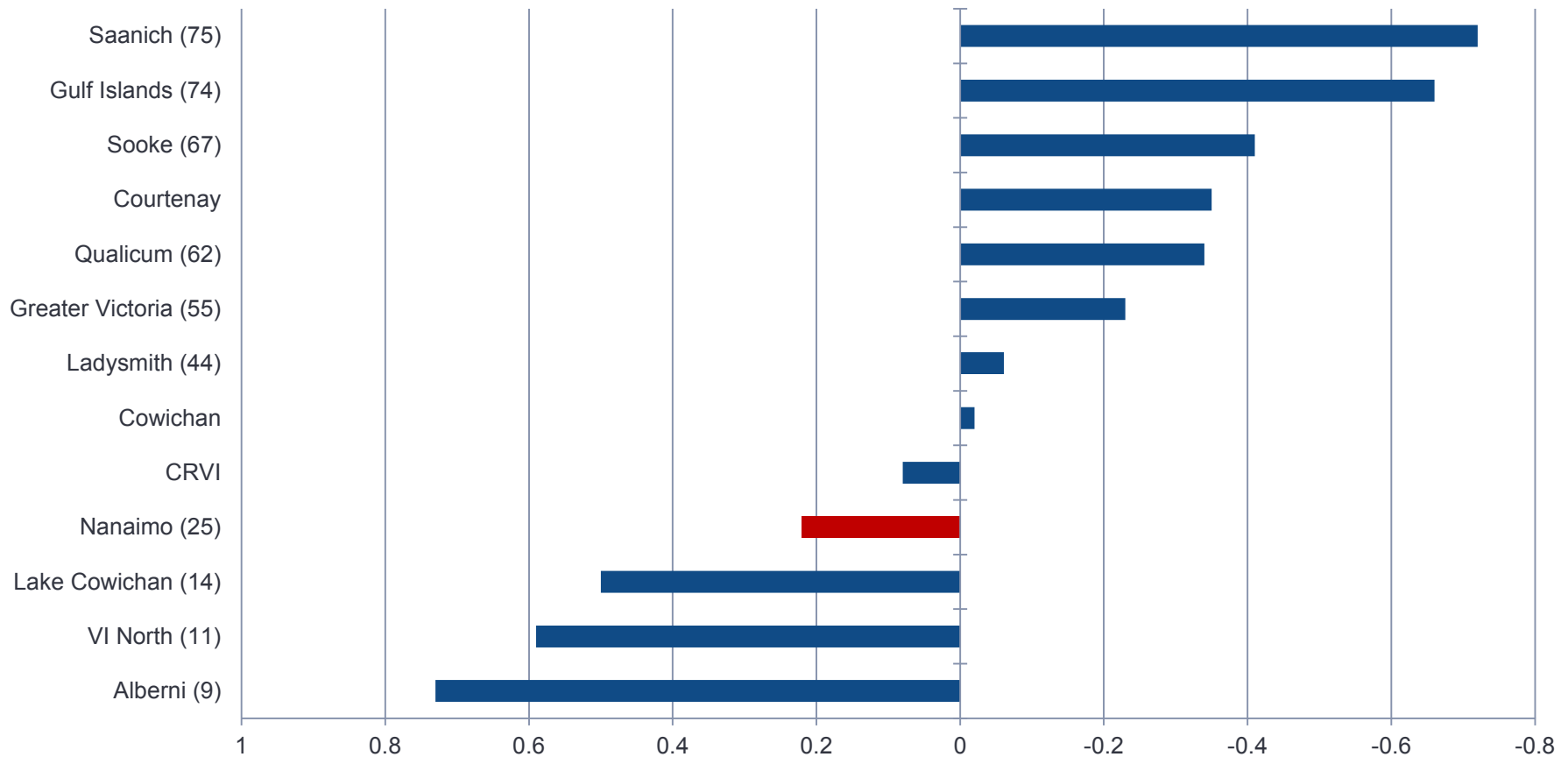
*Paul Hasselback MD MSc FCRPC
Medical Health Officer
Central Vancouver Island*

Life Expectancy of Island Health Residents Compared to Island Health and BC 2009-2013



BC Stats Socio-economic Index

Socio-Economic Index - 2012 BC Stats

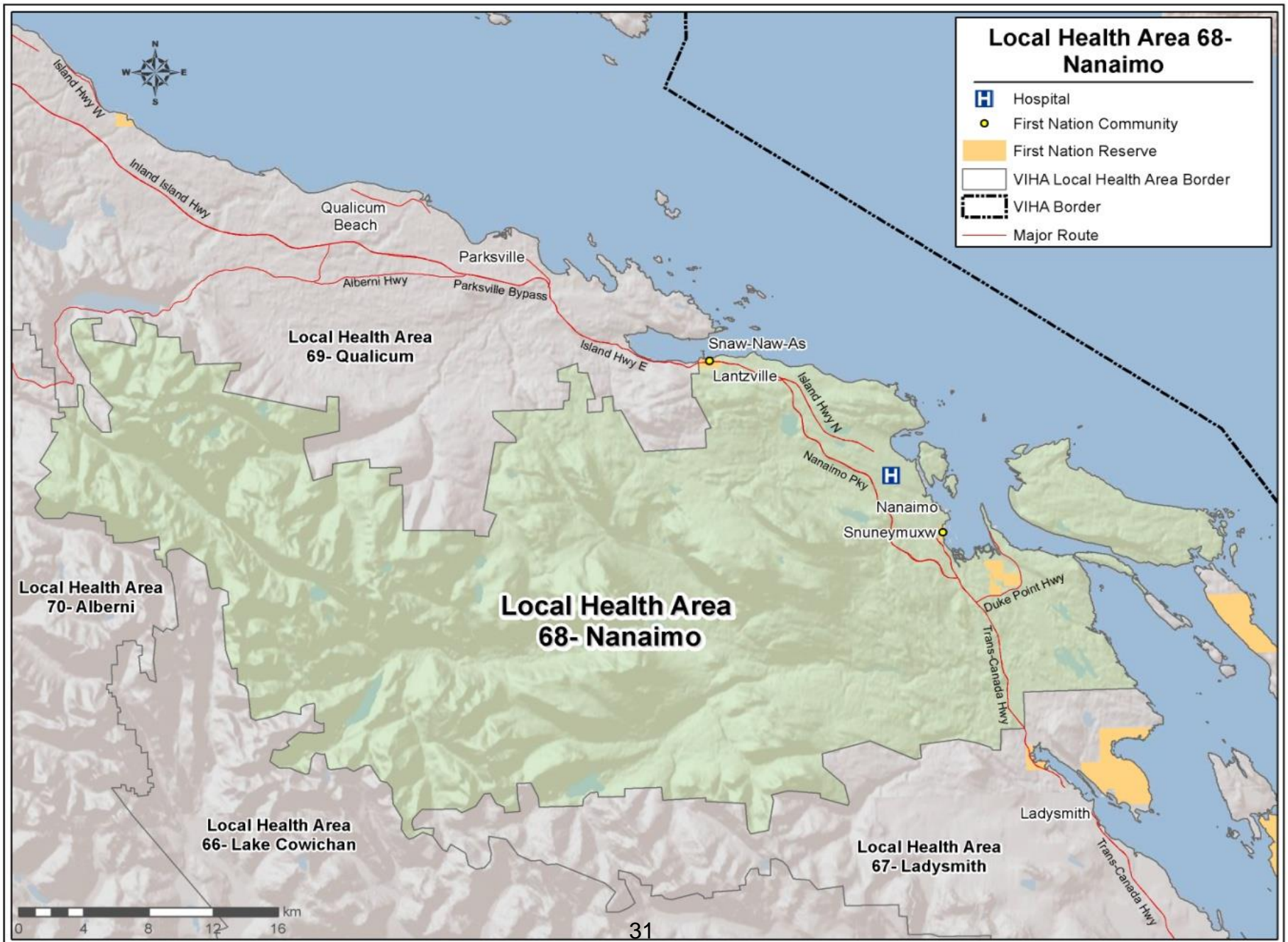


Public Health Items for Council to Consider

- Developing a strategy for Nanaimo's children.
- Developing a community strategy to address poverty.
- Engaging in improving educational success.
- Updating tobacco control bylaw.
- Substance use deaths.
- Completion of the water treatment facility.

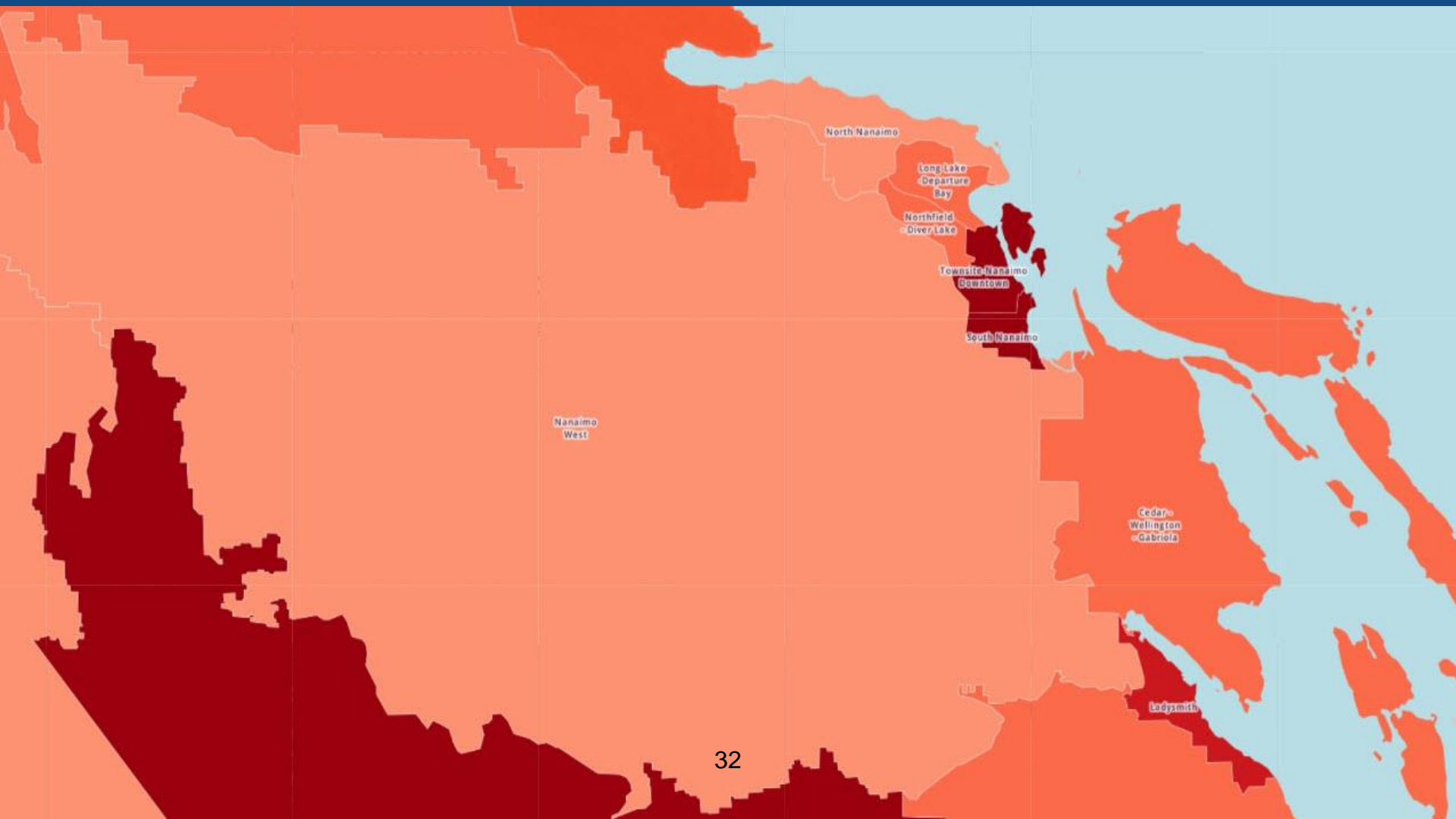
2011 National Household Survey (NHS)

- NHS non-response rate for Nanaimo 20.5%
 - Underrepresentation in lower economic groups.
 - Underrepresentation by single parent families.
 - Underrepresentation by Aboriginal peoples.
 - Likely underrepresentation of other ethnic groups.
- Available in several geographic formats
 - LHA data presented
 - “School community” boundaries as used by HELP

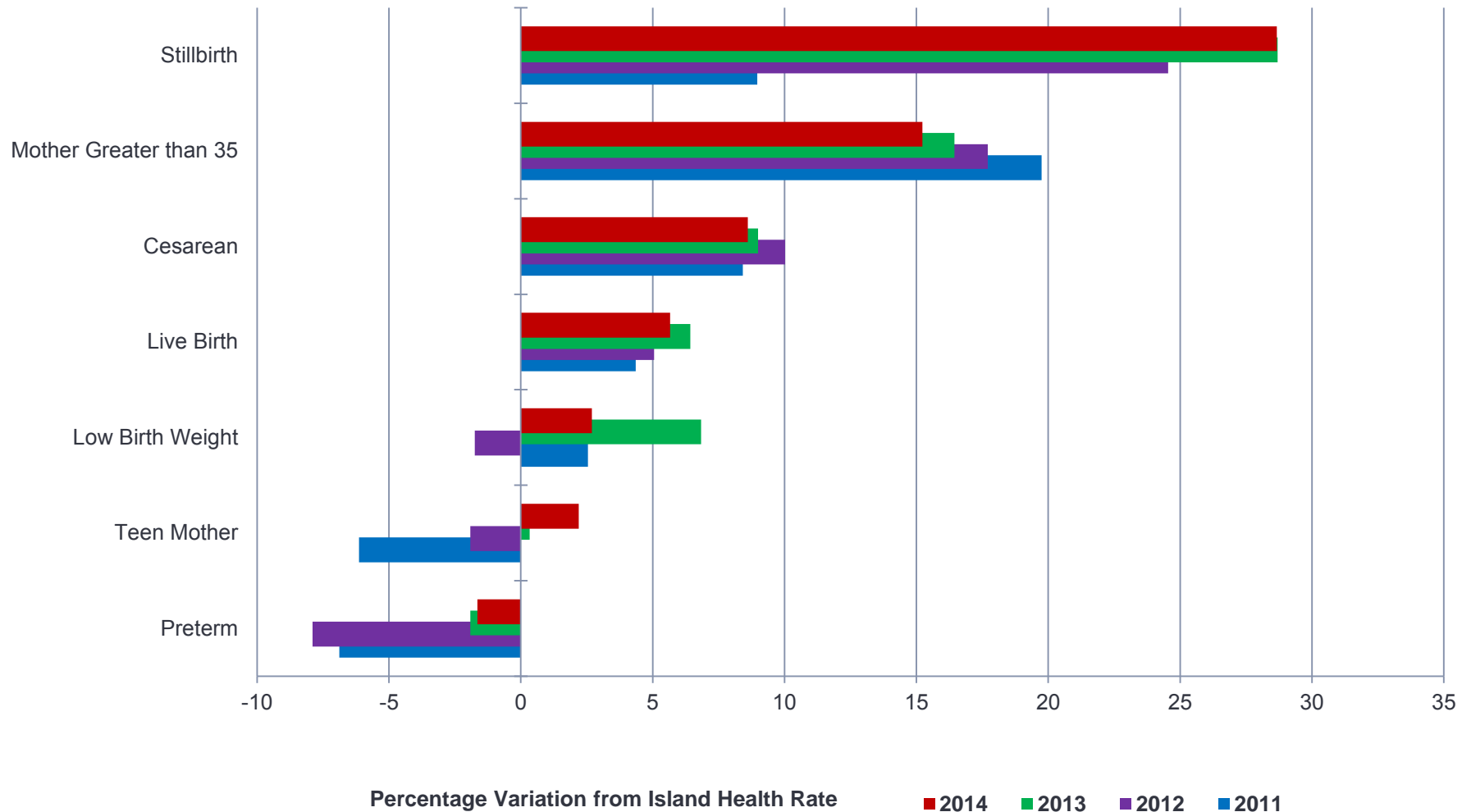


SD 68 – Nanaimo–Ladysmith

EDI Boundaries
North Nanaimo

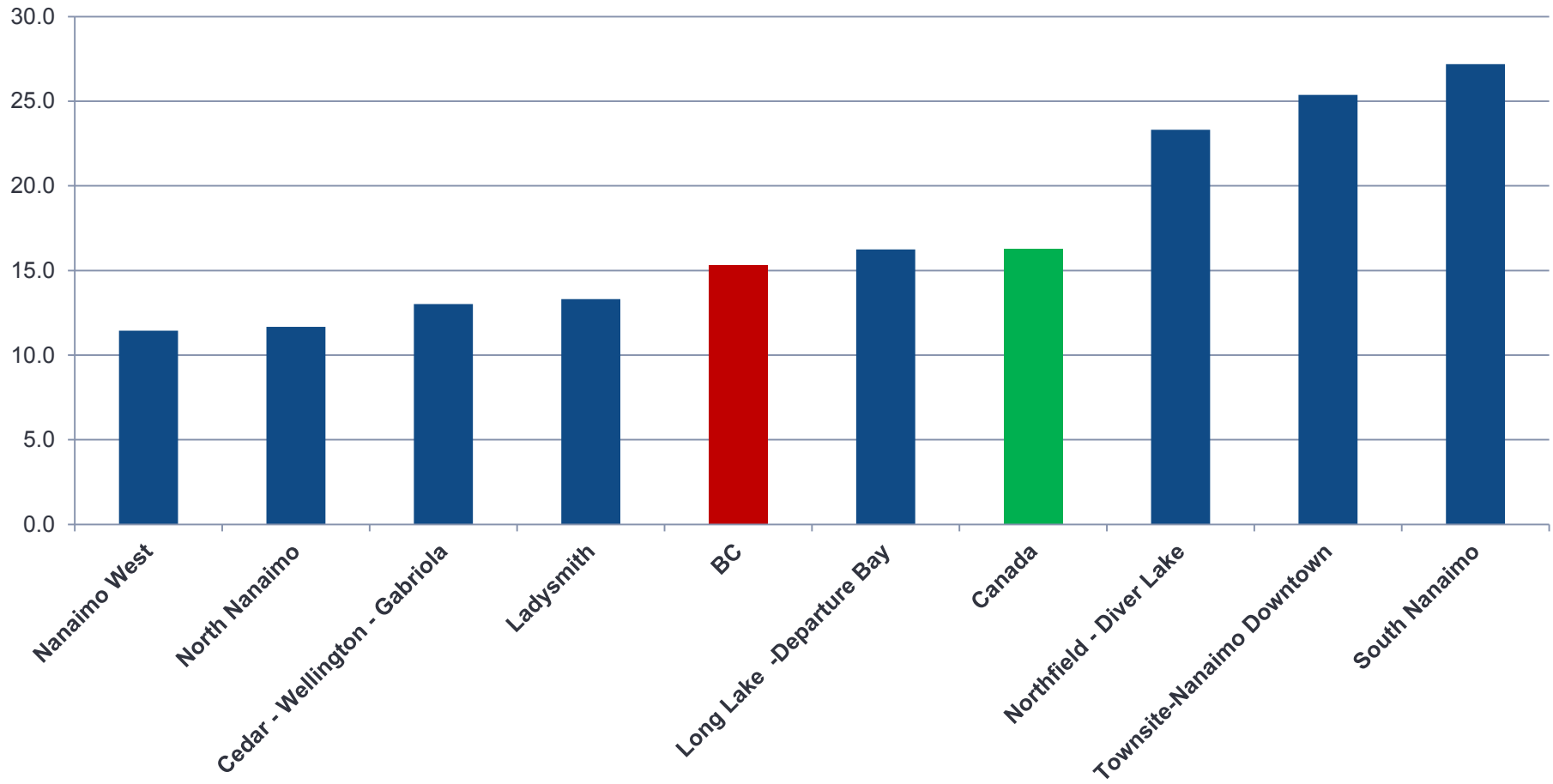


Birth Statistics

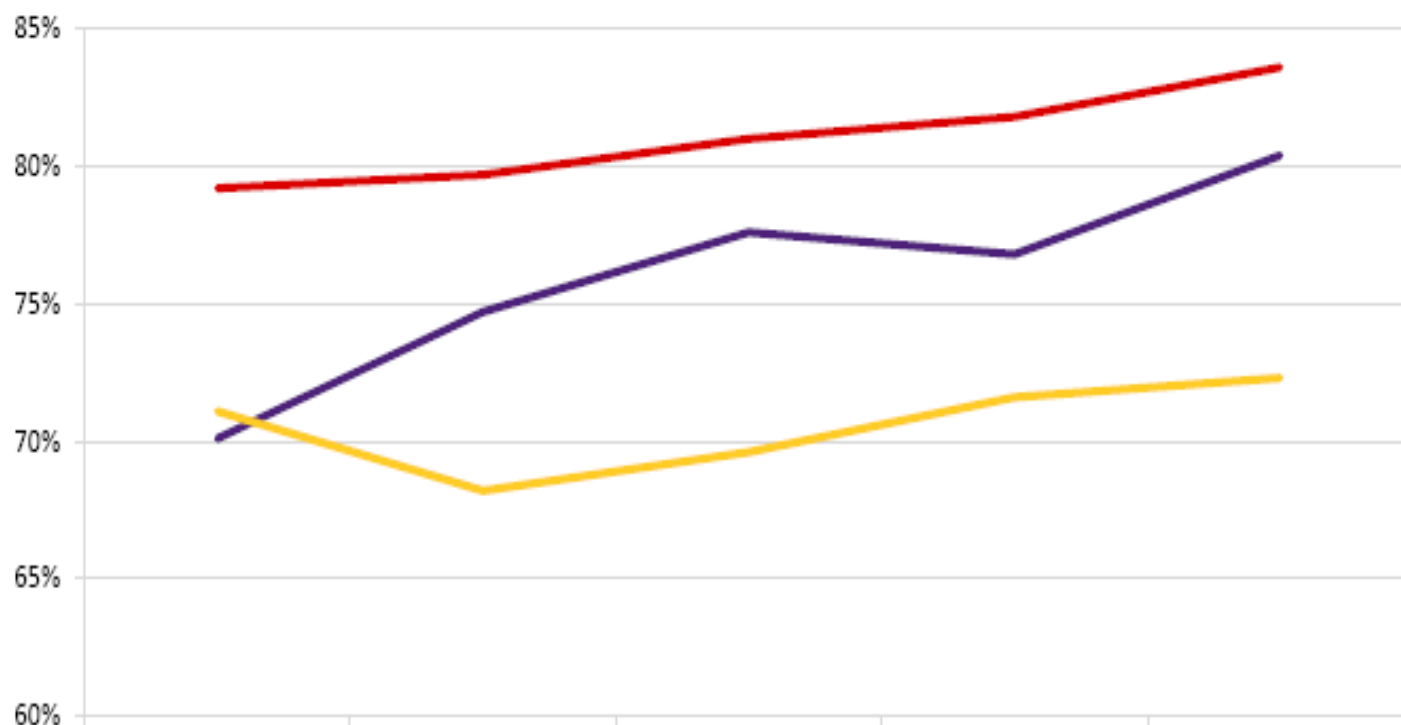


% Lone Parent Families

About 50% of census families have children – all lone parent families have children



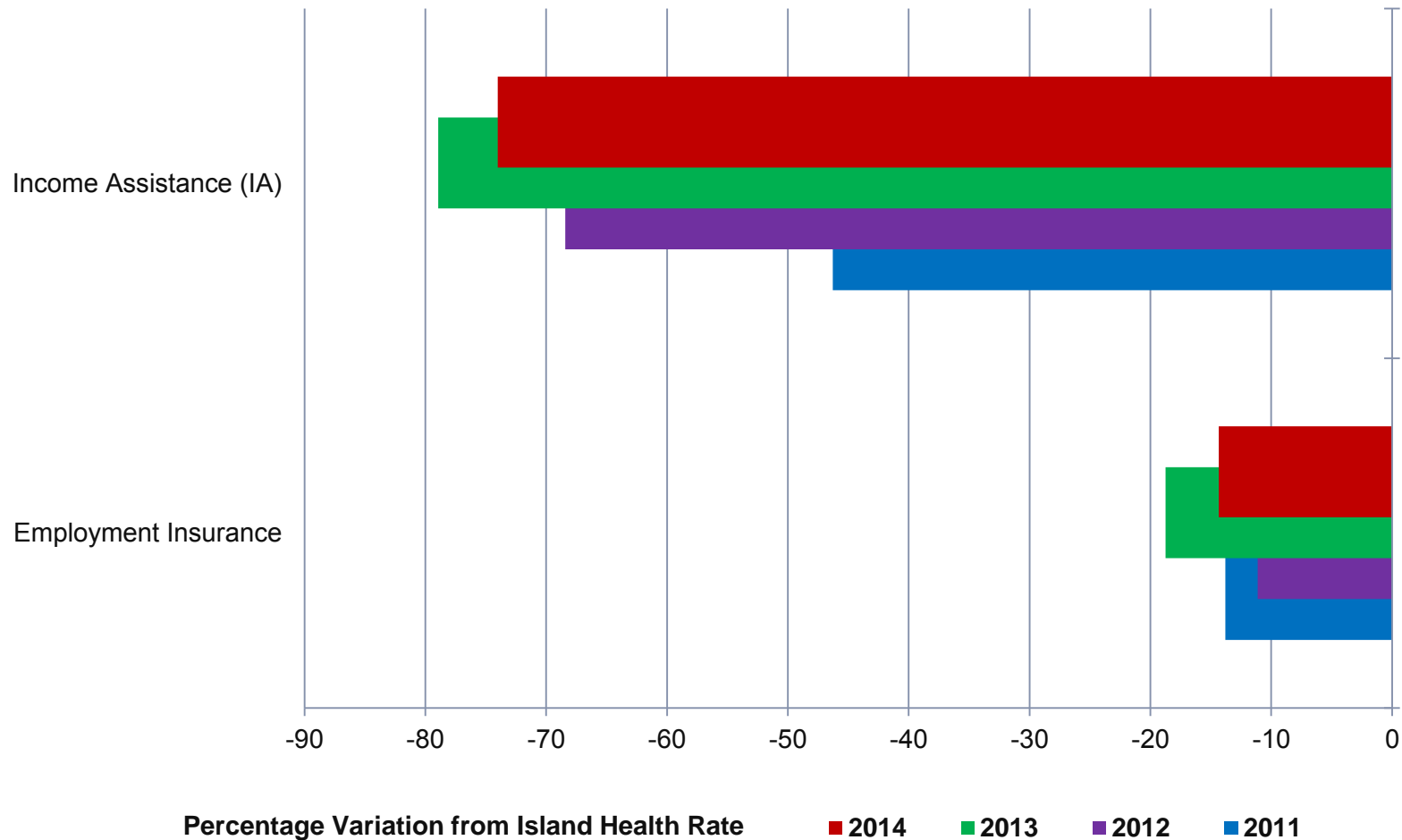
High School Six Year Graduation Rate



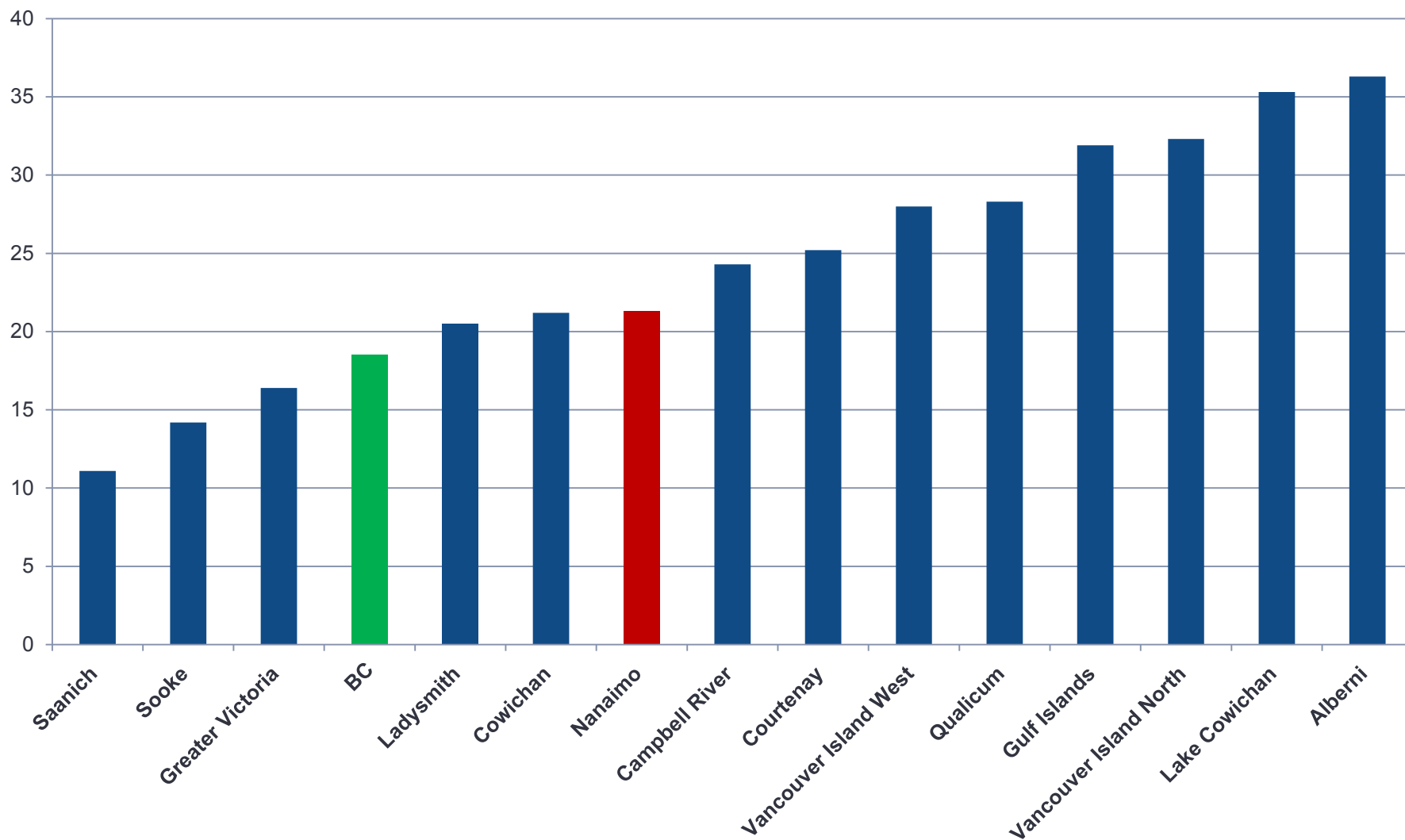
	2008	2009	2010	2011	2012
Cowichan Valley School District	70%	75%	78%	77%	80%
Nanaimo-Ladysmith School District	71%	68%	70%	72%	72%
BC	79%	80%	81%	82%	84%

Source: BC Ministry of Education 2013a; BC Ministry of Education 2013b; BC Ministry of Education 2013c

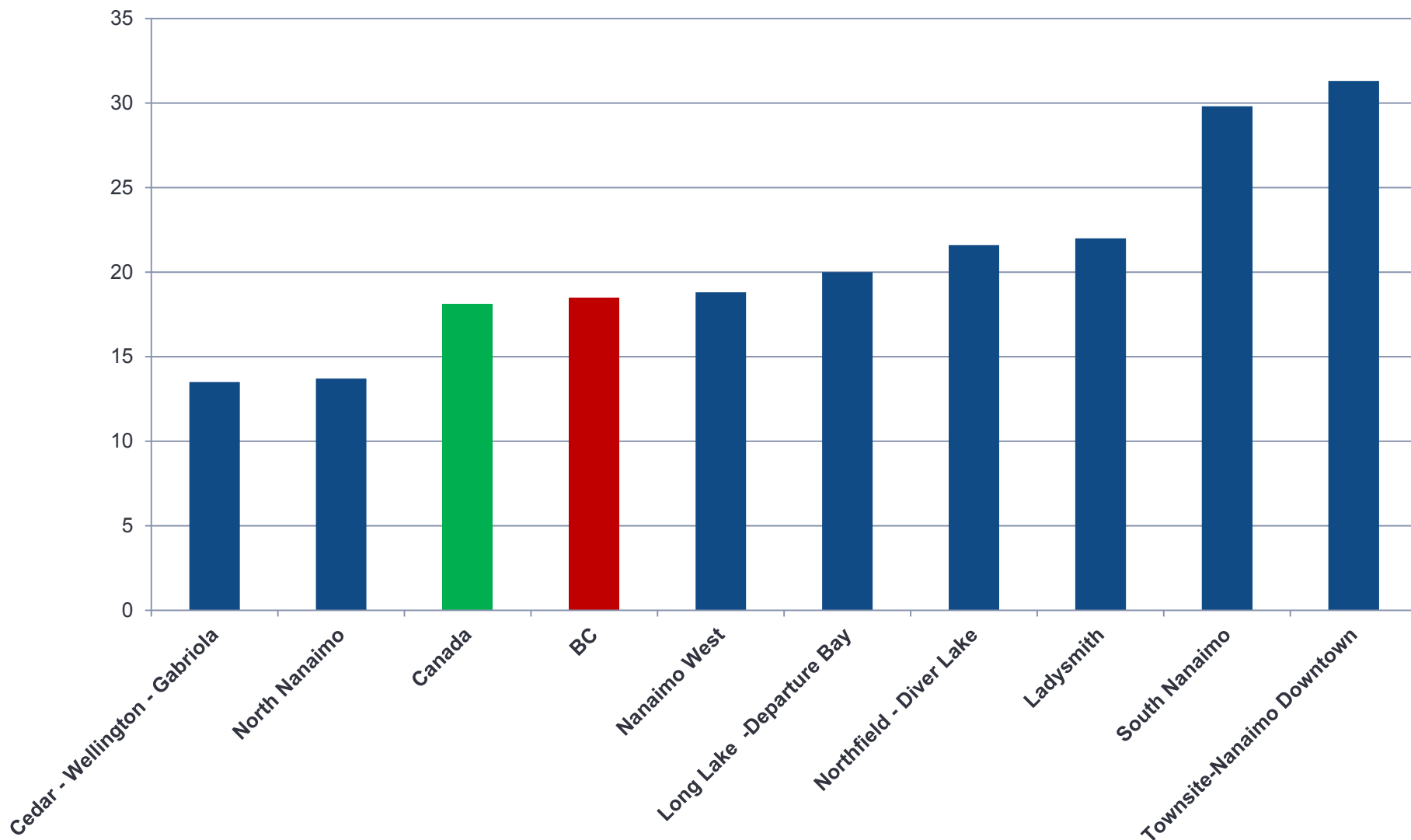
Measures of Economic Wellbeing



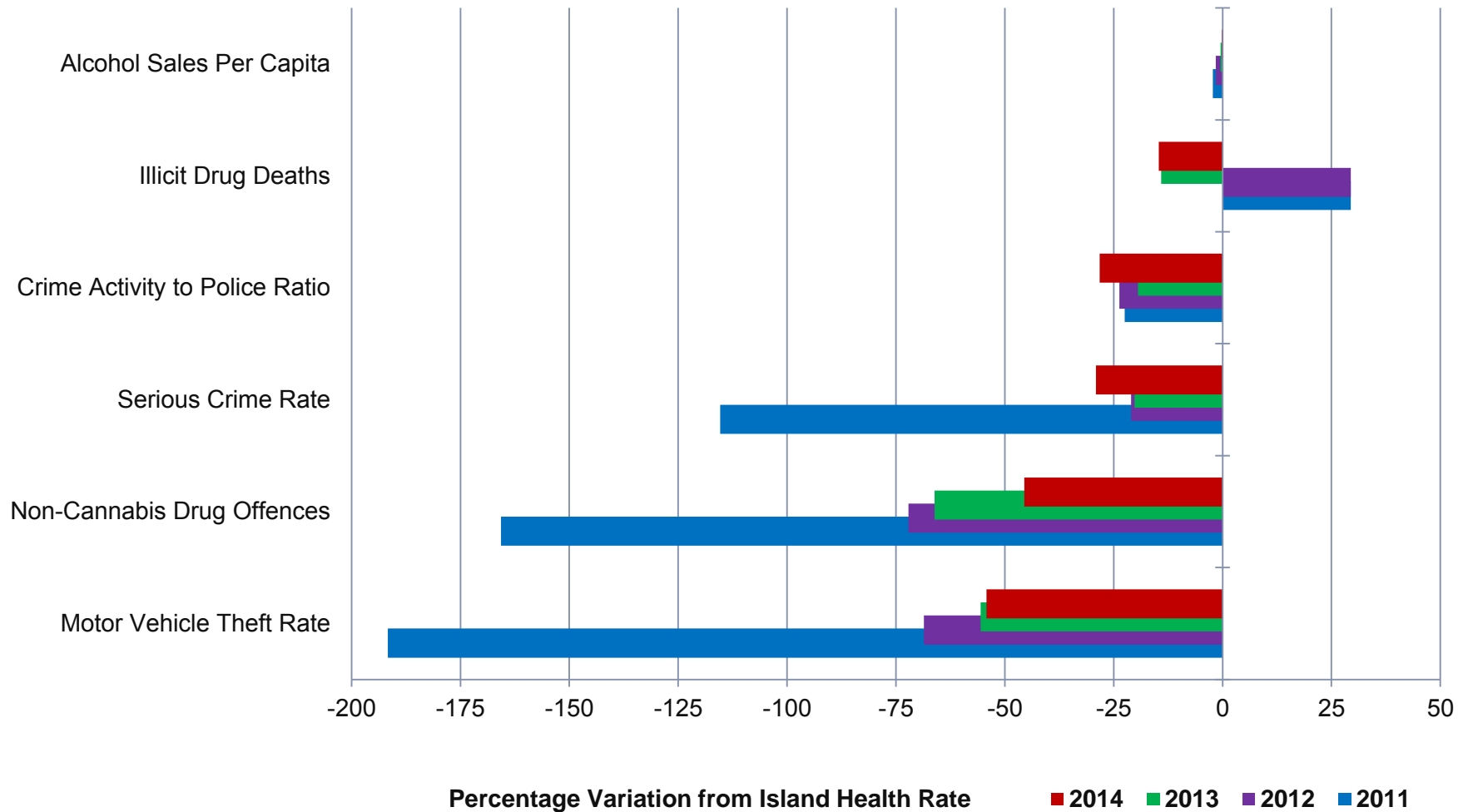
Percentage of Children less than 6 years Living in Low-Income, 2011 Census



Prevalence of Low-Income based on LIM (after tax) for Population under 6 Living in Private Households



Social Behaviours

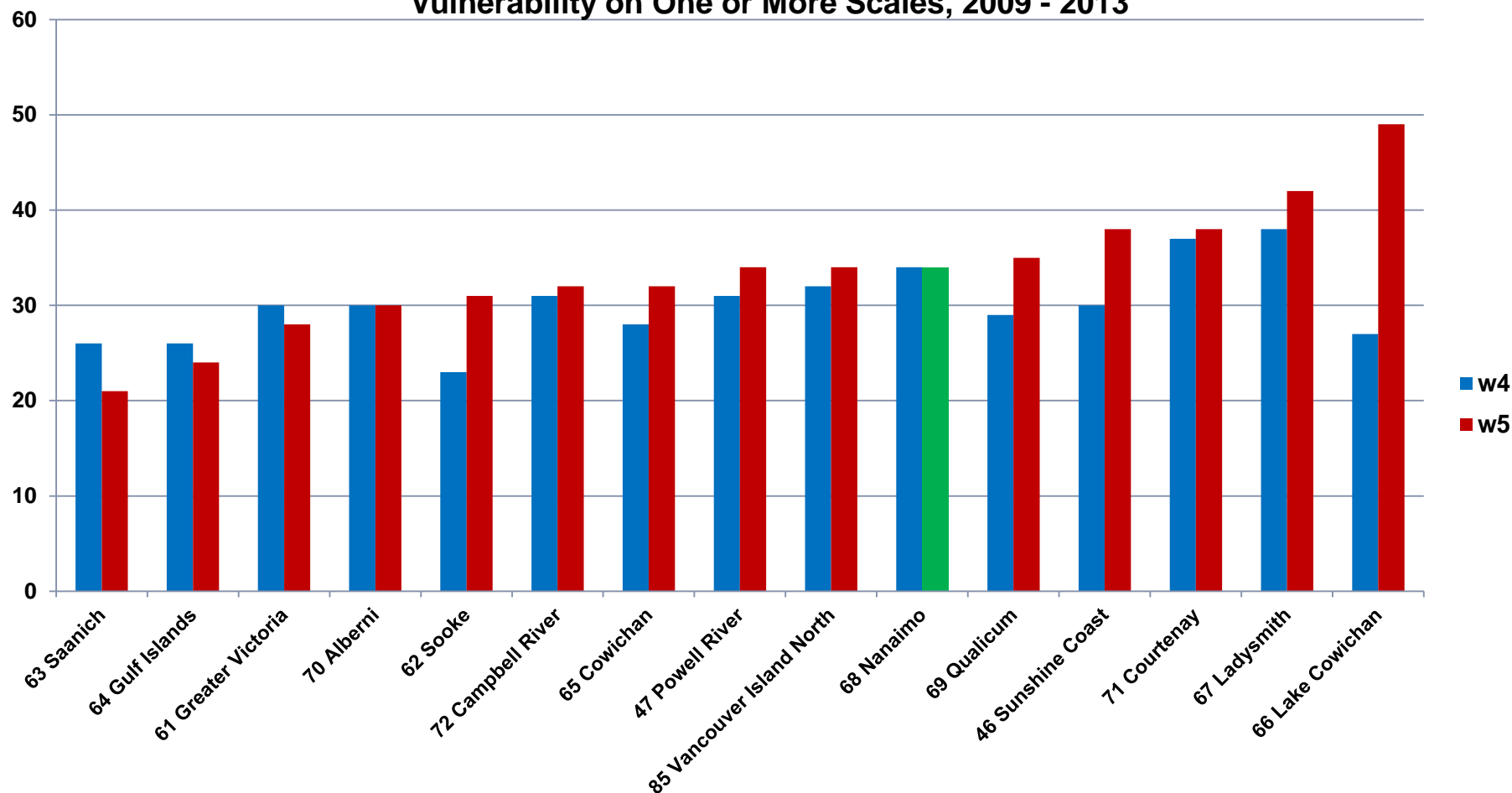


Substance Use Deaths

- Nanaimo has suffered a tragic number of substance use overdose deaths in the past couple of years.

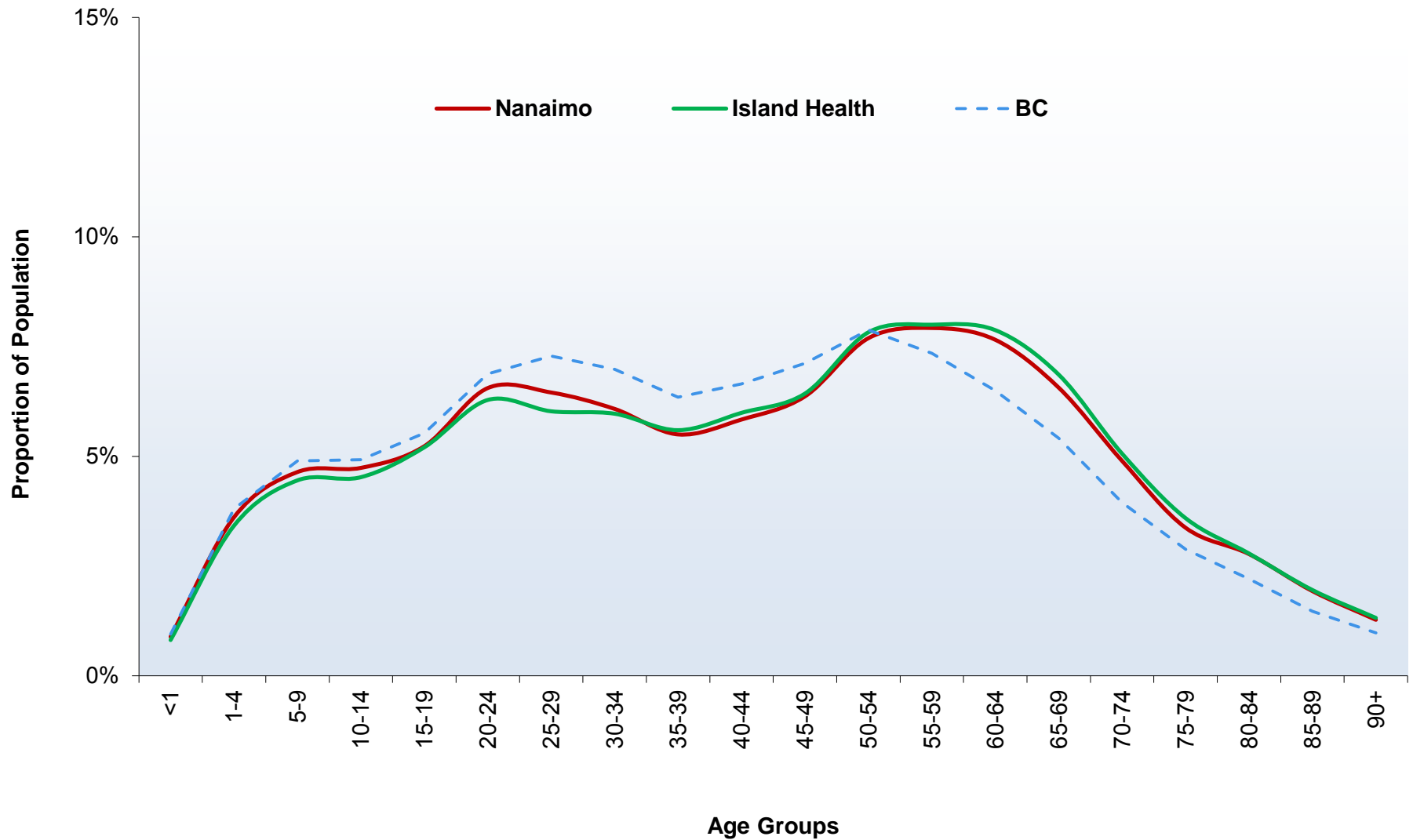
EDI Vulnerability by LHA

Vulnerability on One or More Scales, 2009 - 2013



Paul Hasselback MD MSc FRCPC
250.739.6304
paul.hasselback@viha.ca

Proportion of 2014 Population by 5-Year Age Groups Compared to Island Health and BC



City of Nanaimo

REPORT TO COUNCIL

DATE OF MEETING: 2015-MAR-09

AUTHORED BY: L. L. MERCER, MANAGER, ACCOUNTING SERVICES

RE: OPERATING RESULTS FOR THE PERIOD ENDING 2014-DEC-31

STAFF RECOMMENDATION:

That Council receive for information the report pertaining to Operating Results for the Period Ending 2014-DEC-31.

PURPOSE:

To present a summary of the operating results for the period ending 2014-DEC-31.

BACKGROUND:

The Accounting Services staff reviews quarterly financial reports in order to identify both positive and negative budget trends as they occur. This report provides information on the operating results for the year ending 2014-DEC-31.

Assuming an even distribution of revenues and expenditures throughout the year, the current financial performance benchmark would be approximately 100% versus budget. Where significant variances have been identified, staff have provided comments in the individual sections below.

Attached to this report is Appendix 1 which outlines the summary of operating results by department for the year ending 2014-DEC-31. The summary is divided into three sections: General Revenue (ie: funding from property taxes), Water and Sewer (includes funding from user fees).

Summary of Operating Results by Department (Appendix 1)

This appendix lists the total year to date revenue and expenditures for the functions within each department. This listing illustrates at a glance the overall status of an individual service as at December 31 compared to the overall budget for that service for the entire year.

The variance column displays the surplus or deficit for the year for each department. Positive values increase surplus, while negative amounts (displayed in parentheses) decrease surplus.

City Administration

The City Administration department shows year to date total expenditures at 83%, resulting in a surplus of \$141,695. The surplus is due to budgeted wage costs for 2014 for the former City Manager that were accrued in 2013.

☐ Council
☒ Committee... *of the whole*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: 2015-MAR-09

Corporate Services

The Corporate Services department shows year to date total revenues at 84% and expenditures at 92%.

Based on the analysis of these accounts, at 2014-DEC-31 there will be a surplus of \$799,954. The majority of the surplus is made up of the following items:

- *Administration* – \$33,000 – surplus due to unspent management consulting fees.
- *Human Resources* – \$140,000 – Approximately \$45,000 of the surplus is due to temporary vacancies in HR positions. Miscellaneous contracted services (recruitment and training expenses) that were not required to be incurred in 2014 account for the remaining variance.
- *Information Technology and Legislative Services* – \$375,000 – Of this, \$95,000 is due to vacant positions in the IT Business Services area, and \$110,000 is due to a decrease in anticipated hardware maintenance costs and consulting fees. In addition, there was a surplus of \$33,000 from the 2014 Election and \$43,000 of unspent funds by Mayor & Council.
- *Community Development* – \$300,000 – The variance is largely due to \$244,000 of additional revenues generated by the building inspections department, in addition to temporary position vacancies in the planning department.
- *Economic Development* – (\$120,000) – Economic development costs exceeded economic development revenues in the current year. The deficit was funded by the Nanaimo Economic Development Corporation's surplus cash balance from 2013.

Community Services

Community Services is broken down into five (5) main areas:

Social and Protective Services

The Community Safety and Development department shows year to date total revenues at 86% and expenditures at 95%.

Based on the analysis of these accounts, at 2014-DEC-31 there will be a surplus of \$1,420,218. The majority of the surplus is made up of the following items:

- *Fire* – (\$208,813) – Nanaimo Fire Rescue is over budget due to the estimated costs related to the expired IAFF contract and the accrual of post-employment benefit expenses.
- *Police Services* – \$1,404,657 – Approximately \$950,000 of the surplus is attributed to contracts with the RCMP. The RCMP Municipal Policing costs are lower than the budget, which can be attributed to decreased costs in Division Administration, staffing levels, and the City receiving unbudgeted credits for officers that have transferred or gone on leave. In addition, an additional \$420,000 of surplus has been generated due to position vacancies in the municipal Police Services department.
- *Regulatory* – \$214,860 – Of this variance, approximately \$99,000 is due to temporary position vacancies in the bylaw enforcement department. The remaining variance is attributed to higher than anticipated bylaw enforcement revenues and animal control revenues as well as decreased costs for animal shelter maintenance.

Parks, Recreation and Environment

The Parks, Recreation and Environment department shows year to date total revenues at 96% and expenditures at 96%.

Based on the analysis of these accounts, at 2014-DEC-31 there will be a surplus of \$503,324. The key variances from budget are:

- Recreation Operations – \$227,442 – Program and facilities rental revenue exceed budget by approximately \$93,000. Due to temporary vacancies, wages and benefits are approximately \$50,000 under budget. The remaining variance is due mainly to savings in materials and supplies in facility maintenance.
- Aquatic Operations – \$178,216 – Fees and admissions were up resulting in revenues exceeding budget by approximately \$152,000.

Engineering and Public Works

The Engineering and Public Works department shows year to date total revenues at 98% and expenditures at 95%.

Based on the analysis of these accounts, at 2014-DEC-31 there will be a surplus of \$812,481. The majority of the surplus is made up of the following items:

- *Engineering Services* – \$495,816 – The surplus has been generated due to a number of temporary vacancies within the department.
- *Transportation* – \$168,782 – Snow and Ice Control (SNIC) is approximately \$51,000 under budget with the remaining variance mainly due to temporary vacancies within the department.

Sewer Operations

Sewer Operations shows year to date total revenues at 95% and expenditures at 95%.

Based on the analysis of these accounts, at 2014-DEC-31 there will be a deficit of (\$8,544).

Water Operations

Water Operations shows year to date total revenues at 100% and expenditures at 91%.

Based on the analysis of these accounts, at 2014-DEC-31 there will be a surplus of \$1,253,462. Comments on the variances from budget are as follows:

- Distribution – The repair of watermain breaks cost \$50,000 more than budgeted. As well, service connection renewals were \$110,500 more than budgeted.
- Water Utility Billing Revenue – \$680,000 – Utility billings relating to water consumption charges were higher than anticipated. A dry summer resulted in higher water consumption.

- Water Supply – The staffing of the Water Treatment Plant was delayed resulting in a \$373,000 surplus. As well, the watermain flushing program was postponed until 2015 resulting in a \$117,000 surplus.
- Other Expenses – The \$100,000 of contingency remains unspent at year end.

Culture and Heritage

The Culture and Heritage and Other category shows year to date total revenues at 94% and expenditures at 97%.

- Based on the analysis of these accounts, at 2014-DEC-31 there will be a surplus of \$142,985. The Culture and Heritage Department was created in December 2013. The 2014 budget was developed in anticipation of a full year of operation, implementation of the Culture Strategy and review of the Heritage Plan. With the later adoption of the Budget and Culture Plan, some of the programs and initiatives will not be initiated until 2015.

Other

The Other category shows year to date total revenues at 91% and expenditures at 98% and the net deficit for the department will be (\$85,907).

- Port of Nanaimo Centre – Conference Centre revenues were lower than anticipated in 2014. While corresponding costs associated with bookings are also down, the net deficit over the 2014 budget amount is (\$86,908).

General Revenues

The General Revenues department shows year to date total revenues at 100% and expenditures at 101%. The majority of Revenues in this department relate to property taxation and are all recorded in May of each year. Correspondingly the majority of expenditures relate to payovers to the Downtown Nanaimo Business Improvement Association and transfer to reserve.

Based on the analysis of these accounts, at 2014-DEC-31 there will be a deficit of (\$133,465). Comments on the variances from budget are as follows:

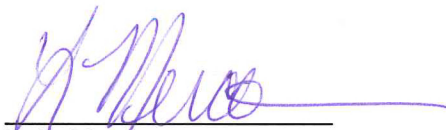
- Real Property Taxes and Grants in lieu of taxes – (\$87,000) – Under budget due to Supplemental assessments and Appeal Board decisions made to December 31.
- Investment Income – (\$58,000) – A low interest rate investment climate has impacted the earnings generated by the City's investment portfolio. Investment rate changes are difficult to predict.
- Casino Revenue Sharing – (\$107,000) – The City's portion of the casino revenue sharing was lower than amounts received in 2013.

Summary

Total estimated operating variance at December 31, 2014 is as follows:

General Operations variance*	\$ 3,552,911
Sewer Operations variance	(8,544)
Water Operations variance	<u>1,253,462</u>
Total Operations variance	<u>\$ 4,797,829</u>

Respectfully submitted,



L. L. Mercer
MANAGER
ACCOUNTING SERVICES

Concurrence by:



B. E. Clemens
DIRECTOR
FINANCE

CITY MANAGER COMMENT:

I concur with the staff recommendation.

Drafted: 2015-MAR-03
G:\ADMINISTRATION\Council\Reports\2015\2015MAR09_OperatingResultsForPeriodEndingDec31.docx
LLM/tw

APPENDIX 1

City of Nanaimo

Summary of Operating Results

December 31 2014

GENERAL REVENUE FUND	Revenues (Including Reserve Funding)			Expenditures			Surplus	Sept Projection
	2014 Annual Budget	2014 Actual	Variance	2014 Annual Budget	2014 Actual	Variance	Surplus (Deficit)	Surplus (Deficit)
CITY ADMINISTRATION								
City Administration	-	-	0%	826,765	685,070	83%	141,695	18,500
CORPORATE SERVICES								
Corporate Services Administration	-	-	0%	356,299	322,996	91%	33,303	41,500
Human Resources	16,449	36,532	222%	1,875,750	1,739,575	93%	156,258	17,000
IT and Legislative Services	51,800	43,930	85%	4,724,253	4,340,601	92%	375,782	298,000
Financial Services and Purchasing	242,495	157,152	65%	3,395,979	3,236,547	95%	74,089	(8,000)
Community Development - Corporate Services	25,877	27,525	106%	84,976	84,586	100%	2,038	6,000
Community Development	3,041,693	3,127,003	103%	5,483,653	5,271,483	96%	297,480	253,000
Downtown Revitalization	-	-	0%	227,353	227,409	100%	(56)	-
Economic Development	-	298,855	0%	1,375,450	1,794,733	130%	(120,428)	-
General Administration	120,200	163,828	136%	1,268,107	1,322,003	104%	(10,268)	(482,000)
Civic Properties	-	-	0%	937,293	929,017	99%	8,276	61,500
Human Resources - Projects	69,415	70,274	101%	76,715	93,874	122%	(16,300)	-
IT and Legislative Services - Projects	877,947	256,214	29%	906,072	285,237	31%	(898)	-
Financial Services and Purchasing - Projects	-	-	-	88,200	96,319	109%	(8,119)	-
Community Development - Projects	1,247,423	627,098	50%	1,327,423	704,617	53%	2,481	-
Civic Properties - Projects	-	-	-	35,850	29,534	82%	6,316	-
	5,702,604	4,808,411	84%	22,172,678	20,478,531	92%	799,954	187,000
COMMUNITY SERVICES								
SOCIAL AND PROTECTIVE SERVICES								
Support Services	-	-	0%	421,824	392,293	93%	29,531	10,500
Enhanced 911 Services	1,114,251	1,084,025	97%	1,682,624	1,687,955	100%	(35,557)	49,500
Emergency	-	4,200	100%	173,340	187,617	108%	(10,077)	(1,000)
Fire Services	197,085	444,263	225%	13,430,130	13,886,121	103%	(208,813)	76,500
Police Services	2,142,875	1,269,297	59%	26,230,673	23,952,438	91%	1,404,657	1,378,000
Parking	1,477,478	1,675,283	113%	1,414,181	1,669,450	118%	(57,465)	203,000
Regulatory	394,000	428,814	109%	1,378,365	1,198,319	87%	214,860	166,500
Social and Protective Services Projects	818,453	379,632	-	1,259,967	738,065	59%	83,082	-
	6,144,142	5,285,514	86%	45,991,104	43,712,258	95%	1,420,218	1,883,000
COMMUNITY SERVICES								
PARKS, RECREATION AND ENVIRONMENT								
PRE Administration	63,500	110,349	174%	787,288	824,189	105%	9,948	(28,500)
Recreation Operations	2,212,337	2,305,593	104%	5,854,543	5,720,357	98%	227,442	397,000
Arena Operations	1,380,566	1,445,860	105%	2,363,851	2,366,756	100%	62,389	25,000
Aquatic Operations	2,492,707	2,644,720	106%	6,332,250	6,306,048	100%	178,216	160,000
Parks Operations	300,105	434,038	145%	5,684,773	5,887,729	104%	(69,023)	(55,000)
Environment	-	3,961	100%	196,071	209,102	107%	(9,070)	16,500
Civic Properties	121,789	127,580	105%	216,308	203,167	94%	18,932	16,500
Community Development	1,035,396	1,035,396	100%	234,098	238,910	102%	(4,812)	(7,000)
Parks, Recreation, and Environment Projects	2,489,626	1,580,221	63%	3,286,320	2,287,613	70%	89,302	-
	10,096,026	9,687,719	96%	24,955,502	24,043,871	96%	503,324	524,500

APPENDIX 1

City of Nanaimo
Summary of Operating Results
December 31 2014

GENERAL REVENUE FUND	Revenues (Including Reserve Funding)			Expenditures			Surplus	Sept Projection
	2014 Annual Budget	2014 Actual	Variance	2014 Annual Budget	2014 Actual	Variance	Surplus (Deficit)	Surplus (Deficit)
COMMUNITY SERVICES								
ENGINEERING AND PUBLIC WORKS								
Administration	420,200	785,545	187%	1,353,290	1,621,163	120%	97,472	149,500
Engineering Services	22,100	9,678	44%	2,833,418	2,325,180	82%	495,816	436,500
Transportation	(244)	33,101	-13566%	4,971,817	4,836,380	97%	168,782	83,000
Storm Drainage	57,265	43,673	76%	1,973,720	1,921,529	97%	38,599	99,000
Sanitation & Solid Waste	3,532,750	3,452,662	98%	3,956,778	3,926,503	99%	(49,813)	89,000
Cemeteries	58,275	86,106	148%	249,825	230,879	92%	46,777	34,000
Fleet Operations	-	24,456	100%	-	40,848	100%	(16,392)	24,500
Engineering and Public Works Projects	723,547	270,202	100%	1,537,846	1,053,262	68%	31,239	-
	4,813,893	4,705,424	98%	16,876,694	15,955,744	95%	812,481	915,500
COMMUNITY SERVICES								
Culture and Heritage	48,900	33,657	69%	5,626,715	5,539,783	98%	71,689	55,500
Culture and Heritage - Projects	74,297	82,397	111%	255,197	192,001	75%	71,296	-
	123,197	116,054	94%	5,881,912	5,731,784	97%	142,985	55,500
COMMUNITY SERVICES								
OTHER								
Port of Nanaimo Centre	2,117,327	1,921,475	91%	5,639,579	5,530,635	98%	(86,908)	(102,000)
Community Services Admin	-	-	0%	414,432	413,431	100%	1,001	-
	2,117,327	1,921,475	91%	6,054,011	5,944,066	98%	(85,907)	(102,000)
GENERAL REVENUE								
Real Property Taxes	93,082,191	92,994,981	100%	-	-	0%	(87,210)	(78,000)
Business Improvement Areas	227,353	226,941	100%	227,353	226,941	100%	-	-
Taxes in Lieu of Licenses	1,382,234	1,382,234	100%	-	-	0%	-	-
Grants in Lieu of Taxes	1,436,385	1,409,584	98%	-	-	0%	(26,801)	(27,000)
Investment Income	2,000,000	1,943,108	97%	4,000	5,137	128%	(58,029)	(80,000)
Miscellaneous Revenue	795,000	859,797	108%	5,000	102	2%	69,695	-
Provincial Revenue Sharing	2,626,427	2,520,394	96%	-	-	0%	(106,033)	(200,000)
Transfer to/from Reserves	-	107,415	0%	1,913,850	1,944,395	102%	76,870	-
MFA Debt Reserve	19,135	17,178	90%	-	-	0%	(1,957)	-
	101,568,725	101,461,632	100%	2,150,203	2,176,575	101%	(133,465)	(385,000)
Transfers to Capital	4,049,636	6,471,506	160%	9,706,681	12,176,925	125%	(48,374)	-
Total All Services	134,615,550	134,457,735	100%	134,615,550	130,904,824	97%	3,552,911	3,097,000

NOTE: Collections for Other Governments has not been included in this operating analysis

City of Nanaimo

REPORT TO COUNCIL

DATE OF MEETING: 2015-MAR-09

AUTHORED BY: L. L. MERCER, MANAGER, ACCOUNTING SERVICES

RE: CAPITAL PROJECT RESULTS FOR THE PERIOD ENDING 2014-DEC-31

STAFF RECOMMENDATION:

That Council receive for information the report pertaining to the Capital Project Results for the Period Ending 2014-DEC-31.

PURPOSE:

To provide Council with a summary of the capital project results for the period ending 2014-DEC-31.

BACKGROUND:

For many years, Council has received quarterly reports relating to the financial results of the City's operations. This will be the first year that Council has received a report relating to the status of Capital projects.

Projects that satisfy specific requirements as outlined in the City's Capital Asset Policy are classified as capital expenditures and are accounted for in the City's capital funds. There are three (3) Capital funds: General Capital, Sewer Capital and Water Capital funds. Projects that are smaller in scope and below specific capitalization thresholds are classified as "operating projects" and are accounted for in the City's operating funds.

Projects that meet the criteria set out in the Capital Expenditure Policy will be capitalized and then amortized over the useful life of the asset. Capital is defined as tangible property owned by the City that:

- are held for use in the production or supply of goods or services for rental to other, for administrative purposes or for the development, construction, maintenance or repair or other tangible capital assets;
- have useful economic lives extending beyond an accounting period (1 year);
- are to be used on a continuing basis; and,
- are not for sale in the ordinary course of operations.

Funding for project expenditures comes from a number of sources including general tax revenues, operating and statutory reserves, grants and borrowing. Statutory reserves include Development Cost Charges, Equipment Replacement Reserve and the Facility Development Reserve.

Unfinished projects at the end of the year are usually carried forward to be completed in the following year. Due to this capital fund variances usually do not affect the surplus value.

☐ Council
☒ Committee *of the whole*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2015. MAR. 09*

The Accounting Services staff reviews the capital project reports monthly in order to identify both positive and negative budget variance as they occur. This report provides information on the capital project results for the year ending 2014-DEC-31.

Attached to this report is Appendix 1 which outlines the summary of the capital project results by project type for the year ending 2014-DEC-31. The summary is divided into two sections: Concurrent projects (i.e.: projects that have a general, sewer and water component) and all other capital projects. Each section has been broken out into the following categories: Completed, Work in Progress, Delayed and Other.

This appendix lists the total year to date expenditures for each project. This listing illustrates at a glance the overall status of individual projects as at December 31 compared to the overall budget for the year.

Some highlighted variances in the report:

Subdivider Assets \$ 5,851,613

Subdivider Assets are assets the City has acquired from developers through the subdivision process and are recorded as tangible capital assets, in most cases, at the end of the maintenance period. The value of the asset is determined by an engineering firm. No money is paid for these assets and they are considered Private Contributions. As the value of these assets are unknown until they are transferred to the City, no budget is recorded. As a result this has caused a negative variance of (\$5,851,613) for the year. During the year subdivider assets acquired are broken down as follows:

- Parkland acquired \$ 2,718,715
 - Includes \$1.5 million relating to the Linley Valley property purchases
- Storm infrastructure \$ 776,474
 - Includes storm mains and catchbasins
- Transportation infrastructure \$ 1,572,504
 - Includes roads, bridges, sidewalks, streetlights
- Sewer infrastructure \$ 384,554
- Water infrastructure \$ 399,366

Lower & Middle Chase Dams \$ 3,000,000

Under the Public Sector Accounting Handbook section PS 3200, the City has met all three of the criteria needed to record a liability with regards to the Lower and Middle Chase Dams. The Public Sector Accounting Board is an independent body with the authority to set accounting standards for the public sector, which includes municipalities. The cost estimate for all of the current remediation plans range from \$3 – \$8.1 million. Given that there is no set remediation plan for the Dams, a liability accrual of \$3,000,000 has been recorded as a reasonable estimate of work needed. As a final plan had not been set during 2014, no budget was assigned to the project and has therefore caused a negative variance of (\$3,000,000). This accrual has been funded from reserve money set aside in a prior year so no current taxation money was used to fund the project.

There has been no expenditure of funds or commitment to any specific action. This is an accounting entry that records a future liability. This entry has been reviewed by the City's auditors.

Property Acquired

\$ 8,214,862

During the year the City and the School District 68 entered into a land exchange agreement. The City exchanged two (2) properties for two (2) properties from School District 68. The value of the land exchange was \$2,326,493. As no budget was recorded for this land exchange a negative variance resulted in the amount of (\$2,326,493).

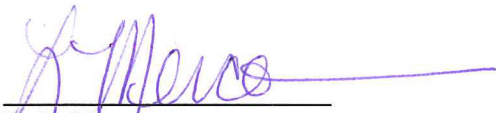
The City acquired five (5) properties in Linley Valley for a total price of \$5,888,369. The total budget for the year was \$7,900,000 and was to be used to acquire six (6) properties in Linley Valley. As only five (5) properties were able to be purchased, a variance of \$2,011,631 resulted. All were paid for out of Reserves and Private Contributions and therefore, current year taxation was not used to fund the purchases. The \$2 million that was not used remains in the reserves to be spent on future capital projects.

Water Treatment Plant

\$ 18,411,625

This is a multi-year project and due to delays in the project not all of the budgeted amount was spent during the year. The budget for 2014 was \$27,794,158 and has resulted in a variance of \$9,382,533. The funding sources for the year were Federal grants, borrowing and funds from the community works statutory reserve fund.

Respectfully submitted,



L. L. Mercer
MANAGER
ACCOUNTING SERVICES

Concurrence by:



B. E. Clemens
DIRECTOR
FINANCE

CITY MANAGER COMMENT:

I concur with the staff recommendation.

APPENDIX 1

City of Nanaimo

Summary of General Capital Results

As at December 31, 2014

	2014 CAPITAL BUDGET	2014 ACTUAL	VARIANCE	COMMENTS
CONCURRENT PROJECTS:				
COMPLETED PROJECTS				
P-6151 Bruce Ave and 6th Street	436,524	343,749	92,775	Project complete. Outstanding invoices.
P-7307 Bruce Ave Utility Upgrade	647,776	635,888	11,888	Project complete. Outstanding invoices (landscaping and "as-builts").
Bruce Ave. Project	1,084,300	979,638	104,662	
P-5180 Drainage Juniper St, 220 to Stewart	1,866	1,048	818	Design complete, construction budgeted for 2015.
P-7263 WM Juniper St, Princess Royal to Vancouver	15,716	7,342	8,374	Design complete, construction budgeted for 2015.
Juniper & St. George Utility Upgrade	17,582	8,391	9,191	
TOTAL COMPLETED PROJECTS	1,101,882	988,028	113,854	
PROJECTS "IN-PROGRESS"				
P-5191 DCC 65-100 Line Rd	1,108,953	974,472	134,481	Anticipated completion April 2015.
P-6206 100 Line Road - Sewer Turner to Rutherford	353,150	284,127	69,023	Anticipated completion April 2015.
P-7340 100 Line Road - WM: Turner to Rutherford	224,280	178,493	45,787	Anticipated completion April 2015.
DCC R 65 100 Line Road Project	1,686,383	1,437,092	249,291	
P-5183 Beban Plaza Storm	30,000	-	30,000	Design contract to be awarded early 2015, construction budgeted for 2016.
P-6208 Beban Plaza Sanitary	20,000	-	20,000	Design contract to be awarded early 2015, construction budgeted for 2016.
Beban Plaza Utility Project	50,000	-	50,000	
P-5177 Beaufort Drive Storm	30,374	30,374	(0)	Design ready for construction tender to be issued, construction budgeted for 2015.
P-6161 Beaufort Park	149,247	37,113	112,134	Design ready for construction tender to be issued, construction budgeted for 2015.
P-7262 WM Beaufort Dr and Lorne Pl, Seafeld Cres	76,354	18,523	57,831	Design ready for construction tender to be issued, construction budgeted for 2015.
Beaufort Park Utility Project	255,975	86,011	169,964	
P-5041 Sidewalks	371,005	176,355	194,650	Two projects in progress
P-5043 Road Infrastructure	118,472	118,872	(400)	Bowen Wakesiah Signal & Intersection Upgrade to be completed in April.
Bowen Road Project	489,477	295,227	194,250	
P-5157 DCC R85 Boxwood Connector (Bowen to Northfield)	104,034	-	104,034	In process of awarding design contract, construction will occur in 2016.
P-6174 Boxwood Connector Sanitary	60,000	-	60,000	In process of awarding design contract, construction will occur in 2016.
P-7290 Boxwood Connector Water Dist	30,000	-	30,000	In process of awarding design contract, construction will occur in 2016.
Boxwood Connector & Utility Project	194,034	-	194,034	
P-5174 Cliff St Area Corridor	25,500	7,388	18,112	Design work in progress, to be complete by Summer 2015, construction budgeted for 2017.
P-6182 Cliff Street, Comox to Terminal	25,000	4,650	20,350	Design work in progress, to be complete by Summer 2015, construction budgeted for 2017.
P-7325 Cliff St Area Water	25,000	7,067	17,933	Design work in progress, to be complete by Summer 2015, construction budgeted for 2017.
Cliff Street Area Corridor & Utility Projects	75,500	19,105	56,395	
P-5212 Departure Bay Seawall and Utility Project	30,000	2,705	27,295	Design work in progress, construction budgeted for 2015.
Departure Bay Seawall & Utility Project	30,000	2,705	27,295	
P-7284 Extension Rd - Duke Pt Main SN103	62,836	14,790	48,046	Design complete; Construction budgeted for 2015.
Extension Rd WM: Duke Point Supply	62,836	14,790	48,046	
P-6188 Fillinger Crescent Esmt 3696 RoW	4,535	4,227	308	Project complete.
Fillinger Cres. Utility Upgrade	4,535	4,227	308	
P-7361 DCC R94 Highway Intersection Upgrades	23,000	8,090	14,910	Design is underway, construction budgeted for 2015.
Island Hwy/Old Victoria/Haliburton Traffic Signal	23,000	8,090	14,910	
P-5173 Sherwood Forest Utility Upgrades - Drainage	635,632	214,592	421,040	In progress, anticipated completion April, 2015.
P-6178 Sherwood Forest Utility Upgrades	930,198	448,223	481,975	In progress, anticipated completion April, 2015.
P-7264 Sherwood Forest Utility Upgrades	1,345,158	456,707	888,451	In progress, anticipated completion April, 2015.
Sherwood Forest Utility Upgrade	2,910,988	1,119,522	1,791,466	
P-5156 1597 Boundary Works & Services	309,000	128,284	180,716	Phase 1 complete (1621 Dufferin Cres.). Phase 2 will proceed when social housing project at 1597 Boundary is further along in construction (currently under construction).
1597 Boundary Works & Services	309,000	128,284	180,716	
P-6179 Victoria Rd SW & Utility	20,800	11,189	9,611	Design to be completed in 2015, construction budgeted for 2016.
Victoria Road SW & Utility Project	20,800	11,189	9,611	
TOTAL PROJECTS "IN-PROGRESS"	6,112,528	3,126,242	2,986,286	

APPENDIX 1

City of Nanaimo

Summary of General Capital Results

As at December 31, 2014

	2014 CAPITAL BUDGET	2014 ACTUAL	VARIANCE	COMMENTS
DELAYED PROJECTS				
P-5108 DCC R8 Boundary/Northfield	1,023,838	392,047	631,791	Delayed - working with Ministry regarding cost share of project, additional budget in 2015 fir construction.
Boundary/Northfield Intersection Upgrade	1,023,838	392,047	631,791	
P-4040 Trailway Development and Rehab	165,800	-	165,800	Delayed to 2015 - originally tendered in 2014 however only one tendered received which exceeded budget, additional budget in 2015.
P-5170 Drainage Buttertubs Dr.: Bowen to Buttertubs Marsh	200,000	-	200,000	Delayed to 2015 - originally tendered in 2014 however only one tendered received which exceeded budget, additional budget in 2015.
P-6149 DCC 19 Millstone Trunk	1,849,000	308,106	1,540,894	Delayed to 2015 - originally tendered in 2014 however only one tendered received which exceeded budget, additional budget in 2015.
P-6160 DCC S19 Buttertubs Dr	1,028,805	-	1,028,805	Delayed to 2015 - originally tendered in 2014 however only one tendered received which exceeded budget, additional budget in 2015.
Buttertubs Utility Upgrade Project	3,243,605	308,106	2,935,499	
P-7286 Cinnabar Dr: Hyd 502 to Flushout	5,000	-	5,000	Design work delayed to 2015.
Cinnabar Dr. WM: Stacey to End	5,000	-	5,000	
P-5135 DCC R84: Hammond Bay Road	89,586	850	88,736	Delayed as City has been waiting for RDN to complete their forcemain alignment study and advise of their plans.
P-7271 DCC W48 WM Hammond Bay-Ivy to Sherwood	263,569	-	263,569	Delayed as City has been waiting for RDN to complete their forcemain alignment study and advise of their plans.
R84 Hammond Bay Corridor & Utility Project	353,155	850	352,305	
TOTAL DELAYED PROJECTS	4,625,598	701,004	3,924,594	
TOTAL CONCURRENT CAPITAL PROJECTS	11,840,008	4,815,274	7,024,734	

ALL OTHER PROJECTS:

COMPLETED PROJECTS				
P-2708 LAN upgrades	18,412	15,605	2,807	Project complete.
P-2713 VM Server Farm	284,418	286,119	(1,701)	Project complete.
P-2206 Bastion Street Parkade	200,000	96,119	103,881	Project complete. Outstanding invoice.
P-2716 Corporate Printer Replacement	24,000	15,064	8,936	Complete.
P-2902 Nanaimo Economic Development Corporation Assets	-	116,240	(116,240)	Complete.
P-3104 Property Acquisition - General	-	2,326,493	(2,326,493)	School District 68 land exchange - funded from the sale of City property. Variance offset by two properties received in exchange.
P-3402 Firefighting Equipment	124,104	44,104	80,000	Completed/In progress - two equipment purchases completed, fire pump for NPA boat Osprey in progress and anticipated to be complete in March 2015.
P-4073 Park Acquisitions	7,900,000	5,888,369	2,011,631	Project complete.
P-4098 Sports Field Development	403,150	383,301	19,849	Project at Caledonia Park complete, fencing at Bowen West Sportsfield delayed until March 2015.
P-4125 Nanaimo Aquatic Centre Improvements	4,609	4,609	(0)	Project complete.
P-4140 Zamboni Replacement	-	5,702	(5,702)	Project complete.
P-4142 Parks Yard Greenhouse	31,296	31,003	293	Project complete.
P-4144 Italian Park Fountain Upgrade	104,986	54,986	50,000	Project complete.
P-4166 Nanaimo Centre Stage Theatre	140,454	140,454	0	Project complete.
P-4173 Beban Pool Sauna Retrofit	159,089	159,089	0	Project complete.
P-4182 McGirr Sportsfield Fencing	27,600	25,495	2,105	Project complete.
P-4189 NIC Sound System	20,000	18,355	1,645	Project complete.
P-4191 Beban Pool Replace Chlorine Gas w/Puck Sys.	128,713	128,138	575	Project complete.
P-4193 NAC Replace Chlorine Gas w/Puck Sys.	113,921	113,296	625	Project complete.
P-5041 Sidewalks	223,292	223,292	-	Project complete.
P-5054 Storm Infrastructure	56,871	56,871	(0)	Project complete.
P-5057 Small Tools Replacement	17,120	17,120	-	Project complete.
P-5126 DCC R82 Bowen Road - Quarterway Bridges/Approaches	63,733	13,608	50,125	Project complete.
P-5151 Cilaire Subdivision Drainage Upgrade	348	-	348	Project complete.
P-5155 PW Yard - Roof Replacement Program	109,511	109,511	0	Project complete.
P-5160 735 Park Avenue - Storm Drains	5,158	5,158	(0)	Project complete.
P-5171 Drainage Northfield Cr. @ Dep.Bay Rd: MH45163	128,774	128,774	(0)	Project complete.
P-5172 Pine St. Remediation - Storm Drains	9,433	9,433	0	Project complete.
P-5176 Wakesiah Wood Culvert	1,849	1,516	333	Design complete - construction budgeted for 2015.
P-5178 Easement on 5351 Hammond Bay	680	-	680	Design complete - construction budgeted for 2015.

APPENDIX 1

City of Nanaimo

Summary of General Capital Results

As at December 31, 2014

	2014 CAPITAL BUDGET	2014 ACTUAL	VARIANCE	COMMENTS
P-5192 Morningside Dr: Replace Corrugated Steel Pipe Drainage	72,150	91,410	(19,260)	Project complete. Funded by Private Contribution.
P-5194 PW Yard - Gas Kiosk	23,091	23,091	(0)	Project complete.
P-5201 Cycling Transportation Improvements	86,857	86,002	855	One biking lane complete on Bruce Ave, Second St Cycling design survey complete base drawings in progress.
P-5207 Terminal Complete Street Project	11,500	8,500	3,000	Project complete. Outstanding Invoice.
P-6100 Maintenance Equipment	43,904	43,904	-	Project complete.
P-6116 Green Lake Sanitary Sewer	17,100	9,087	8,013	Project complete.
P-6164 Main Relining Program	78,668	78,668	(0)	Project complete.
P-6166 Pine St Sewer	257,952	257,952	0	Project complete.
P-6173 Pine St Remediation - Sewer	13,089	13,089	(0)	Project complete.
P-6177 Highland & Departure Bay Sanitary	232,035	232,034	1	Project complete.
P-6205 Bruce Ave (Fifth St. to Dundas St.) - Sewer	375,000	317,264	57,736	Project complete - part of P-6151.
P-7103 Water Share - Road Rehabilitation	300,000	-	300,000	Project Complete.
P-7104 Water Infrastructure - Milton St. WM Cost Share	188,402	51,900	136,502	Project complete (cost share w/developer). Outstanding invoices.
P-7105 Water - Designs for Water Projects	25,650	-	25,650	Project Complete.
P-7243 Watermain Cilaire Subdivision ACR	83,171	6,798	76,373	Project Complete.
P-7249 Watermain Strathmore St	863	823	40	Project Complete.
P-7261 DCC W13 Looping Harwell, Jingle Pot & Westwood	648,523	445,184	203,339	Project complete. Outstanding invoices.
P-7265 Watermain Harewell loop	540,831	531,340	9,491	Project complete. Outstanding invoices.
P-7268 Pine St, Fifth to Princess Watermain	249,405	249,048	357	Project complete.
P-7269 Victoria Rd Rainer to Needham Watermain	6,410	6,410	(0)	Project complete.
P-7276 Pine St. Remediation - Water	11,388	11,388	0	Project complete.
P-7279 Water PRV Replacement Program	302,584	818	301,766	Design complete, will be constructed in 2015 with watermain project.
P-7292 Highland Blvd Watermain: Departure Bay/Island Hwy	39,475	39,475	0	Project complete.
P-7299 Forest Dr. Meredith to Honeysuckle Watermain	620,650	608,576	12,074	Project complete. Some outstanding landscaping.
P-7300 Bruce Ave. Watermain Albion to Fourth	142,215	142,239	(24)	Project complete.
P-7303 Neyland Rd Area Water	75,000	29,029	45,971	Project complete. Outstanding invoices.
P-7338 Nanaimo Lakes - Wakesiah Watermain Upgrades	89,580	87,180	2,400	Project complete.
P-9251 Reservoir #1 - Storage Improvements	1,110,422	1,093,994	16,428	Project complete. Outstanding invoice.
P-9261 Energy Recovery System - Reservoir # 1	96,982	89,872	7,110	Project complete. Outstanding invoice.
P-9268 Twilight Creek Watermain Replacement	85,754	-	85,754	Project completed in 2013.
TOTAL COMPLETED PROJECTS	16,130,171	14,972,897	1,157,274	
PROJECTS "IN-PROGRESS"				
P-2208 Parking Equipment	97,810	25,859	71,951	In progress - anticipated to be complete early 2015.
P-2500 SAP Enhancements	79,462	6,240	73,222	Carryforward remaining budget. Work in progress.
P-2702 Telephone System Upgrades	100,000	10,760	89,240	Carryforward remaining budget. Work in progress.
P-2707 GIS Internal Web Map	70,000	-	70,000	Carryforward entire budget. Operational delays in project dependencies. Expected start July/August.
P-2715 City Website Redesign	90,000	26,333	63,667	Carryforward remaining budget. Work in progress.
P-3407 Fire Fleet Replacement	888,483	45,897	842,586	In progress/Delayed - three units in progress and one unit to be ordered in early 2015. Replacement of one unit postponed beyond 2015.
P-3717 Police Services Equipment	50,000	-	50,000	Awaiting RCMP to approve software specifications before new RTID prisoner booking software/hardware.
P-4031 Playground Equipment	49,372	24,334	25,038	Playground equipment Altrusa was ordered and is scheduled to be installed early 2015.
P-4045 Volunteer In the Parks (VIP) Program	154,467	104,664	49,803	Four projects undertaken - three are in progress and anticipated to be completed in Spring. Community Gardens
P-4131 Harewood Centennial Park	513,055	133,569	379,486	Greenhouse has been delayed until Council approves Beban Master Plan.
P-4143 Oliver Woods Community Centre Access Improvements	17,629	10,031	7,598	Equipment is on-site and installation is scheduled to begin mid-March with completion June 2015.
P-4163 Frank Crane Arena Motor Control Centre	108,403	60,630	47,773	Additional work to be completed March 2015.
P-4171 Beban Pool Retrofit/Re-theme	16,595	-	16,595	Unit is on order and will be installed during Spring shutdown.
P-4174 Beban Pool Washroom/Change room	155,391	104,380	51,011	Design work underway with play structure budgeted for 2015.
P-4177 Bowen Tennis Court Improvements	216,139	205,751	10,388	Project anticipated to be complete early 2015.
P-4183 Lower & Middle Chase Dams	-	3,000,000	(3,000,000)	Majority of work was completed in 2014, the play surface needs to be applied in Spring when weather is dry.
P-4188 Frank Crane Arena: Heat Recovery Sys., Refrig.	290,000	14,463	275,538	In progress. Accrual for future liability.
P-4220 E & N Trail Development	200,000	10,187	189,813	Design underway with construction during shutdown.
P-4222 NIC Mechanical	180,000	5,600	174,400	Design underway with additional budget for construction budgeted in future.
P-5003 GIS Development	104,913	-	104,913	Unit is on order and will be installed during Spring shutdown.
P-5010 Major Road Rehab Program	1,652,630	756,912	895,718	Project in progress.
P-5013 Local Road Rehabilitation/Paving	439,032	279,657	159,375	Three projects completed, one project in progress and anticipated to be completed in March, three projects delayed and scheduled for completion 2015.
P-5014 Engineering Maintenance Equipment	108,679	55,858	52,821	Four projects completed. Park Ave. scheduled for Sept.2015
				Asphalt Hot Box ordered in Sept. 2014, waiting for delivery.

APPENDIX 1

City of Nanaimo

Summary of General Capital Results

As at December 31, 2014

	2014 CAPITAL BUDGET	2014 ACTUAL	VARIANCE	COMMENTS
P-5041 Sidewalks	100,000	79,545	20,455	Project in progress.
P-5060 Fleet Replacements	1,023,725	451,335	572,390	Complete/In progress - 7 units were budgeted for 2014 - four units were replaced during the year, two units were ordered with delivery scheduled for 2015 and the garbage truck is anticipated to be ordered this Spring 2015.
P-5149 Cedar Road	50,000	19,952	30,048	Phase 1 design is nearing completion.
P-6152 Park Avenue - Fifth Street to Honey Drive - Sewer	555,160	532,341	22,819	In progress.
P-6168 DCC SS17 - Jingle Pot to East Wellington - Sewer	444,000	129,762	314,238	Design work in progress, to be complete by end of 2015. Construction delayed until 2016.
P-7281 Giggleswick Place- Water	360,000	151,986	208,014	Phase 1 construction to be complete early 2015; Phase 2 design underway.
P-7301 Poplar St Watermain: Estevan to Stewart	35,000	23,209	11,791	Design to be complete March 2015, construction budgeted for 2017 - part of Poplar St. Utility Project.
P-7302 Eberts St. Watermain: Millstone to Townsite	35,000	20,133	14,867	Design to be complete March, 2015 - construction budgeted for 2016.
P-7332 Marban Road Watermain: SN9 & SN158	15,000	-	15,000	Design underway, construction budgeted for 2016.
P-7348 Morningside Dr: Hammond Bay to End - Water	185,000	42,784	142,216	Phase 1 cost share w/ RDN complete, phase 2 will be completed by City in the Fall.
P-9244 Water Treatment Plant	27,794,158	18,411,625	9,382,533	In progress
DCC WS41: Duplicate Water Supply Main #1 Reservoir -				
P-9260 College Park	220,000	15,021	204,979	Design underway, construction budgeted 2016.
P-9262 College Park Altitude Valve (PRV) Station Upgrade	35,365	-	35,365	In progress - upgrades to be completed in 2015.
TOTAL PROJECTS "IN-PROGRESS"	36,434,469	24,758,815	11,675,654	
DELAYED PROJECTS				
P-2714 Document Management	75,000	-	75,000	Carryforward entire budget. Operational delays in project sponsor's department. Expected start late 2015.
P-2957 Parkway Visitor Centre	32,003	-	32,003	Delayed. Carryforward entire budget.
P-3422 Fire Headquarters Roof	86,891	12,000	74,891	Delayed - additional funding required and budgeted in 2015.
P-3423 Fire Station # 6 Hammond Bay	287,297	17,271	270,026	Delayed - design budget, pending decision by Council on timing of construction.
P-4151 Beban Read-O-Graph Sign	100,000	-	100,000	Delayed - awaiting bylaw and sponsorship reviews.
P-4187 Frank Crane Arena: Domestic Water Piping	3,000	-	3,000	Delayed - design was delayed, construction budgeted for 2015 and project is anticipated to be complete in September.
P-4205 Chase River Hall	295,000	-	295,000	Delayed - Council has requested staff prepare a second report discussing options.
P-5041 Sidewalks	70,000	-	70,000	Delayed
P-5154 Railway Crossing Repairs - Waddington	100,000	-	100,000	Delayed - at request of Southern Rail.
P-6144 Garner Crescent Sanitary Sewer	102,832	-	102,832	Delayed to 2015 - project is developer driven, currently in design phase.
P-6171 DCC44 Hammond Bay Road McGirr/Kenwill - Sewer	50,000	-	50,000	Delayed beyond 5-Year Capital Plan.
P-6209 Garner Cres. Area Sewer Utility Upgrade	25,000	-	25,000	RFP for design to be issued February 2015, construction budgeted for 2016- part of Garner Cres Utility Project.
P-7233 DCC W47 College Rd Watermain Twinning	158,925	-	158,925	Delayed to 2015 - Project is developer driven. Developer has recently submitted plans to City.
P-7287 Nanaimo Pkwy - Cranberry to Wilson - Water	15,000	-	15,000	Projected has been delayed.
P-7296 Roberta Road E / Naylor Cres - B31 Watermain	10,000	-	10,000	Design scheduled for summer 2015, construction budgeted for 2017 - part of Roberta Rd Area Utility Upgrade.
P-7327 Bay St. WM: Fandell to Keighley - Water	25,000	-	25,000	Design work delayed to summer 2015, construction budgeted for 2017.
P-9270 Water Treatment Plant - Vehicles	70,000	-	70,000	Delayed to 2015 - hiring of staff was delayed to 2015.
P-2712 Photocopier Purchases	175,000	-	175,000	No photocopier replacements in 2014.
TOTAL DELAYED PROJECTS	1,680,948	29,271	1,651,677	
PROJECTS OTHER				
P-5053 DCC Unspecified Storm Designs & Projects	100,000	-	100,000	Funds not required in 2014.
P-5081 DCC Unspecified Road Design Projects	19,324	-	19,324	Road DCC Review to begin in 2015.
P-6215 DCC Unspecified Sanitary Sewer Proj.	150,000	-	150,000	Funds not required in 2014.
P-7131 DCC Unspecified Water Designs & Projects	100,000	-	100,000	Funds not required in 2014.
P-4999 Developer Contributed Parkland	-	2,718,715	(2,718,715)	Developer Contributed Assets.
P-5900 Storm Sub-Divider Assets	-	776,474	(776,474)	Developer Contributed Assets.
P-5901 Transportation Sub-Divider Assets	-	1,572,504	(1,572,504)	Developer Contributed Assets.
P-6900 Sewer Sub-Divider Assets	-	384,554	(384,554)	Developer Contributed Assets.
P-7900 Water Sub-Divider Assets	-	399,366	(399,366)	Developer Contributed Assets.
TOTAL OTHER PROJECTS	369,324	5,851,613	(5,482,289)	
TOTAL OTHER CAPITAL PROJECTS	54,614,912	45,612,596	9,002,316	
TOTAL CAPITAL PROJECTS FOR 2014	66,454,920	50,427,870	16,027,050	

City of Nanaimo
REPORT TO COUNCIL

DATE OF MEETING: 2015-MAR-09

AUTHORIZED BY: L. L. MERCER, MANAGER, ACCOUNTING SERVICES

RE: 2014 SURPLUS ALLOCATION

STAFF RECOMMENDATION:

That Council receive the report pertaining to the 2014 surplus reserve allocation.

PURPOSE:

To provide Council with information on the allocation of the 2014 surplus.

DISCUSSION:

The 2014 draft financial statements are in progress and the audit by KPMG LLP will start on 2015-MAR-09. In preparing the financial statements, Staff needs to allocate the surplus prior to the audit. Unallocated surplus is used to fund accruals or reserves for liability claims, uncollected taxes, bad debts and retirement benefits as needed and \$4,798,000 remains for further reserve allocation between all three (3) funds. Surplus may be allocated to surplus reserve accounts or it can be used to increase the balance in the unallocated surplus account.

Given that municipalities are not allowed to operate at a deficit, it is predictable that there will be a surplus of some amount every year. Each year, finance staff reviews the operating results to determine the source of the surplus. As in most years, a large part of the surplus was spread widely throughout the budget in areas where the surplus may not be repeated in the future.

In the past, Council has discussed the possibility of using part or all of a past year surplus to reduce an increase in the following year's property taxes. While this strategy could provide that change in the first year it will also cause a larger increase in the second year, assuming service levels remain the same and the usual inflationary and contract increases continue. Past practice has been to allocate any annual operating surpluses to reserve and unallocated surplus accounts. This prudent practice has provided funding and allowed Council to respond to arising opportunities and issues. Recent examples are the consultation and investigation work completed on the Colliery Dams and the purchase of Linley Valley Park. These projects were funded from monies available in reserves.

☐ Council
☒ Committee... *of the whole*
☐ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2015-MAR-09*

General Fund

In the general fund the surplus was \$3,553,000 at 2014-DEC-31. This represents 3% of the budget.

The 2014 general fund surplus has been allocated to reserves as follows:

General Capital Reserve	\$1,800,000
-------------------------	-------------

The \$1.8 million increase to the General Capital Reserve provides Council with the maximum flexibility in the future. These funds could be used, in whole or part, for any future capital project that Council wishes to fund. The remaining balance will be used to increase the unallocated surplus balance. In 2012 we had to reduce the general unallocated surplus balance to fund a liability relating to the Colliery Dam remediation. We would now like to return the balance to levels previously held. Discussions with our Auditors support increasing the balance in the general unallocated surplus. The current balance of the general unallocated surplus account is \$670,959.

On the financial statements, accumulated surplus is made up of reserve accounts, statutory reserve accounts, tangible capital assets and unallocated surplus from the general, sewer and water funds. Reserves accounts, statutory reserve accounts and tangible capital assets are considered allocated surplus. In other words, we have a specific need for these funds.

Any remaining surplus funds are considered unallocated surplus and can be used to fund unexpected future liabilities. For example, due to changes in accounting standards starting in 2015 we will need to record a liability for the cost of remediating contaminated properties the City owns that are not in productive use. At this time we do not have a value for this liability and we could use the unallocated surplus to fund all or a portion of it should we need to.

These are areas in the general fund where some of the larger variances can be identified:

- Wages and benefits were under budget by \$1,719,000. The number of vacant positions, which creates both wage and benefit variances, rose in 2014. This was offset by actuarial adjustments for retirement benefits and sick leave obligations of (\$575,000) and wage recoveries of \$311,000. The net impact to surplus is \$1,455,000.
- RCMP revenues & expenditures were under budget by \$944,000. The bulk of this variance is due to the RCMP policing contract costs being less than anticipated.
- Supplies were under budget by \$365,000. This category crosses all operations of the City.
- Conferences, seminars and associated travel were under budget by \$204,000.
- Heating and electricity were over budget by (\$140,000).
- Building inspection revenues were higher than anticipated by \$243,000.
- Parks and Recreation revenue was higher than anticipated by \$217,000.

Sewer Fund

The sewer fund had a deficit of (\$8,000) at 2014-DEC-31. This was due to lower than anticipated user fees received during the year. The unallocated surplus will need to be drawn down to cover the shortfall. The current balance of the sewer unallocated surplus account is \$6,576,414.

Water Fund

In the water fund the surplus was \$1,253,000 at 2014-DEC-31. This represents 11% of the budget. User fees exceeded budget by \$664,000 in 2014 due to higher than anticipated usage. The water treatment plant opening delay until 2015, lower debt interest and unspent contingency account for the majority of the remaining \$616,000 variance. The combination has allowed up to \$1,000,000 to be transferred to the water reserves for future projects. The remaining increase will be allocated to the unallocated surplus. The current balance of the water accumulated surplus account is \$4,912,792.

Respectfully submitted,



L. L Mercer
MANAGER
ACCOUNTING SERVICES

Concurrence by:



B. E. Clemens
DIRECTOR
FINANCE

CITY MANAGER COMMENT:

I concur with the staff recommendation.

Drafted: 2015-FEB-16
G:\ADMINISTRATION\Council\Reports\2015\2015MAR09_2014SurplusAllocation.docx
LM/tw

City of Nanaimo
REPORT TO COUNCIL

DATE OF MEETING: 2015-MAR-09

AUTHORED BY: D. DUNCAN, MANAGER, FINANCIAL PLANNING
B. E. CLEMENS, DIRECTOR OF FINANCE

RE: 2015 – 2019 FINANCIAL PLAN REVIEW

STAFF'S RECOMMENDATION:

That Council receive for information the report pertaining to the 2015 – 2019 Financial Plan.

PURPOSE:

To continue with the 2015 – 2019 Financial Plan review process.

BACKGROUND:

DRAFT 2015 – 2019 Financial Plan

Preparation of the Draft 2015 – 2019 Financial Plan by staff was completed in the fall of 2014. The planning process was informed by the priorities identified in the 2012 – 2015 Strategic Plan. An E Town Hall meeting was held on 2014-SEP-29 to encourage and gather public input for the 2015 - 2019 Financial Plan review. After the municipal election, inauguration and initial orientation sessions, Council was provided in early January 2015 with copies of the Draft 2015 – 2019 Financial Plan document to begin their review process. This comprehensive document includes a Financial Plan Overview, Department Business Plans and the Capital Program.

Estimated property tax increases in the Draft 2015 – 2019 Financial Plan were 1.8% in 2015, 3.0% in 2016, 4.7% in 2017, 2.1% in 2018 and 1.2% in 2019.

Items impacting the proposed property tax rate increase for 2015 included 1% property tax increase for contribution to the Asset Management Reserve, wage and benefit increases, Vancouver Island Regional Library contract increase, RCMP contract increase for current staffing level and three additional RCMP members.

Three management positions had been eliminated and resulted in \$359,000 annual savings starting in 2015.

Funding from the Asset Management Reserve was used to fund renewal projects. Funding for projects from general revenues decreased in 2015 by \$669,799.

Future year property tax increases included the 1% annual property tax increase for the asset management reserve in 2016 and 2017, additional RCMP members in each year of the financial plan, additional police support staffing in 2016, 2017 and 2018, operating and staffing for a new fire station beginning in 2016, debt repayment for specific capital projects and inflation.

Council
Committee of the Whole
✓ Open Meeting
Camera Meeting
Date: 2015-MAR-09

Financial Plan Review Process to date

Council Meeting 2015-JAN-19

A presentation was provided outlining the budget preparation process to date, a financial overview, major issues, taxation overview and proposed framework for next steps.

Special Committee of the Whole Meeting 2015-JAN-21

Council directed staff to identify budget reductions that would reduce the property tax increase in 2015 to 0% plus 1% for asset management.

Council also directed staff to delay the construction and phased staffing of the new Fire Station #6 by one year.

Special Committee of the Whole Meeting 2015-JAN-30

Staff identified budget reductions that reduced the property tax increase in 2015 to 0% plus 1% for asset management.

Budget reductions were identified using the following approach:

- Maintain current service levels
- Reduce operating expenditures that would not impact services to City residents
- Eliminate projects that may be impacted by the Core Review process

Budget reductions included removing the 3 additional RCMP members planned in 2015, reducing management consulting, staff training and clothing budgets, increasing revenues for the Nanaimo Aquatic Centre (impact of 2014 rate increases greater than expected) and removing three projects. The total budget reduction was \$744,000.

The construction of the new Fire Station #6 was moved from 2015 to 2016. Phased staffing (daytime staffing starting in year 1 of operations, 24/7 staffing starting in year 2 of operations) to start in 2016 was moved to 2017. Debt repayments also moved to start 1 year later.

Estimated property tax increases:

2015	2016	2017	2018	2019
1.0%	1.5%	4.6%	2.5%	1.8%

Council directed Staff to bring forward a bylaw for the 2015 – 2019 Financial Plan at the next scheduled Council meeting.

Council Meeting 2015-FEB-16

Council deferred discussion of the 2015 – 2019 Financial Plan Report to the Regular Committee of the Whole meeting to be held 2015-FEB-23 and deferred consideration of the 2015 – 2019 Financial Plan Report and adoption of the bylaw to the Regular Meeting of Council to be held 2015-MAR-02. With the cancellation of the 2015-FEB-23 meeting, this is the first opportunity to bring the Financial Plan back to Council.

DISCUSSION

Implications of Reducing the Commercial Tax Rate to 0%

The Financial Plan review has included some discussion regarding limiting property tax increases for commercial properties to 0%.

Freezing property tax increases for one property class will cause larger increases for all other property classes. As residential properties make up the largest property class, they would bear most of the burden where any other property class increase is limited to 0%.

The impact is shown below.

Property Tax Increases	2015	2016	2017	2018	2018
Current - All property classes	1.0%	1.5%	4.6%	2.5%	1.8%
Proposed changes					
Commercial	0%	0%	0%	0%	0%
Residential/ other property classes	1.4%	2.1%	6.4%	3.3%	2.4%

Approaches for Further Budget Reductions

While there are any number of methods for reviewing budgets, there are essentially four ways to reduce the impact on property taxes:

1. Add new revenues - real new revenues have proved difficult to find. Starting in 2016, the budget contains new revenue from the anticipated Fortis agreement;
2. Reduce base operating budgets – this can be addressed during the Core Services Review;
3. Eliminate or defer projects – staff can provide Council with a prioritized list of projects; and,
4. Use additional reserves or surplus to reduce taxation.

With regard to the use of reserves or surplus, this can result in a short term reduction in property taxes, but there will be a corresponding increase in taxes in the following year unless the same amount of reserve or surplus is applied. For example, Council could direct staff to use \$950,000 from surplus in 2015 to reduce the proposed tax increase from 1% to 0%. Unless an additional \$950,000 is applied in 2016, the tax increase in 2016 will then go from 1.5% to 2.5%. That \$950,000 will need to be applied every year just to keep taxes from going up 1% in some future year.

There are some potentially major costs related to the Colliery Dams remediation and to contaminated sites that have not been determined. Until these costs have been quantified and funding sources determined, staff do not recommend using surplus or reserves for property tax reduction.

The Draft 2015 – 2019 Financial Plan includes significant funding from reserves that reduces the requirement for property taxation. In 2015, \$3.2M funding from the General Fund Asset Management Reserve and \$1M funding from the Facility Development Reserve is used for General Revenue Fund projects. This is equal to 4.4% of property taxes.

Respectfully submitted,



D. Duncan
MANAGER
FINANCIAL PLANNING



B. E. Clemens
DIRECTOR
FINANCE

CITY MANAGER COMMENT:

I concur with the staff recommendation.

Drafted: 2015-MAR-03
G:\ADMINISTRATION\Council\Reports\2015\2015MAR9_20152019FinancialPlanReview.docx
DD/BEC/tw

City of Nanaimo
REPORT TO COUNCIL

DATE OF MEETING: 2015-MAR-09

AUTHORIZED BY: D. HISCOCK, MANAGER, REVENUE SERVICES

RE: VOLUNTEER NANAIMO GRANT REQUEST

STAFF RECOMMENDATION:

That Council award an Other Grant to the Nanaimo Volunteer & Information Centre Society (OG-01) in the amount of \$1,526.23 to cover the cost of the rental at Beban Park Auditorium on 2015-APR-16 for their 2015 Volunteer Appreciation Luncheon.

PURPOSE:

To obtain Council approval regarding the Other Grant funding request.

DISCUSSION:

Typically this application would be reviewed by the Grants Advisory Committee and then brought forward to Council with the Committee's recommendation. Because this grant application is for an event to be held in the near future, and the Grants Advisory Committee has not yet been established, this grant application has been brought directly to Council for consideration.

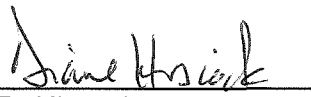
The Nanaimo Volunteer & Information Centre Society is requesting an "in-kind" grant of \$1,526.23 for the rental of Beban Park Auditorium for the Society's 2015 Annual Volunteer Luncheon which is to be held on 2015-APR-16.

This has been an annual request from the Society which Council has supported for the past several years.

STRATEGIC PLAN IMPLICATIONS:

One of the strategic priorities in the 2012 – 2015 Strategic Plan is Community Building Partnerships, which includes supporting a strong non-profit "community benefit" sector in Nanaimo.

Respectfully submitted,


D. Hiscock
MANAGER
REVENUE SERVICES

☐ Council
☒ Committee *of the whole*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: 2015-MAR-09

Concurrence by:



B. E. Clemens
DIRECTOR
FINANCE

CITY MANAGER COMMENT:

I concur with the staff recommendation.

Drafted: 2015-FEB-24
G:\ADMINISTRATION\Council\Reports\2015\2015MAR09_VolunteerNanaimoGrantRequestOG01.docx
DH/tw

City of Nanaimo

REPORT TO COUNCIL

DATE OF MEETING: 2015-MAR-09

AUTHORED BY: BILL CORSAN, MANAGER OF REAL ESTATE

RE: AUTHORITY TO ENTER ON AND USE PRIVATE PROPERTY

STAFF RECOMMENDATION:

That Council adopt the resolution as described in Attachment A, authorizing employees of the City and its contractors to enter upon lands at 1066 St. George Crescent as part of the Hospital Area Utility Upgrade Project.

PURPOSE:

The purpose of this Staff report is to obtain Council approval under Section 16 of the *Community Charter* authorizing City Staff and contractors access to lands at 1066 St. George Crescent as part of the Hospital Area Utility Upgrade Project.

BACKGROUND:

The 2015-19 Capital Plan includes improvements to the transportation network and underground utilities in the hospital area. The planned works include:

- creation of a new sidewalk on Boundary Crescent from Townsite Road to Graham Crescent;
- creation of dedicated cycling facilities on Bush Street, Pryde Avenue, Townsite Road, Boundary Crescent and Boundary Avenue;
- upgrades to underground utilities (watermain, storm and sanitary sewers) on Townsite Road, Boundary Crescent, St. Patrick Crescent, Beaufort Drive, Lorne Place, McDonald Crescent, Waddington Road, St. George Crescent and Seafeld Crescent; and
- improvements to crosswalks on Townsite Road, Boundary Crescent and Boundary Avenue.

The project was included as an early approval project by Council at the 2015-JAN-12 Committee of the Whole meeting. The project budget is estimated to be approximately \$5 million. The tender is anticipated to be issued by the end of March, 2015 with the majority of the work taking place during the coming summer months.

DISCUSSION:

Utility improvements are an important component of the project. Poor soil conditions in some areas have caused sections of the underground infrastructure to settle and has led to increased maintenance and poor performance of the existing storm and sanitary sewer systems.

In anticipation of the project commencement, Staff has contacted the impacted property owners to discuss the project, to confirm permission to enter private property and to set out how the private lands will be restored once the project is complete.

Council
Committee of the Whole
Open Meeting
In-Camera Meeting
Meeting Date: 2015-MAR-09

Staff has been unable to contact the owner of 1066 St. George Crescent despite numerous letters and phone calls. There are three cedar trees that will need to be removed prior to commencement of the project on this property that are encroaching into the public laneway and the root systems will be damaged during the excavation and installation of the new utilities. A fence between the property and laneway will also have to be removed temporarily during the project.

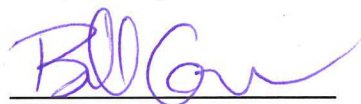
Staff is requesting a resolution from Council under Section 16 of the *Community Charter* which grants City Staff and contractors the ability to enter the property at reasonable times to complete the project.

Strategic Plan Considerations

The Hospital Area Project meets two of the corporate strategic priorities:

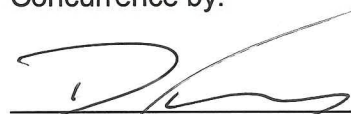
Strategic Priority	
Asset Management	Potential Strategies and/or Initiatives <ul style="list-style-type: none">• Plan for and fund major maintenance and replacement costs for new infrastructure and facility projects.
Taking Responsibility	Potential Strategies and/or Initiatives <ul style="list-style-type: none">• Continuing to facilitate change and overall development consistent with vision and plans.

Respectfully submitted,

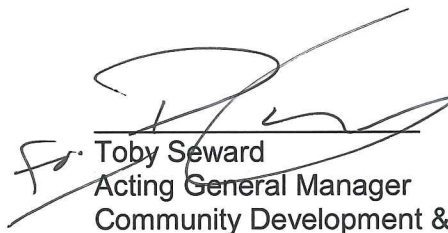


Bill Corsan
Manager, Real Estate
Community Development

Concurrence by:



Dale Lindsay
Director
Community Development



For Toby Seward
Acting General Manager
Community Development & Protective Services

CITY MANAGER COMMENT:

I concur with the Staff recommendation.

Drafted: 2015-FEB-26
LD002845
BC/cb

ATTACHMENT A

CITY OF NANAIMO

Resolution Authorizing Entry

Pursuant to section 32 of the *Community Charter*, Council hereby authorizes the following entry onto that property owned in fee simple by Kenneth Michael Sevinski and legally described as PID: 003-775-712, Lot 47, District Lot 97-G, Suburban Lots 52 and 53, Newcastle Reserve, Section 1, Nanaimo District, Plan 18612 (the "Lands"): City staff and/or contractors and agents of the City hired for these purposes may, in accordance with section 16 of the *Community Charter*, enter on, break up, alter, take or enter into possession of and use the Lands, including removal of trees, fencing, and other improvements, as may be necessary in order to carry out work in connection with the maintenance, repair, and replacement of the City's sewer line located on property adjacent to the Lands.

City of Nanaimo

REPORT TO COUNCIL

DATE OF MEETING: 2015-MAR-09

AUTHORED BY: BRUCE LABELLE, FLEET MANAGER

RE: 2014 CITY FLEET FUEL CONSUMPTION

STAFF RECOMMENDATION:

That Council receive for information the report pertaining to 2014 City Fleet Fuel Consumption.

PURPOSE:

To provide Council with an update on progress to reduce fleet fuel consumption as directed by Council during the 2014 budget process.

SUMMARY:

For this analysis the City fleet was separated into light duty, heavy duty and Sanitation and as well, separated by fuel types, unleaded and diesel. The RCMP vehicles and the Fire fleet vehicles were not analysed and are not included in this report.

- The light duty unleaded fleet saw a reduction in fuel consumption of 3%.
- The light duty diesel fleet saw a reduction in fuel consumption of 11%.
- The heavy fleet saw an increase in fuel consumption of 4%.
- The Sanitation fleet saw an increase in fuel consumption of 4%.

BACKGROUND:

During the 2014 budget process, Council directed staff through resolution to "*work towards a reduction in fuel consumption in the City fleet by 5%*".

The City of Nanaimo fleet is a mixed fleet of heavy duty trucks and equipment, light duty or automotive cars and pickup trucks.

The current City fleet is comprised of 86 light duty cars and trucks, 53 units that are heavy trucks and equipment and 10 sanitation refuse trucks.

DISCUSSION:

Actions taken by the City Fleet Department in 2014:

☐ Council
☒ Committee... *of the whole*
☐ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2015-MAR-09*

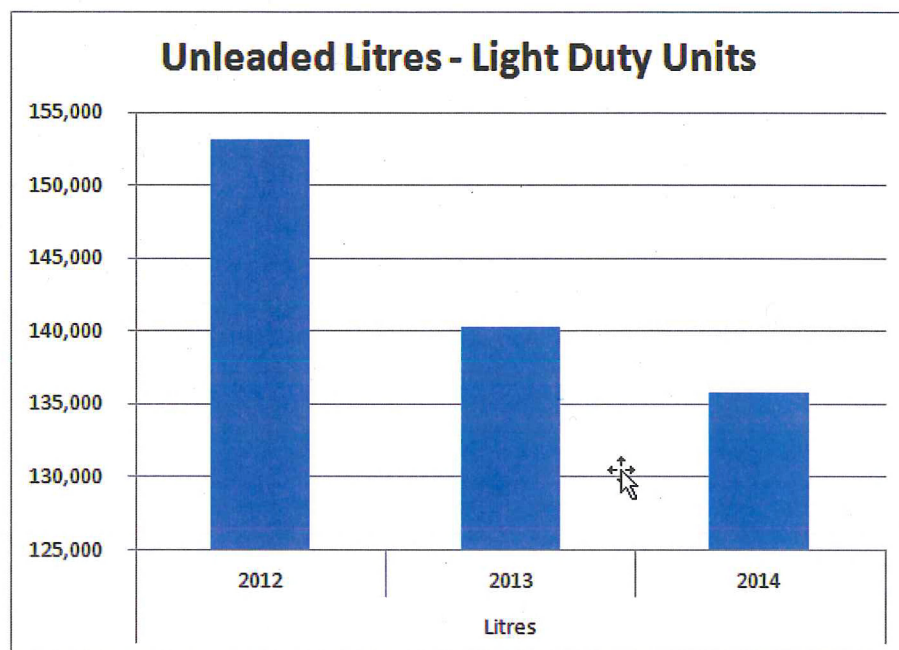
1. Anti idle/eco driving PowerPoint presentation was created by Fleet staff and delivered at crew talks to the various departments. The anti idle/eco driving presentation message was reinforced with anti idle decals being placed on City fleet vehicles.



2. Converted 3 vehicles to dual fuel propane/gasoline as an opportunity to reduce fuel costs and reduce GHG emissions. This is an expanding program that started as a pilot project in 2013.
3. Anti idle shut down programming to an additional 6 fleet trucks. On some of the newer heavy fleet vehicles we have the ability to program the engines to shut down after 10 minutes of idling without driver input. We now have 16 units programmed for anti idle shut down.
4. Monthly fuel summary reports are being sent to managers who have fleet vehicles. These reports show the vehicles monthly fuel consumption, the kilometers driven and the fuel economy. The intention is to make managers aware of the fuel consumption within their departments.
5. In April of 2014 we placed a small Dynasty electric vehicle on Protection Island to replace a retired City van.
6. Reduced the number of fleet vehicle by 3 from 2013-2014, two light duty and one heavy duty. Total reduction of 6 vehicles since 2012.
7. Replacement of full size trucks and vans with small 4 cylinder powered vehicles like GMC Canyons, Ford Transit Connects and Toyota Tacoma's.

Fuel Consumption Summary

City of Nanaimo Fleet - Fuel Usage*

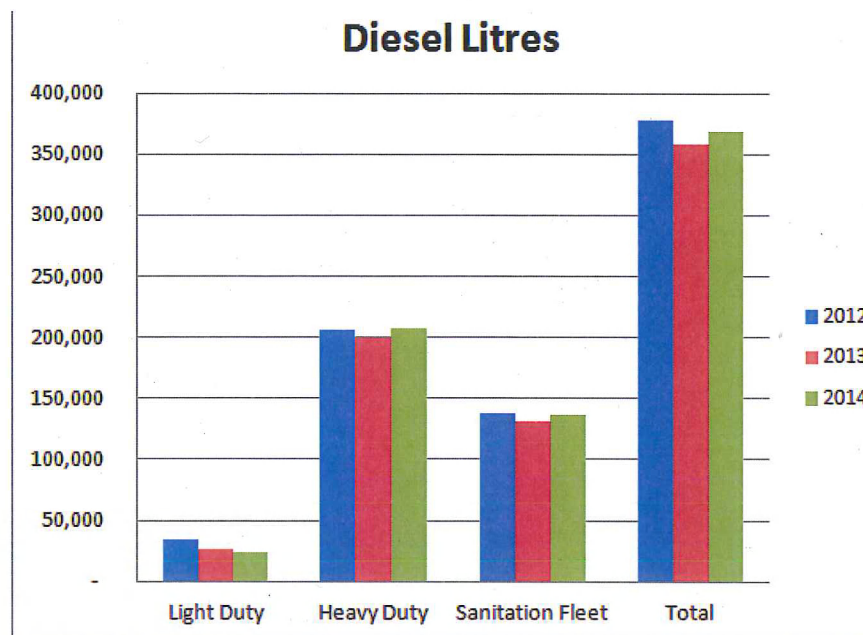


Unleaded - Units

	Litres			% Change	
	2012	2013	2014	2013	2014
Light Duty	153,176	140,355	135,757	-8%	-3%

	\$'s		
	2012	2013	2014
Light Duty	172,524	159,923	155,437

First table is showing unleaded fuel consumption in the light duty fleet from 2012-2014. In 2014, our unleaded fuel consumption was reduced by 3%.



Diesel - Units

	Litres			% Change	
	2012	2013	2014	2013	2014
Light Duty	33,674	26,968	24,023	-20%	-11%
Heavy Duty	206,773	199,753	207,540	-3%	4%
Sanitation Fleet	137,665	131,428	136,868	-5%	4%
Total	378,113	358,149	368,431	-5%	3%

	\$'s		
	2012	2013	2014
Light Duty	38,103	30,937	28,257
Heavy Duty	231,953	229,368	245,148
Sanitation Fleet	154,873	150,969	160,914
Total	424,929	411,275	434,320

Second table showing diesel fuel consumption in the light duty fleet, the heavy duty fleet and the sanitation fleet from 2012-2014.

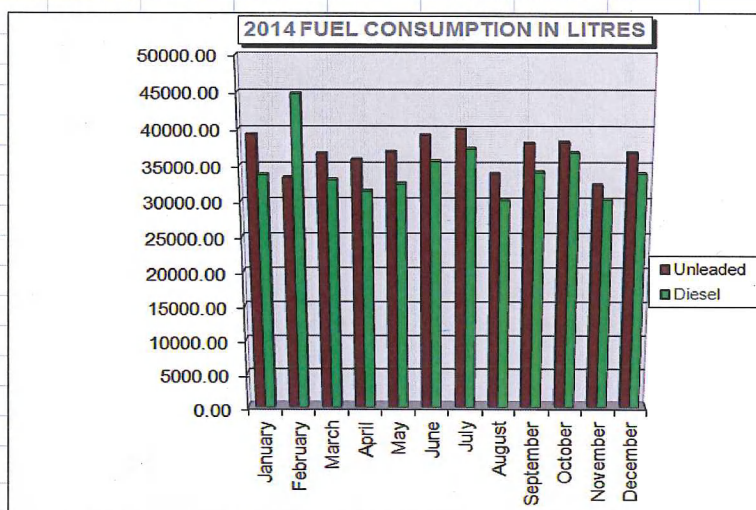
The gains in the light duty diesel fleet are partly because there are fewer light duty diesel units. Some units are also showing fewer liters consumed in 2014 from 2013, this may be due to more awareness of anti idling and eco driving.

The increase in the heavy duty diesel fleet is due to snow and ice control in February of 2014. In 2014 the SNIC work was approximately three times greater than in 2013.

The table below shows that typically diesel fuel consumption trends below unleaded, however, during February of 2014, diesel fuel consumption spiked due to snow removal.

2014 FUEL CONSUMPTION FOR CITY OF NANAIMO

	Unleaded	Diesel
January	39,214.32	33,687.52
February	33,266.15	44,785.34
March	36,593.03	32,941.93
April	35,764.18	31,427.95
May	36,831.05	32,436.80
June	39,109.25	35,554.12
July	39,929.10	37,274.25
August	33,780.41	30,139.55
September	37,989.19	34,030.37
October	38,127.84	36,727.30
November	32,227.68	30,236.90
December	36,741.30	33,847.30
Year to Date	439,573.50	413,089.33



The Sanitation fleet has seen a 4% increase in fuel consumption due to a combination of several factors.

1. The collection routes have grown, therefore increasing operating/driving time.
2. Many of the latest additions to the routes are cul-de-sacs which are difficult for our large trucks to manoeuvre in and this again increases operating time.
3. The new Sanitation Manager has been diligent about having an 8th truck out every day to assist her crews. This has increased the number of trucks consistently operating daily.
4. We have identified 4 sanitation trucks that are achieving lower fuel efficiency now than in 2013, though the difference is very small and primarily on units due to be replaced. We are still looking at cause and solutions for these trucks.

Fuel Summary Report

From 1/1/2014 to 12/31/2014

Unit	Description	Dept	Hours	Litres	Fuel Cost	Fuel Type	Hr per litre
310	1995 VOLVO FE SERIES	SANI	1135	9,322	\$ 10,922.10	DIESEL	0.12 hr/l
312	1997 VOLVO FE SERIES	SANI	1018	8,483	\$ 9,979.00	DIESEL	0.12 hr/l
313	1997 VOLVO FE SERIES	SANI	1327	9,985	\$ 11,726.40	DIESEL	0.13 hr/l
314	1999 MACK MS 300D	SANI	825	6,847	\$ 8,086.80	DIESEL	0.12 hr/l
315	2008 AUTOCAR EXPEDITOR	SANI	1382	15,982	\$ 18,764.50	DIESEL	0.09 hr/l
316	2008 AUTOCAR EXPEDITOR	SANI	1381	16,441	\$ 19,349.00	DIESEL	0.08 hr/l
430	2011 SHUPAK S109-24	SANI	1470	17,663	\$ 20,744.00	DIESEL	0.08 hr/l
431	2011 SHUPAK ACX	SANI	1555	17,759	\$ 20,879.50	DIESEL	0.09 hr/l
432	2011 SHUPAK ACX	SANI	1382	16,690	\$ 19,674.80	DIESEL	0.08 hr/l
433	2011 SHUPAK ACX	SANI	1484	17,696	\$ 20,786.70	DIESEL	0.08 hr/l

Fuel Summary Report

From 1/1/2013 to 12/31/2013

Unit	Description	Dept	Hours	Litres	Fuel Cost	Fuel Type	Hr per litre
310	1995 VOLVO FE SERIES	SANI	1099	8,436	9,676.70	DIESEL	0.13 hr/l
312	1997 VOLVO FE SERIES	SANI	1310	10,292	11,808.60	DIESEL	0.13 hr/l
313	1997 VOLVO FE SERIES	SANI	1166	9,287	10,692.60	DIESEL	0.13 hr/l
314	1999 MACK MS 300D	SANI	786	6,179	7,115.20	DIESEL	0.13 hr/l
315	2008 AUTOCAR EXPEDITOR	SANI	1344	13,378	15,370.70	DIESEL	0.10 hr/l
316	2008 AUTOCAR EXPEDITOR	SANI	1256	15,149	17,401.00	DIESEL	0.08 hr/l
430	2011 SHUPAK S109-24	SANI	1307	15,694	18,032.90	DIESEL	0.08 hr/l
431	2011 SHUPAK ACX	SANI	1491	16,832	19,318.40	DIESEL	0.09 hr/l
432	2011 SHUPAK ACX	SANI	1453	18,096	20,786.00	DIESEL	0.08 hr/l
433	2011 SHUPAK ACX	SANI	1692	18,086	20,767.00	DIESEL	0.09 hr/l

Plans for 2015 and beyond.

As we move forward, the Fleet department will continue to look at opportunities to reduce the cost of operation as well as reducing our carbon footprint.

The use of alternative fuels, electric vehicles, hybrids, propane, CNG as well as continued focus on right sizing and driver education, should allow us to make more improvements to fuel consumption.

Specific plans for 2015 include expanding the dual fuel propane/gasoline program. We're pleased with the equipment, the cost benefit, the GHG reduction and staffs embracement of the program.

There are 6 replacement trucks targeted for dual fuel in 2015.

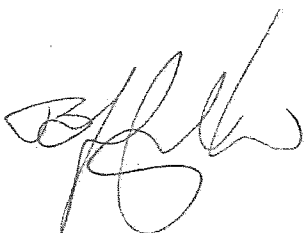
We're expecting the replacement of 2 more split stream garbage packers that will enable us to remove up to 4 existing garbage packers from the fleet. These trucks are tired and use old fuel management technology that isn't as fuel efficient as modern engines.

We're also looking seriously at the possibility of these new trucks running on CNG instead of diesel fuel.

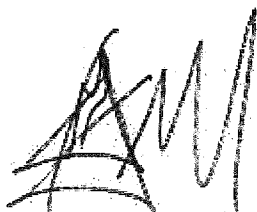
Our Driver Trainer has included eco driving tips as a part of the required new driver orientation and we feel this helps reinforce the eco driving message.

Respectfully submitted,

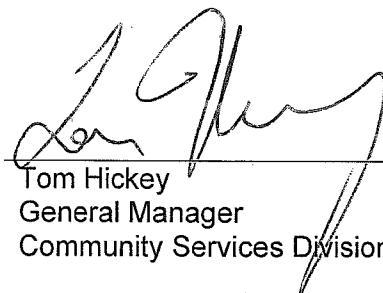
Concurrence by:



Bruce Labelle
Fleet Manager
Public Works Fleet Operations



Geoff Goodall
Director
Engineering and Public Works



Tom Hickey
General Manager
Community Services Division

CITY MANAGER COMMENT:

I concur with the staff recommendation.

Drafted: 2015-MAR-03
g/Administration/Council Reports/2015/2014 City Fleet Fuel Consumption
BL:*jw

Delegation Request:

June Ross has requested an appearance before council. The request is made on behalf of Vancouver Island Water Watch Coalition.

The requested date is March 9, 2015.

The requested meeting is:
COW

Presenter's information

City: Nanaimo
Province: BC
Bringing a presentation: No

Details of Presentation:

I want to talk with Mayor and Council in regard to establishing a Watershed Board.

☐ Council
☒ Committee... *of the whole*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: 2015-MAR-09

Delegation Request:

Paul Manly has requested an appearance before council.

The requested date is March 9, 2015.

The requested meeting is:
COW

Presenter's information

City: Nanaimo
Province: BC
Bringing a presentation: Yes
Business Phone: (250) 729-1254

Details of Presentation:

I would like to present a petition on behalf of the Mid Island Chapter of the Council of Canadians requesting that the City of Nanaimo and the RDN work with First Nations, senior levels of government and the current land owners to begin a process to make the community drinking watershed publicly owned and controlled. I will be presenting a video that looks at several examples of designated community drinking watersheds. It includes positive examples such as the Capital Regional District public watershed and problems that can occur when designated community watersheds are not under public ownership and control.

☐ Council
☒ Committee.. *of the whole*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2015.MAR.09*

Delegation Request:

Morgan Kennah, Chris Cole has requested an appearance before council.

The requested date is March 9, 2015.

The requested meeting is:
COW

Presenter's information

Address: 65 Front Street, 4th floor
City: Nanaimo
Province: BC
Postal Code: V9R 5H9
Email: mkennah@islandtimberlands.com
Bringing a presentation: Yes
Business Phone: (250) 468-6830

Details of Presentation:

Nanaimo's Drinking Watershed: Collaboration and Commitment.

Island Timberlands and TimberWest Forest Corp would appreciate the opportunity to provide an overview of our ownership, activities and partnerships with respect to land and water management in the supply area from where the City sources its drinking water.

☐ Council
☒ Committee... *of the whole*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2015. MAR. 09*

Delegation Request:

Allan Boos has requested an appearance before council.

The requested date is March 9, 2015.

The requested meeting is:
COW

Presenter's information

City: Nanaimo
Province: British Columbia
Bringing a presentation: No

Details of Presentation:

I would like a chance to bring up the inconsistencies with current bylaws surrounding mobile vendor licences in the city. Currently the city only offers vendor licences to flower vendors or food vendors. There is no ignoring the multiple local artisans down at the harbourfront selling wares in the summer. Where do the laws end, and where are the limits? I think it's time the city revisited the policy on retail locations on city parks, It would not only give vendors a legitimate place they could show off their wares, but also open up the city to receiving a monetary income that could be directed at maintaining the very parkland thats being used the most in this city.

☐ Council
☒ Committee *of the Whole*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: 2015.MAR.09

Unitarian Extreme /Cold Wet shelter has requested an appearance before council. The request is made on behalf of Kevan Griffith/Rev Samaya Oakley.

The requested date is March 9, 2015.

The requested meeting is:
COW

Presenter's information

Address: 595 Townsite Road
City: Nanaimo
Province: B.C.
Postal Code: v9s 1k9
Bringing a presentation: No
Business Phone: (250) 754-3720

Details of Presentation:

To discuss the future and the funding sources of the Shelter

☐ Council
☒ Committee... *of the whole*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2015-MAR-09*