

AGENDA FOR THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING
TO BE HELD IN THE SHAW AUDITORIUM, 80 COMMERCIAL STREET, NANAIMO, BC
ON MONDAY, 2012-MAR-05, COMMENCING AT 4:30 P.M.

1. **CALL THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING TO ORDER:**
2. **INTRODUCTION OF LATE ITEMS:**
3. **ADOPTION OF AGENDA:**
4. **ADOPTION OF MINUTES:**
 - (a) Minutes of the Regular Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall, on Monday, 2012-FEB-20 at 4:30 p.m. Pg. 4-7
5. **PRESENTATIONS:**
6. **DELEGATIONS PERTAINING TO AGENDA ITEMS: (10 MINUTES)**
 - (a) Delegations Pertaining to the 2012 – 2016 Financial Plan.
7. **COMMISSION REPORTS:**
 - (a) **Parks, Recreation and Culture Commission – 2012 Temporary Public Art Selections** Pg. 8-12

Commission's Recommendation: That Council approve the 2012 Temporary Public Art selections.
 - (b) **Parks, Recreation and Culture Commission – Travel Assistance Funding – Proposed Grant Changes** Pg. 13-15

Commission's Recommendations: That Council:
 1. remove the criteria requiring that applicants must be traveling out of Province in order to qualify for a Travel Assistance Funding grant;
 2. update the Travel Grant funding criteria to include an allowance for competitors traveling off Vancouver Island, within BC, to eligible Provincial, National or International competitions up to a maximum of \$50 per person to a maximum of \$1,000 per team;

3. add additional criteria ensuring the groups have applied for funding from their Provincial and/or National Sport Organization if applicable; and,
4. evaluate multi-year applications on a case by case basis to ensure the program does not become an ongoing or only source of travel fund.

(c) **Minutes of the Parks, Recreation and Culture Commission Meeting held 2012-JAN-25**

Pg. 16-23

Commission's Recommendation: That Council receive the Minutes of the Parks, Recreation and Culture Commission Meeting held 2012-JAN-25.

8. **COMMITTEE REPORTS:**

NONE

9. **STAFF REPORTS:** (blue)

ADMINISTRATION:

(a) **Conflict Policy**

Pg. 24-28

Staff's Recommendation: That Council approve the conditions, parameters, process and roles contained in option 4 of this report as policy.

CORPORATE SERVICES:

(b) **Council Expenses – Attendance at Out-of-Town Meetings**

Pg. 29-31

Staff's Recommendation: That Council amend Council Expenses / Attendance at Out-of-Town Meetings to add the following:

6. Members of Council may, without prior approval of Council, attend meetings and seminars related to municipal government that are within Canada and the costs are within the Council approved budget.

(c) **RFP 1276 for SAP Budget Module**

Pg. 32-35

Staff's Recommendation: That Council award the contract to implement the SAP budget module to the lowest bidder, Open Business Process Inc. and Performance Analytics Corporation.

(d) **Strategic Community Investment Funds**

Pg. 36-42

Staff's Recommendation: That Council direct Staff to enter into an agreement with the Province of British Columbia for the Strategic Community Investment Fund to ensure that these funds are available to the City of Nanaimo from 2012 – 2014.

10. **INFORMATION ONLY ITEMS:**

- (a) Report from Mr. B. Sims, Manager of Water Resources, re: Water Audit Study – Preliminary Findings.

Pg. 43-44

[Note: Mr. Sims to provide a short PowerPoint presentation.]

- (b) Report from Mr. J. Ritchie, Senior Manager of Parks and Civic Facilities, re: General Contractor Tender – Cliff McNabb Arena Project.

Pg. 45-46

11. **CORRESPONDENCE:**

NONE

12. **NOTICE OF MOTION:**

13. **OTHER BUSINESS:**

14. **DELEGATIONS PERTAINING TO ITEMS NOT ON THE AGENDA:
(10 MINUTES)**

NONE

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

16. **ADJOURNMENT:**

MINUTES OF THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING
HELD IN THE BOARD ROOM, CITY HALL,
ON MONDAY, 2012-FEB-20 COMMENCING AT 4:30 P.M.

PRESENT: Mayor J. R. Ruttan, Chair

Members: Councillor G. Anderson
Councillor W. L. Bestwick
Councillor M. D. Brennan
Councillor G. E. Greves
Councillor D. K. Johnstone
Councillor J. A. Kipp
Councillor W. B. McKay
Councillor J. F. K. Pattje

Staff: A. C. Kenning, City Manager
E. C. Swabey, General Manager of Community Safety and Development
T. M. Hickey, General Manager of Community Services
T. L. Hartley, Director of Human Resources and Organizational Planning
B. E. Clemens, Director of Finance
T. P. Seward, Director of Development
Chief R. Lambert, Nanaimo Fire Rescue
A. J. Tucker, Director of Planning
R. J. Harding, Director of Parks, Recreation and Culture
S. Clift, Director of Engineering and Public Works
J. Ritchie, Senior Manager of Parks and Civic Facilities
K. Lindsay, Emergency Program Manager
J. E. Harrison, Manager of Legislative Services
T. Wilkinson, Recording Secretary

1. CALL THE OPEN MEETING TO ORDER:

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

2. INTRODUCTION OF LATE ITEMS:

(a) Add Agenda Item 6.1 (a) – Proclamations – "HERITAGE WEEK".

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 Minutes of the Regular Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall on Monday, 2012-FEB-06 at 4:30 p.m. be adopted as circulated. The motion carried unanimously.

5. PRESENTATIONS:

- (a) Chief R. Lambert, Nanaimo Fire Rescue and Ms. K. Lindsay, Emergency Program Manager, provided a PowerPoint presentation regarding City of Nanaimo Emergency Management and Council's statutory requirements.

6. DELEGATIONS PERTAINING TO AGENDA ITEMS:

- (a) Delegations Pertaining to the 2012 – 2016 Financial Plan.

It was moved and seconded that Council add a Communications Manager Position to the 2012 Budget as per the Higher Service Level Request for the 2012 – 2016 Financial Plan. The motion carried.

Opposed: Councillors Bestwick, Greves, Kipp and Pattje

7. PROCLAMATIONS:

- (a) That 2012-FEB-20 to 2012-FEB-26 is "HERITAGE WEEK" in the City of Nanaimo.

8. STAFF REPORTS:

COMMUNITY SERVICES:

- (a) City Landscaping Services Contracts

It was moved and seconded that Council direct Staff to issue a Request for Proposal ("RFP") for the four maintenance contracts for medians, boulevards and grass cutting in neighbourhood parks:

1. Parks Turf and Open Space Maintenance – estimated three-year value – three hundred and ten thousand dollars (\$310,000);
2. Facility Landscape Maintenance – estimated three-year value – two hundred and fifty thousand dollars (\$250,000);
3. Landscape Neighbourhood Collectors, Minor Collectors, and Local Roads – estimated three-year value – two hundred and seventy-six thousand dollars (\$276,000); and,
4. Landscape, Major Collectors, City Arterials, Medians and Boulevards – estimated three-year value – three hundred and eighty-two thousand dollars (\$382,000).

The motion carried unanimously.

It was moved and seconded that Council direct Staff to prepare a review of the Purchasing Policy with respect to the "relatively equal" clause regarding local preference. The motion carried unanimously.

It was moved and seconded that Council direct Staff to prepare a review of the Standards of Maintenance used in landscaping contracts. The motion carried unanimously.

(b) City Custodial Supplier Contract

It was moved and seconded that Council approve issuing a Request for Proposal to select a primary supplier to provide custodial supplies for all Civic Facilities. The motion carried unanimously.

(c) City Electrical Maintenance Services Contract

It was moved and seconded that Council approve issuing a Request for Proposal to select a primary supplier to provide electrical maintenance services for existing equipment. The motion carried unanimously.

9. INFORMATION ONLY ITEMS:

- (a) Report from Mr. T. Kraft, Manager of Engineering Projects, re: Green Lake Low Pressure Sanitary Sewer Servicing Project.

10. QUESTION PERIOD:

- Mr. Fred Taylor, re: Purchasing Policy; City of Nanaimo Emergency Management presentation.
- Mr. Ron Bolin, re: 2013 budget process and five-year financial plan.

11. PROCEDURAL MOTION:

It was moved and seconded that Council move "In Camera" in order to deal with the following matters under the *Community Charter* Section 90(1):

- (b) personal information about an identifiable individual who is being considered for a municipal award or honour, or who has offered to provide a gift to the municipality on condition of anonymity;
- (e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure might reasonably be expected to harm the interests of the municipality;
- (g) litigation or potential litigation affecting the municipality;

- (k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the Council, could reasonably be expected to harm the interests of the municipality if they were held in public;

and 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.

Council moved into "In Camera" at 5:58 p.m.

Council moved out of "In Camera" at 7:24 p.m.

12. ADJOURNMENT:

It was moved and seconded at 7:24 p.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

MANAGER,
LEGISLATIVE SERVICES

REPORT TO: MAYOR & COUNCIL
FROM: DIANA JOHNSTONE, CHAIR
PARKS RECREATION AND CULTURE COMMISSION
RE: 2012 TEMPORARY PUBLIC ART SELECTIONS

RECOMMENDATION:

That Council approve the 2012 Temporary Public Art selections.

EXECUTIVE SUMMARY:

At their meeting held on 2012-JAN-25, the Public Art Selection Panel reviewed small and large scale public art submissions and chose seven pieces for public display.

At their meeting held on 2012-FEB-01, the Cultural Committee reviewed the submissions, and recommended that the Parks, Recreation and Culture Commission recommend that Council approve the 2012 Temporary Public Art Selections.

On 2012-FEB-22, the Parks, Recreation and Culture Commission reviewed the material and recommendation and recommended that Council approve the 2012 Temporary Public Art selections.

BACKGROUND:

At the 2010-SEP-08 Cultural Committee meeting, it was moved and seconded that the Cultural Committee recommend that the Parks, Recreation and Culture Commission recommend that Council continue the Public Art Partnership with the Nanaimo Art Gallery. We are now in our third year of displaying temporary public art in conjunction with the Nanaimo Art Gallery.

In November 2011 a joint request for proposals (RFP) was issued for Large and Small temporary art work. The RFP closed in mid-January 2012 with 12 artists submitting 17 concepts for consideration.

Both outdoor and indoor venues were available to the artists and pieces were to be installed in May 2012 during public art week.

A public auction for the pieces is anticipated in May 2013. The Nanaimo Art Gallery and City of Nanaimo will share the proceeds with revenues returning to the City of Nanaimo's public art program.

On 2012-JAN-25 the seven-member selection panel, comprised of representatives from the Parks, Recreation and Culture Commission, the Cultural Committee, and, the Nanaimo Art Gallery, met to review the proposals. The submissions were evaluated based upon the following criteria:

- Quality of the proposal;
- Quality of the submitted work;
- Suitability and durability of the work (i.e. its ability to withstand a year of external installation);
- Ability of the proposal to meet public safety and vandalism consideration; and,
- Addition of vitality to the public space.

Council ☐ Committee ☒ Open Meeting ☒ In-Camera Meeting ☐
Meeting Date: 2012-MAY-05

A total of four small scale pieces and three large-scale pieces were recommended to go on display in City owned venues for the one-year period. Honoraria for these seven pieces would total \$16,000.

A summary of the pieces and their suggested locations is attached (Schedule A). The chosen pieces are made of many different materials and themes. All are suggested for outdoor downtown locations, except for one piece, which is suggested to be located in the newly renovated Beban Social Centre.

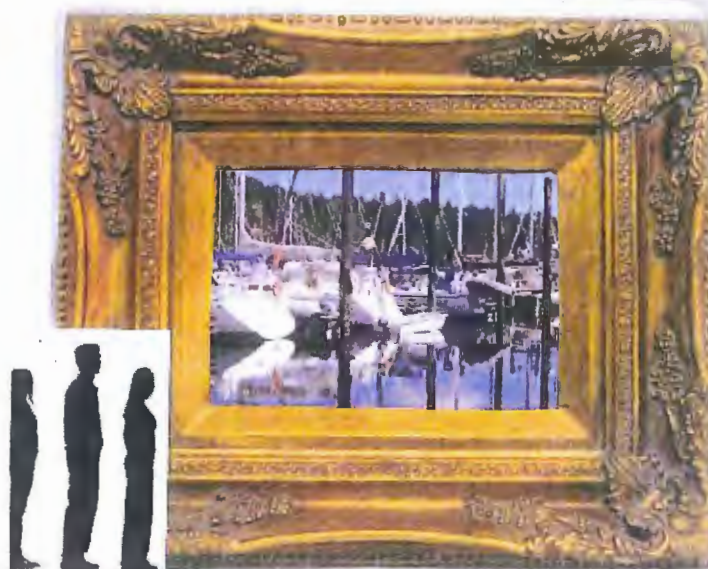
With the reduction to the public art budget in 2012, some pieces may be scaled back. Successful and unsuccessful artists will be contacted upon approval by Council.

The temporary art pieces would be unveiled in May by the City of Nanaimo and Nanaimo Art Gallery. Plaques recognising the artists, describing their pieces, and giving auction details will be on display with each piece. A brochure with descriptions of the art, and a map showing the locations will also be made available to showcase the art work.

Schedule A

Large Scale pieces \$4,000.00 Honoraria

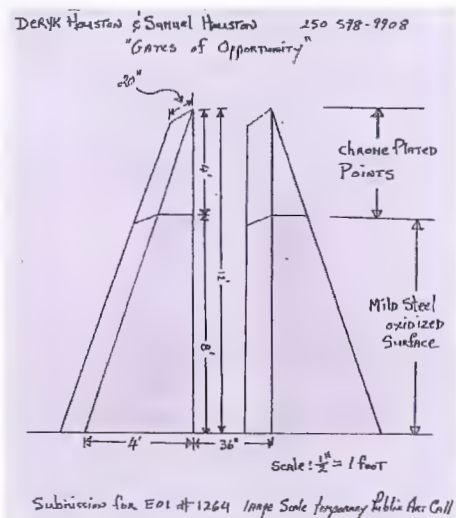
- Jason Gress — will meet on site with staff and a scaled model to determine location and footing details for display of his **Frame** submission. Suggested location is NW point of Maffeo Sutton Park but McGregor Park can be considered. His piece is a large historic looking frame that captures views to and from the downtown and waterfront and serves as a focal point for photos.



- Carl Sean McMahon — will meet on site to determine location and footing requirements for his **Roaming Deer** display in Maffeo Sutton Park. The deer is made entirely of recycled metal components.



- Samuel and Deryk Houston — will meet on site and determine footing details for their **Gates of Opportunity** submission. Suggested location is the Spirit Square entrance in Maffeo Sutton Park (current location of the orca). This piece is fabricated in steel with chrome plating and acts as an interesting welcoming feature.



Small Scale Pieces \$1,000.00 Honoraria

- **Kurt Feshcuk** — *The Hug* will be displayed at an approved location at Maffeo Sutton Park.



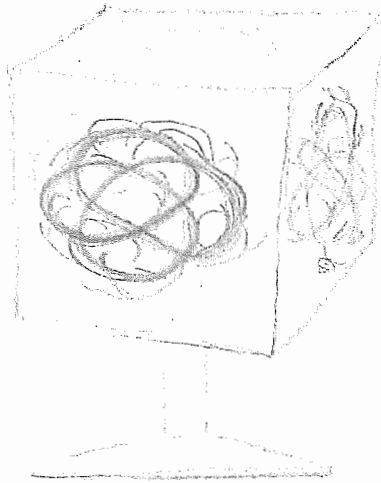
- **Yvonne VanderKooi** — the painting *Snuneymuxw—Meeting Place* will be displayed in the Beban Park Social Centre.



- **Nadine Wiepning** - is keen to display her painting *Chinatown* for outdoor display in China Steps.



- **David Moench** — will display his *airbrushed cube* submission for inclusion on the Maffeo Sutton Park Wall. The metal cube features a Celtic knot design with a west coast flair.



Respectfully submitted,

Diana Johnstone

Diana Johnstone, Chair
Parks, Recreation and Culture Commission

2012-FEB-29

File: A2-4 / A2-11 / A3-35-7

G:\Admin\PRCC\RptCouncil\2012\PRCCRPT120305-2012TemporaryPublicArtSelections.docx

REPORT TO: MAYOR & COUNCIL

**FROM: DIANA JOHNSTONE, CHAIR
PARKS, RECREATION AND CULTURE COMMISSION**

RE: TRAVEL ASSISTANCE FUNDING – PROPOSED GRANT CHANGES

Council ☐
Committee ☒ *ELPCOW*
Open Meeting ☐
In-Camera Meeting ☐
Meeting Date: *2012-MAR-05*

RECOMMENDATIONS:

That Council:

1. Remove the criteria requiring that applicants must be traveling out of Province in order to qualify for a Travel Assistance Funding grant;
2. Update the Travel Grant funding criteria to include an allowance for competitors traveling off Vancouver Island, within BC, to eligible Provincial, National or International competitions up to a maximum of \$50 per person to a maximum of \$1,000 per team;
3. Add additional criteria ensuring the groups have applied for funding from their Provincial and/or National Sport Organization if applicable; and,
4. Evaluate multi-year applications on a case by case basis to ensure the program does not become an ongoing or only source of travel fund.

EXECUTIVE SUMMARY:

At their meeting held on Wednesday, 2012-FEB-08, the Recreation Committee recommended that the Parks, Recreation and Culture Commission recommend that Council: remove the criteria requiring that applicants must be traveling out of Province in order to qualify for a Travel Assistance Funding grant; update the Travel Grant funding criteria to include an allowance for competitors traveling off Vancouver Island, within BC, to eligible Provincial, National or International competitions up to a maximum of \$50 per person to a maximum of \$1,000 per team; add additional criteria ensuring the groups have applied for funding from their Provincial and/or National Sport Organization if applicable; and, evaluate multi-year applications on a case by case basis to ensure the program does not become an ongoing or only source of travel fund.

On 2012-FEB-22, the Parks, Recreation and Culture Commission reviewed the material and supported this recommendation.

The Criteria for Travel Assistance Grant funding was established many years ago by the City of Nanaimo Grants-in-Aid Committee. The purpose of the travel grant program is to assist individuals/teams as they pursue of provincial, national or international events. It is not designed as an on-going funding source for individuals or teams.

The Province funds a youth (18 years and under) travel assistance program for all registered Provincial Sport Organizations (PSO's) call "The SportFunder Youth Member Travel Assistance Program". The program funds are forwarded and managed by the various PSO's. The criteria

and eligibility for the disbursement of the funds varies for each PSO. Ultimately, individuals or teams competing within the Province no longer have a consistent source of travel assistance funding. Further, the provincial funding was only for sport competition and only for youth so excluded those in dance, music and other cultural pursuits and anyone over 18 years of age. The expectation of the local groups applying for City of Nanaimo Travel Grants is that they will have first approached their PSO for travel assistance funds first.

To date, the grant funding program has only focused on those traveling out of Province to a variety of sport or cultural events. The Provincial travel funding program has since changed and those funds once given directly to individuals or teams is now given to qualifying Provincial Sport Organizations (PSO's) who use the money at their discretion based on pre-established guiding principles. Ultimately individuals or teams competing within the Province no longer have a consistent source of travel assistance funding. Further, the provincial funding was only for sport competition and only for youth so excluded those in dance, music and other cultural pursuits and anyone over 18 years of age.

Currently there is a total of \$7,500 in the Travel Assistance Funding budget. Applicants are allowed up to a maximum of \$100 per person to a maximum of \$2,000 for travel outside of BC. Staff recommend there be two-tiered funding for Travel Grant funds. Travel funding outside of British Columbia would remain the same; however, grants for travel to Provincial, National and International events hosted in British Columbia would be reduced. It is recommended that a lower amount of funding for travel within British Columbia at \$50 per person, to a maximum of \$1,000 per team, be instituted.

To date the demand for funding has not exceeded the budget (see attached).

Respectfully submitted,



Diana Johnstone, Chair
Parks, Recreation and Culture Commission

Attachment

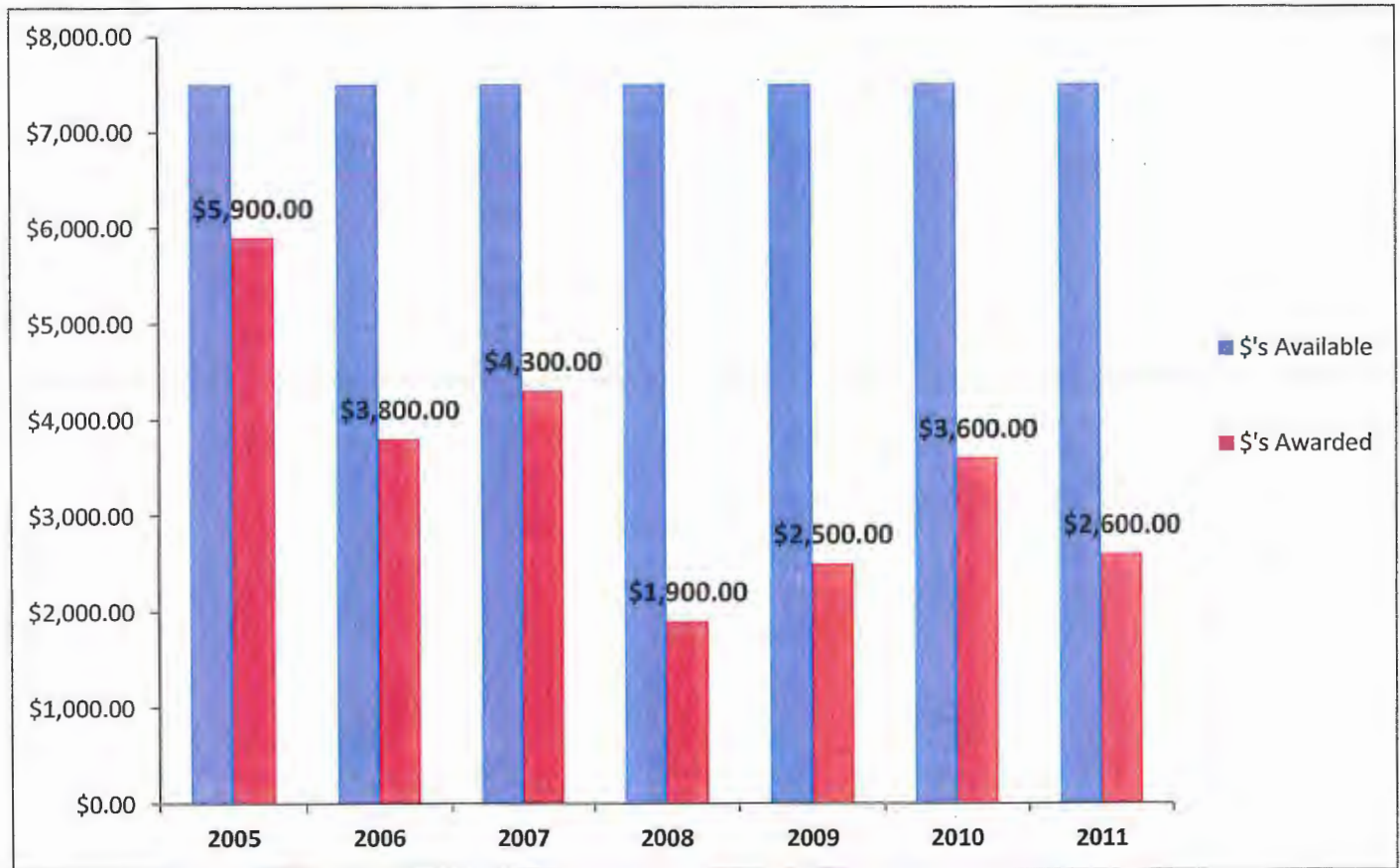
2012-FEB-29

File: A4-1-2 / A2-4 / A2-6 / B3-5-12

G:\Admin\PRCC\RptCouncil\2012\PRRCRPT120305TravelAssistanceFunding-ProposedGrantChanges.docx

Travel Grant Allocation 2005 to 2012

Year	2005	2006	2007	2008	2009	2010	2011	2012
Amount Available	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00
Amount Awarded	\$5,900.00	\$3,800.00	\$4,300.00	\$1,900.00	\$2,500.00	\$3,600.00	\$2,600.00	



**MINUTES OF THE REGULAR MEETING OF THE
PARKS, RECREATION AND CULTURE COMMISSION
HELD IN THE BOWEN PARK COMPLEX CONFERENCE ROOM
ON WEDNESDAY, 2012-JAN-25, COMMENCING AT 7:00 P.M.**

PRESENT: Commissioner D. Johnstone, Chair

Members: Commissioner L. Avis
Commissioner J. Cowling
Commissioner T. Greves
Commissioner S. Lance
Commissioner B. Meunier
Commissioner F. Pattje
Commissioner G. Savage
Commissioner B. Sparkes
Commissioner M. Young

Regrets: Commissioner A. McPherson
(Note: Commissioner for Electoral Area B not yet appointed)

Staff:	R. Harding	J. Ritchie
	S. Samborski	C. Kuziw, recording
	C. Robinson	

1. CALL THE OPEN MEETING TO ORDER:

The Regular Meeting was called to order at 7:01 p.m.

2. INTRODUCTION OF LATE ITEMS:

Amended Agenda Item 9.(b) - Correction of Staff Recommendation to reflect recommendation in Report "Beban Social Center Auditorium Floor" (*Pages 66-67*).

3. ADOPTION OF AGENDA:

It was moved and seconded that the Amended Agenda be adopted. The motion carried unanimously.

4. ADOPTION OF MINUTES:

(a) Minutes of the Regular Parks, Recreation and Culture Commission Meeting held Wednesday, 2011-NOV-23, at 6:58 p.m., in the Bowen Park Complex Conference Room.

It was moved and seconded that the Minutes be adopted as circulated. The motion carried unanimously.

5. PRESENTATIONS:

(a) PRC Business Services – Chris Robinson, Business Services Supervisor, Recreation and Culture Services.

- *Commissioner Pattje asked how complaints regarding staff are handled. For general complaints there are systems in place to see that the correct information is given to the appropriate staff for attention.*
- *Commissioner Johnstone asked how is the "Over 80" pass is being received. It has been very successful. Actual attendance was higher than expected.*
- *Staff advised that a Corporate Pass is also currently being developed.*

6. DELEGATIONS:

It was moved and seconded that the Delegations be permitted to address the Commission. The motion carried unanimously.

- (a) Ms. Karen Streeter, VIE X Vice-President, VIE X, #4 - 2300 Bowen Road, Nanaimo, BC, V9T 3K7, requesting that the Parks, Recreation and Culture Commission approve VIP funding to complete Phase 3 of the Beban Urban Community Garden at Beban Park.

- *There is currently a waiting list for plots and plot cost is \$30 per year for a 4' x 14' plot.*
- *Commissioner Pattje asked where the other \$10K come from to support this project? It would come from in-kind contributions from the gardeners involved and from other donations. Appendix 1 outlines the details.*
- *Commissioner Pattje asked if there is an educational portion to the project? Yes, for Seniors, therapy citizens, and for those in wheelchairs. There is no charge to learn to garden.*
- *Commissioner Greves asked how does the lawnbowling green become a donation? The Lawnbowling Club is still operational and committed to being there. The perception is that it is not active but it is.*
- *Commissioner Greves enquired as to what vandalism issues there are. There was only one young boy that helped himself to vegetables. No other vandalism to speak of. Pitch and Put does a bit of security in the evenings in the summer months.*
- *Welcome signs will be posted to encourage the public to enjoy the gardens without actively participating.*
- *Commissioner Lance asked if the \$30.00 includes composts and soils. Yes. Water is included as well.*
- *Commissioner Young asked if gardening instruction is provided. Yes, by the participating gardeners.*
- *Commissioner Meunier asked if the Beban Urban Gardens will stay with VIE X? Yes, by promoting agriculture within the City it follows the mandate of the VIE X.*

It was moved and seconded that the Delegation's report be received. The motion carried unanimously.

- (b) Ms. Grace Tickson, 306 – 240 Milton Street, Nanaimo, BC, V9R 5G9, on behalf of the members of the Nanaimo Harbour City Seniors who object to privatizing of the bus that takes them on trips.

- *Seniors were not involved in the decision of the bus trips being dropped.*
- *Buses have not had many mechanical problems.*
- *They do not want the trips to be private.*
- *Now that it is private the costs have gone up considerably.*
- *Commissioner Pattje asked as to the average number of bus trips per year. 10-20.*
- *The bus is currently at auction.*
- *Commissioner Young asked how many years the service has been available. At least 15 years.*

- *Commissioner Savage asked if a RDN partnership or SD68 partnership might be feasible. Staff advised that they could look into it; however, it could end up being more costly. The RDN might work within the region.*

It was moved and seconded that the Delegation's report be received. The motion carried unanimously.

- (c) Ms. Brenda Levesque and Mr. Phil Levesque, 5634 Muggies Way, Nanaimo, BC, V9V 1W2, regarding proposed Junior B Hockey Team for 2012/2013 Season at Nanaimo Ice Centre.

- *Bring a team to Nanaimo.*
- *18 months ago. Investigating Ice availability.*
- *Not take ice away from youth sports.*
- *Believe it is now possible.*
- *Currently have to leave the city to play*
- *Step below Junior A. Not in competition with it.*
- *7 teams currently.*
- *New team in Langford.*
- *Thursday Game Nights. No clipper competition.*
- *Looking at NIC 1 as the home.*
- *Early morning practices.*
- *\$150K - \$200K in business.*
- *Most of it spent in Nanaimo. Believe in doing business within the city*
- *Ads & sponsor, player fees*
- *Rent ice in spring and late summer.*
- *\$300K – \$400K brought to the City.*
- *Nanaimo minor hockey is not on board yet.*
- *Clippers have provided verbal support.*

It was moved and seconded that the Delegation's report be received. The motion carried unanimously.

7. CHAIR'S REPORT:

- (a) Chair Johnstone welcomed the new members of the Parks, Recreation and Culture Commission.
- (b) Membership Review – Parks Committee:
- Graham Savage, replacing Brian Dempsey, to 2012-MAR-31.
- (c) Membership Review – Recreation Committee:
- Ted Greves, replacing Jim Kipp, to 2012-MAR-31;
 - Alec McPherson, replacing Joe Burnett, to 2012-MAR-31;
 - Fifth member, replacing Gisele Rudischer, to 2012-MAR-31.

- (d) Membership Review – Sports Hall of Fame Committee:
- Graham Savage, replacing Brian Dempsey, to 2012-MAR-31.

It was moved and seconded that the memberships on the Parks Committee, Recreation Committee and Sports Hall of Fame Committee to 2012-MAR-31 be adopted. The motion carried unanimously.

(Note: A fifth member is still required for the Recreation Committee.)

8. REPORTS OF ADVISORY BODIES:

- (a) **Cultural Committee.** Commissioner Avis reported on the Special Grant Allocations meetings held on 2011-NOV-17, 2011-NOV-29, and, 2011-DEC-06, and on the regular meeting held 2012-JAN-04 on behalf of the Chair, Eveline O'Rourke.

i) Cultural Operating Grants.

Cultural Committee's Recommendation: That the Parks, Recreation and Culture Commission recommend that Council approve the 2012 Cultural Operating Grant recommendations in the total amount of \$175,988 as follows:

2012 CULTURAL OPERATING GRANTS	\$\$\$ REQUESTED	\$\$\$ RECOMMENDED
A Capella Plus Choir Society	2,000	1,400
BC Boys Choir	2,000	1,500
Crimson Coast Dance	18,000	15,000
Centre for the Arts Society	14,500	7,938
Francophone Association	10,000	7,000
Malaspina Choir	2,600	2,250
African Heritage Association	5,000	1,000
Arts Alive	3,200	2,300
Arts Council	15,000	10,000
Ballroom Dance Society	1,000	800
Blues Society	10,000	7,000
Chamber Orchestra	4,500	3,000
Concert Band	14,076	6,000
Conservatory of Music	20,000	9,500
Pacific Coast Stage Co.	14,000	4,000
Pacific Institute of Bagpiping	3,500	2,200
TheaterOne	34,000	28,000
Tidesmen	2,500	1,600
Vancouver Island Symphony	85,000	60,000
Western Edge Theater	14,500	5,500
TOTALS:	\$275,376	\$175,988

It was moved and seconded that the recommendation of the Cultural Committee be adopted. The motion carried unanimously.

ii) Arts, Cultural and Festival Events Grants.

Cultural Committee's Recommendation: That the Parks, Recreation and Culture Commission recommend that Council approve the 2012 Arts, Cultural and Festival Events Grant recommendations in the total amount of \$30,182 as follows:

2012 ARTS, CULTURAL AND FESTIVAL EVENTS GRANTS	\$\$\$ REQUESTED	\$\$\$ RECOMMENDED
Canada Day 2012	2,200	1,400
Crimson Coast Dance	4,000	2,200
Friends of Nanaimo Jazz	5,000	1,600
Gallery Row Public Art Committee	1,500	300
Harbour City Jazz Fest	3,000	860
Bel Canto Singers	3,000	530
Francophone- Maple Sugar Festival	12,000	3,000
African Heritage Society	1,500	600
Arts Council	3,000	1,500
Ballroom Dance Society	5,000	2,000
Blues Festival	3,000	1,300
Children's Literature Round Table	2,000	900
Conservatory of Music	1,500	1,000
Empire Days Society	12,000	2,130
Highland Dance Association	1,075	830
Nanaimo Sings	2,500	1,110
Women's Resource Society	4,000	1,100
Pacific Coast Stage Co.(Fringetastic)	7,500	1,843
Performing Arts BC	7,500	2,396
Vancouver Island Symphony	4,000	2,232
Vancouver Island University Foundation	2,500	248
Art Gallery Festival of Banners	5,462	1,103
TOTALS:	\$93,237	\$30,182

It was moved and seconded that the recommendation of the Cultural Committee be adopted. The motion carried unanimously.

- (b) **Parks Committee.** No meeting held.
- (c) **Recreation Committee.** No meeting held.
- (e) **Grants Advisory Committee.** Commissioner Avis reported on the meetings held since 2011-NOV-23.
- (e) **Plan Nanaimo Advisory Committee.** Commissioner Lance reported on the meetings held since 2011-NOV-23.
- (f) **Social Planning Advisory Committee.** Commissioner Cowling reported on the meetings held since 2011-NOV-23.
- (g) **Port Theatre.** Monthly report for November and December, 2011.
- (h) **Nanaimo Art Gallery.** Monthly report for November and December, 2011.

- (i) **Nanaimo Museum.** Monthly reports for November/December 2011, and December 2011/January 2012 and Nanaimo Museum January 2012 "timelines" newsletter.

It was moved and seconded that the Advisory Body reports be received. The motion carried unanimously.

9. **STAFF REPORTS:**

- (a) **DOWNTOWN NANAIMO BUSINESS IMPROVEMENT ASSOCIATION PROGRAMMING AND OPERATING DIANA KRALL PLAZA AND THE OLYMPIC LIVE SITE.**

Staff's Recommendation: That the Parks, Recreation and Culture Commission support an additional one year (January - December 2012) extension to the existing pilot agreement Parks, Recreation & Culture has with the Downtown Nanaimo Business Improvement Association (DNBIA) to program the Diana Krall Plaza and Olympic Live Site.

It was moved and seconded that the recommendation be adopted. The motion carried unanimously.

- (b) **BEBAN SOCIAL CENTER AUDITORIUM FLOOR.**

Staff's Recommendation: That the Beban Auditorium flooring replacement project be postponed and a comprehensive maintenance plan to extend the life of the existing parquet floor be developed.

It was moved and seconded that the Parks, Recreation and Culture Commission approve the postponement of the Beban Auditorium flooring replacement project pending the development of a comprehensive maintenance plan to extend the life of the existing parquet floor. The motion carried unanimously.

10. **INFORMATION ONLY ITEMS (staff reports):**

- (a) Monthly Report – Senior Manager of Parks & Civic Facilities – November / December 2011.
- The auction of public art will be advertised.
- (b) Monthly Report – Senior Manager of Recreation and Culture Services – November / December 2011.
- Amenities are different at the Kin/Dept Bay. Commissioner Pattje asked why the numbers are down. Communication with the community will be happening to find out what they would like to see at these facilities and offer more of what they are looking for.
- (c) Changes to the Delivery of the Departments Seniors Bus Trips.
- Commissioner Avis wanted to clarify and make some correction to the information Ms. Tickson gave. Seniors did receive notice months in advance. Also, only 11 people on average used the bus. It is a small minority that have become attached to the program. A suggestion might possibly be that Janey be brought on as a host in future.
 - Commissioner Cowling asked if Council was looking for a recommendation? *No.*

It was moved and seconded that the Information Only Items be received. The motion carried unanimously.

11. CORRESPONDENCE: (Action Required.)

CORRESPONDENCE: (Information Only.)

- (a) Newsletter, Vancouver Island Sport Tourism Council, Issue 01 – Jan/Feb 2012.
- (b) Letter dated 2011-DEC-16 from Donna Smith, Deputy Director of Corporate Administration, District of Lantzville, P.O. Box 100, 7192 Lantzville Road, Lantzville, BC, V0R 2H0, advising of the appointment of Councillor Graham Savage as the District of Lantzville representative and Councillor Brian Dempsey as the alternate representative on 2011-DEC-12 to the City of Nanaimo Parks, Recreation and Culture Commission for a three-year term.
- (c) Minutes of the Nanaimo Harbour City Seniors, Board of Directors meetings, held 2011-DEC-02 and 2012-JAN-06.

Commissioner Avis commented for information that the NHCS donated a hydro ryder to the City of Nanaimo. The cost of the hydro ryder was \$2200. It is at Beban Park Pool and is a wonderful tool for people with mobility issues in the water.

It was moved and seconded that PRCC write a letter of congratulation and appreciation to the NHCS for the donation. Motion carried unanimously.

- (d) Letter dated 2012-JAN-11 from Maureen Pearse, Senior Manager, Corporate Administration, Regional District of Nanaimo, 6300 Hammond Bay Road, Nanaimo, BC V9T 6N2, advising that at the RDN Special Meeting held 2012-JAN-10, the Board endorsed its 2012 Board appointments, confirming the appointments of Mr. Alec McPherson (Electoral Area A) and Ms. Maureen Young (Electoral Area C) as the RDN Board representatives to the City of Nanaimo Parks, Recreation and Culture Commission, and also advising that the RDN will be advertising for a public member to represent Electoral Area B.
- (e) Letter dated 2012-JAN-11 from Ms. Corry Hostetter, General Manager, DNBIA, A10 Victoria Crescent, Nanaimo, BC, V9R 5B8, to Mr. Ian Blackwood, Manager, Facility Maintenance and Construction, thanking Mr. Blackwood and his Staff for their invaluable contributions to a very successful 2011 Christmas season downtown.
- (f) Notification dated 2012-JAN-19 from BC Recreation & Parks Association regarding BCRPA Provincial Award nominations for individuals and/or organizations for their achievement and commitment to the field of parks, recreation, culture and health promotion.

It was moved and seconded that PRCC write a letter of appreciation to the members of the Cultural Committee for the work they do delegating the Cultural Grants. Motion carried unanimously.

It was moved and seconded that the Correspondence be received. The motion carried unanimously.

12. NOTICE OF MOTION:

13. CONSIDERATION OF OTHER BUSINESS: None.

14. BUSINESS ARISING FROM DELEGATIONS:

- (a) Ms. Karen Streeter, VIEx - VIP Funding - Phase 3, Beban Urban Community Garden.

It was moved and seconded that \$10,000.00 from the VIP funds be given to the VIEx for the Community Gardens project. The motion carried unanimously.

- (b) Ms. Grace Tickson – Bus Trips - Nanaimo Harbour City Seniors.

It was moved and seconded that a letter from PRCC to the NHCS and Ms. Tickson of thanks and information to them that staff will continue to work with NHCS to provide trips through local providers. The motion carried unanimously.

- (c) Ms. Brenda Levesque & Mr. Phil Levesque - Proposed Junior B Hockey Team - 2012/2013 Season - Nanaimo Ice Centre.

It was moved and seconded that the Parks, Recreation and Culture Commission request a Staff report outlining impacts and issues of bringing a Junior B Hockey club to Nanaimo. The motion carried unanimously.

15. UNFINISHED BUSINESS:

- (a) Travel Grant Exception – Wheatshaf Fastball Club (*referred 2011-NOV-23 to Staff to report to the Recreation Committee and subsequent return to the PRCC.*)

16. QUESTION PERIOD: No questions.

17. ADJOURNMENT:

It was moved and seconded at 9:12 p.m. that the meeting adjourn, with the next regular meetings as follows:

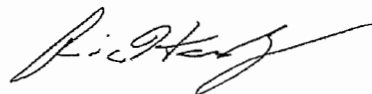
COMMISSION	Wednesday, 2012-FEB-22; 7:00 p.m. Bowen Park Complex Conference Room
Cultural Committee	Wednesday, 2012-FEB-01; 4:15 p.m. – if required Bowen Park Complex Conference Room
Recreation Committee	Wednesday, 2012-FEB-08; 3:00 p.m. – if required Bowen Park Complex Conference Room
Parks Committee	Thursday, 2012-FEB-09; 5:00 p.m. – if required Bowen Park Complex Conference Room

The motion carried unanimously.

CERTIFIED CORRECT:



D. Johnstone, Chair
Parks, Recreation and Culture Commission



R. Harding, Director
Parks, Recreation and Culture

STAFF REPORT

REPORT TO: A.C. KENNING, CITY MANAGER

FROM: D.W. HOLMES, ASSISTANT CITY MANAGER/
GENERAL MANAGER, CORPORATE SERVICES

RE: CONFLICT POLICY

STAFF'S RECOMMENDATION:

That Council approve the conditions, parameters, process and roles contained in option 4 of this report as policy.

EXECUTIVE SUMMARY:

Council has directed staff to prepare options for the possible funding of legal opinions for members of Council related to conflict of interest. Staff are supportive of such a policy and recommend one in which sufficient process exists to yield the best possible opinion for Council members in their determination of conflict of interest.

BACKGROUND:

At the Finance Policy Committee of the Whole meeting held 2012-FEB-06, the Committee adopted the following resolution:

"That Council direct staff to prepare a report outlining options for the City to assist Council members who are seeking legal advice on conflict of interest."

In preparing this report, staff have searched other local governments to see how other organizations have addressed this issue. While our search was not exhaustive, it uncovered relatively few examples of how the local government would assist its elected officials in determining whether or not they were in a conflict of interest.

Jurisdictions such as the City of Kelowna and Islands Trust left the Council member to get his or her own opinion at his or her own expense. This would essentially be Nanaimo's status quo.

Jurisdictions such as Vernon and Maple Ridge have mechanisms in which a Committee or Council member would ask the opinion of the Corporate Officer. While City staff has a role in discussions surrounding conflict of interest, staff strongly believe that it is outside the scope of responsibilities of an appointed officer to make the determination of or offer an opinion on an individual Council member's conflict of interest. In our case, this is for two reasons: first it is staff's job, through the City Manager, to serve Council and not individual Councillors. Secondly, conflict of interest law is a specialized and evolving area of law and the City of Nanaimo does not have a staff member qualified to give an opinion on this area of law.

☐ Council
☒ Committee *FLP/ow*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2012-MAR-05*

Another model as exemplified by the Cowichan Valley Regional District and the Regional District of Nanaimo is for the elected official to have access through a senior staff member to the local government's legal counsel. While this model could be satisfactory in many circumstances, there are also circumstances in which this model could be problematic. Specifically, any lawyer giving an opinion must be clear on who his or her client is. This matters because of maintaining solicitor-client privilege and also because the interests of one party might not be congruent with the interest of another party. Specifically, a file in which the City of Nanaimo will need legal representation may find the City's interests different than those of a member of Council who is in some capacity embroiled in a discussion about conflict of interest on that same file.

We note that it is just as important for a Council member who is eligible to vote on a matter be present to fulfill his or her fiduciary duties as an elected official as it is for an elected official who has a conflict on a matter being considered by Council to excuse him or herself from participating in the matter. Accordingly, an opinion may be sought on a potential conflict after a Council member has made a declaration who wishes to participate subsequently on the matter.

The last example of policy that we found was a reimbursement policy from the District of North Vancouver in which a Council member is entitled to reimbursement for expenses for independent legal advice as to whether a member is in a potential conflict of interest with respect to a particular matter currently under consideration by Council or known to be forthcoming. The District of North Vancouver policy has an overall annual limit for all Councillors of \$5,000, unless Council resolves to increase it. The Councillor must provide a copy of the municipal policy to the solicitor who is providing the opinion. The legal opinion remains the property of the Council member.

OPTIONS:

Option 1:

Status quo: Staff do not recommend remaining with the status of quo. Conflict of interest is a complicated and evolving area of law. Typically, Council members, by their nature, are involved in the community in a number of different capacities in addition to their elected role. Accordingly, the potential for conflict of interest is not remote and is not always clear. As municipal remuneration is modest, it seems unfortunate to have to spend a significant portion of it to properly discharge a Councillor's duties should a potential conflict arise.

Option 2:

Municipal solicitor available to individual Council members at the expense of a municipality: As stated earlier, this option is not recommended in order to preserve solicitor-client privilege for both the Councillor and Council.

Option 3:

Simple reimbursement: Under this option, a Council member could find a solicitor of his or her choice, provide a fact pattern to that solicitor, obtain the opinion from the solicitor and submit the bill to the municipality for payment, or pay the bill and receive reimbursement for

it. While staff view this option as an improvement to the status quo, there is a risk that the facts presented to the solicitor are not complete (by no fault of the Councillor). That is to say, many of the matters being adjudicated by Council are complicated and the opinion provided by the solicitor would only be as good as the fact pattern upon which it is based.

Option 4:

Reimbursement within a prescribed process:

Staff favours some process involvement around providing a City-paid opinion to ensure that the Council member is making his or her determination with respect to conflict with the best possible advice that is based on the most accurate information available. Accordingly, the conditions and parameters in option 4 that follow are intended to accomplish this. Naturally, Council could add extra parameters, modify these parameters or exclude any of the parameters as it sees fit.

Ref. No.	Condition/Parameter	Rationale
1.	Fees payable for legal opinions obtained on a matter that will potentially have a Council member in conflict.	Members of Council are motivated to avoid being in conflict and should make that determination before voting in a potential conflict. Alternatively, information may come to light to make a Councillor question if conflict exists, including after declaring conflict.
2.	Limitation of \$3,000 including taxes per Councillor per year. Amounts in excess of this would be decided upon by Council.	Allows Council to budget for the possible use of this policy.
3.	Council members using this policy are encouraged to use lawyers who specialize in Local Government Law and are required to NOT use the City's lawyers. (Staff can assist in locating firms who specialize.)	The best and most cost-efficient opinions are likely to come from those who are expert in the field.
4.	Lawyer providing opinions to a Council member must confirm, in writing, that he/she has received a copy of this policy.	Gives the solicitors context and a correct understanding of who is their client and how the opinion will be used.
5.	Lawyer providing opinions to a Council member must confirm, in writing, that he/she has received a copy of the fact pattern prepared by the City Manager and has considered it in providing an opinion to the Council member.	A relevant opinion can only come from a complete understanding of the facts. The information provided by staff is most likely to be related to the nature of the decision in front of Council (e.g. rezoning or permit application) but may include some information related to the circumstances surrounding the potential conflict. However, the Council member would still be instructing the lawyer as his/her advisor.

Ref. No.	Condition/Parameter	Rationale
6.	Council may ask for a copy of the legal opinion but the opinion is the property of the Council member seeking it and the Council member may refuse to provide it and will still be eligible for payment/reimbursement under this policy.	The Council member is ultimately responsible for assessing his/her potential conflicts. Further, the Council member may have to subsequently rely on this opinion in his/her defence and therefore may not wish to waive solicitor-client privilege.
7.	Council may seek its own legal opinion on the issue.	The fact that one member of Council has been advised on an issue does not prevent the need for the City to be advised on the same issue (e.g. the City could be seeking to answer broader questions).
8.	The Councillor who receives the opinion must still make his/her own determination as to whether he or she is in a conflict before participating on an issue.	The opinion is meant to assist with the Council member's obligation to not be in conflict, not supplant it. Nor is the Councillor bound by the opinion.
9.	The Councillor who receives the opinion would have "custody" of the opinion for the purposes of releasing it publicly or for FOI.	The intention is to protect solicitor-client privilege.
10.	The Council member using this policy acknowledges that payments made under this policy may be a taxable benefit in the year that it is paid.	The tax treatment will depend upon the facts of each individual case. The City, as the payer, would determine the tax treatment.
11.	The Council member using this policy acknowledges that payments made under this policy will be included in the list of disbursement prepared annually under the <i>Financial Disclosure Act</i> .	Fulfils a statutory requirement.

Process

The *Community Charter* requires that a member of Council has sole responsibility for assessing whether he or she has a conflict and for governing his or her conduct in accordance with that assessment of conflict.

As part of that assessment, a member of Council who believes that he or she may be in a conflict of interest would be able approach the City Manager for the purposes of securing funding for a legal opinion within the parameters and limitations of this policy.

Role of Councillor Requesting the Opinion

- Submit request to City Manager (preferably, but not necessarily) before the potential conflict might affect a vote or before participating in any discussions on the matter.

- Inform the remainder of Council at the "In Camera" meeting (FP/COW or Council) directly after submitting request.
- Submit this policy and the written fact pattern prepared by the City Manager to the Council member's lawyer.
- Submit to the City Manager the detailed lawyer's bill for the opinion, accompanied with the lawyer's confirmation that he/she has received this policy and the fact pattern as prepared by the City Manager.

Role of Council

- Use this policy in concert with the Conflict of Interest Guidelines and the *Community Charter* in fulfilling the duties of elected office, including making every effort to avoid participating in discussions (before, during or after meetings) or voting on issues in which a member may be in conflict.

Staff's Role

At the request of a member of Council:

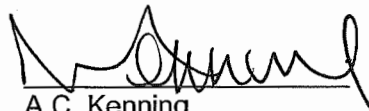
- prepare a fact pattern on the issue that is a potential conflict of interest as identified by the Council member that includes the nature of the decision that Council will be facing, staff's understanding of the nature of the relationship between the parties involved (i.e. Council and the applicant or contract party), and any other relevant factual information that staff possesses.
- assist the Council member with selecting a lawyer, if requested.
- arrange for payments in accordance with this policy.

It is NOT staff's role to monitor or assess potential conflicts of interest for members of Council.

Respectfully submitted,



D.W. Holmes,
Assistant City Manager/
General Manager, Corporate Services



A.C. Kenning,
City Manager

DWH/jdk

Finance/Policy Committee of the Whole: 2012-MAR-05

STAFF REPORT

REPORT TO: D. W. HOLMES, ASSISTANT CITY MANAGER /
GENERAL MANAGER OF CORPORATE SERVICES

FROM: J. E. HARRISON, MANAGER OF LEGISLATIVE SERVICES

RE: COUNCIL EXPENSES – ATTENDANCE AT OUT-OF-TOWN MEETINGS

☐ Council
☒ Committee E/PCOW
☒ Open Meeting
☐ In-Camera Meeting
 Meeting Date: 2012-MAR-05

STAFF RECOMMENDATION:

That Council amend Council Expenses / Attendance at Out-of-Town Meetings to add the following:

6. Members of Council may, without prior approval of Council, attend meetings and seminars related to municipal government that are within Canada and the costs are within the Council approved budget.

BACKGROUND:

At the Regular Meeting of 2012-JAN-23 Council adopted the following motion:

It was moved and second that Council direct Staff to prepare a report on ways and means for Mayor and Council to access education and training opportunities without having to bring a request before Council.

The current Council Policy on "Attendance at Out-of-Town Meetings" is attached.

OPTIONS:

1. Status Quo – Leaving the policy as it currently exists means that prior approval by Council would still be required for travel to access education and training opportunities other than for those specifically noted in the policy. This does not meet the intent of the Council motion.
2. Amend the current policy to add item 6. As follows:
 6. Members of Council may, without prior approval of Council, attend meetings and seminars related to municipal government that are within Canada and the costs are within the Council approved budget.

The note at the bottom of the policy would be updated to include section 6 as follows:


"For travel other than that outlined in paragraphs 1 to 6 above, Council members shall obtain Council approval prior to incurring any expenses for out-of-town travel."

Staff believe that it is appropriate for travel outside of Canada to receive special consideration by Council. Staff also believe that it is appropriate for Council to be aware should the expenses related to attendance at a meeting or seminar cause the approved budget to be exceeded.

3. Repeal Council Policy: Council Expenses / Attendance at Out-of-Town Meetings. – This option would leave Council without any policy on the issue.

As Council is aware, the *Community Charter* requires that Council members' expenses be reported publicly on an annual basis. Travel and registration fees would be included in this report. The 2012 Budget for Mayor & Council includes a total of \$16,000 for conference & seminar registration fees and \$32,000 for travel expenses (including hotels).

Respectfully submitted,


J. E. Harrison
Manager, Legislative Services


Douglas W. Holmes, Assistant City Manager
General Manager, Corporate Services

F/P COW: 2012-MAR-05

ATTACHMENT A



CITY OF NANAIMO

COUNCIL POLICY MANUAL

Pages: 1 of 1
Approval Date: 1986-MAY-26

SECTION: GENERAL ADMINISTRATION SUBJECT: Council Expenses / Attendance at Out-of-Town Meetings

1. Attendance at FCM (Federation of Canadian Municipalities) – those members of Council interested in attending are authorized to attend.
2. Attendance at UBCM (Union of BC Municipalities) – those members of Council interested in attending are authorized to attend.
3. Attendance at AVICC (Association of Vancouver Island Coastal Communities) – those members of Council interested in attending are authorized to attend.
4. Those members of Council who are official Council representatives to Executive Boards or official subcommittees of bodies such as FCM, UBCM and AVICC are authorized to attend.
5. The Mayor, or his designate, are given blanket authority to attend emergency meetings on behalf of the City.

For travel other than that outlined in paragraphs 1 to 5 above, Council members shall obtain Council approval prior to incurring any expenses for out-of-town travel.

Previous Revision/s: Previous Council Procedure Bylaws
--

STAFF REPORT

REPORT TO: D.W. HOLMES, ASSISTANT CITY MANAGER/GENERAL MANAGER
OF CORPORATE SERVICES

FROM: B. E. CLEMENS, DIRECTOR OF FINANCE

RE: RFP 1276 FOR SAP BUDGET MODULE

STAFF'S RECOMMENDATION:

It is recommended that Council award the contract to implement the SAP budget module to the lowest bidder, Open Business Process Inc and Performance Analytics Corporation.

EXECUTIVE SUMMARY:

As part of the ongoing process to improve our financial systems, the City issued an RFP for a consultant to implement a new budgeting module. This new software will replace an existing manual system with an integrated application that reduces maintenance, improves data integrity and simplifies deployment while enabling flexible planning and budgeting functions.

At the time the RFP was prepared it was believed that the project could be undertaken for less than \$250,000, so Council approval was not obtained prior to issuing the RFP. All bids were much higher and they indicate that we underestimated the implementation costs. There is no legal obligation to award the RFP. Staff are recommending that Council award the RFP to the low bidder.

DISCUSSION:

In 2002 the City implemented SAP to replace an antiquated financial system that was no longer meeting the needs of our organization. In implementing SAP, the City moved beyond a basic financial system to a more integrated environment that includes Human Resources, materials management, and facilities management. Only a portion of the potential system was implemented in 2002 and the City has, over time, been adding additional functions.

In January, staff put out an RFP to implement SAP's budgeting module (known as BPC – Budget Planning & Consolidation). Council was not informed prior to the issuance of this RFP as it was staff's belief at the time that the project would not exceed \$250,000. The actual results of the RFP are:

Open Business Process/Performance Analytics	\$399,336
EPI – USE	\$632,260
Idea.ca	\$811,375
Method 360	\$833,200

☐ Council
☒ Committee *F/PCOW*
☒ Open Meeting
☐ In-Camera Meeting
 Meeting Date: *2012-MAR-05*

After reviewing the RFP submissions, staff are of the opinion that we underestimated the implementation costs. At this stage there are three options:

1. Award the RFP to the lowest bidder.
2. Do not award the RFP at this time and re-issue the RFP later this fall.
3. Do not award the RFP and do not implement the budget module.

Note that it is not an option to implement the software without the assistance of consultants. The expertise required to do this is highly specialized. Consultants who have this expertise are in great demand and the City could not afford to have this kind of employee on permanent staff.

There are other factors that Council should be aware of before the decision is made. The City has acquired the software in 2011 at a cost of \$227,800 (a significant discount was received from SAP from their standard price of \$558,900). The software includes both BPC (budgeting module) and Business Objects (a program that will improve the ability to provide reports, including more user friendly graphical presentation). These two programs are linked – you can't use the budget module without Business Objects, although you could get some use out of Business Objects without implementing the budget module. The City pays an annual maintenance/licensing fee of \$79,400 for this software module.

It is always difficult to quantify the value of financial systems in dollars and cents. While adding a module like this will save weeks of staff time in Finance every year, it will not result in any layoffs or direct financial savings to the City. However, improving financial systems will defer the need to hire additional finance staff in the longer term. Currently, budgets are prepared using Excel spreadsheets and are entered into the financial system manually when complete. While this system has served the City for many years, it is intensively manual. Here are some advantages of implementing the budget module:

- Will reduce the cycle time to complete the budget planning process. Will reduce or eliminate existing manual processes.
- Will free up time for analysis and other value added activities.
- Improves the accuracy of budget submissions. Every spreadsheet submitted by the departments currently needs to be checked. The new module reduces the risk of error or omission.
- Everyone will be working with the same data. Because departments currently create their own budget detail sheets, there is a risk that not everyone will be looking at the same version of a budget submission.
- Will enhance budget reporting for improved decision making including the ability to do "what if" scenarios much more easily. Budget data is stored in a database so it can be manipulated for reporting as needed.
- Will facilitate cash flow planning to assist in managing investments.
- Will enhance functionality for end users (including non-finance staff). The original entry into an Excel spreadsheet will be directly linked into SAP. There will be an ability to add comments and attachments (i.e. all the supporting working papers).

- Will populate staffing information right from the SAP Human Resources data so it will eliminate the present manual process. For example, when the CUPE contract was settled earlier this year, staff had to manually adjust the wage rates for every CUPE employee in spreadsheets, transfer the data to other spreadsheets and then enter each one into SAP manually.
- Will automatically create the other side of inter-program entries – i.e. vehicles, computers, copiers.
- Will have the ability to use workflows to ensure that budgets have been reviewed and approved, e.g. from preparer to appropriate manager, then to director and then to General Manager. Budgets can also be sent back for further adjustments using same process.
- Will give us the ability to have full 5 years (or more) of the Financial Plan in SAP (we presently only enter the current year because of the amount of work involved to enter more). This will permit us to create long term capital plans in SAP (20+ years). These long term plans are essential for asset management and integrating them into our existing financial systems (rather than using stand alone spreadsheets) is very valuable for the City.
- Will provide the ability to do forecasting within SAP rather than using spreadsheets, again saving staff time (in all departments).
- Will be able to automate report creation and distribution for both budget and variance reporting.
- Will leverage our investment in the SAP/BW environment. Staff have been focussed on BW (Business (data) Warehousing) development for the past year and are positioned to move forward with Business Objects and the budget module.
- Business Objects will allow web-enabled reporting that may position us for mobile applications.
- Will position the City for future enhancements that could include enhanced reporting, dashboards, Balanced Scorecard reporting, Key Performance Indicators, etc.
- Supports both top-down and bottom-up budgeting approaches.
- Supports alternative budgeting systems, such as Zero Based Budgeting, Activity Based Budgeting, etc.

Staff recognize that this is a difficult decision for Council. The above benefits of implementing this software are hard to quantify. Staff believe that implementing this software will significantly reduce the amount of manual data entry and improve our ability to analyze and report on budget data. It will increase the amount of time that finance staff have to work on projects that provide more value to the taxpayers and will reduce the risk of error that is inherent in manual systems.

While the cost is high, this was something that was considered when the SAP system was first implemented. Any system that was competitive with SAP had the same issue. These systems are highly complex and that complexity results in higher costs. The City has a lot of money invested in SAP, and these additions will continue to lever this investment. Staff are always scanning the horizon for a better product, but there is no obvious alternative to SAP.

Staff believe that the enhancements contained in this module represent the kind of continuous improvement that is one of Council's objectives.

The low bidder is a partnership of two companies, Open Business Process Inc (OBP) and Performance Analytics Corporation. OBP has done work for the City in the past and is very familiar with the City's SAP system. They know our business practises and what skills and resources we already have on staff. Performance Analytics tends to specialize in implementing BPC (budget module) and Business Objects software. The combination of OBP's knowledge of the environment and Performance Analytics' technical skills is likely the reason that they have put together the lowest cost submission.

One alternative would be to reject all of these submissions and reissue the RFP. There is only a short window when this module can be implemented, so that would mean waiting until the fall. As this RFP was issued with a fairly short time to reply, there is a possibility that there is some other company that failed to bid who might provide us with a lower cost. There is also the possibility that all bids will come in higher.

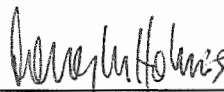
The final alternative is to not implement the budget module at all. To do so would be to lose all of the benefits listed earlier in this report. We would have to make a decision on whether to suspend the annual maintenance payments. While this would provide annual savings, it would mean that we would have to repurchase the software should the City ever decide to implement the budget module at some time in the future. It would also mean that we would not be able to use Business Objects to improve end user reporting.

Although the responses to this RFP are higher than the budget for this project, there is no impact on property taxes. There is adequate funding in the SAP reserve and other SAP projects will be rescheduled as required.

Respectfully submitted,



B.E. Clemens
Director of Finance



D.W. Holmes
Assistant City Manager/
General Manager,
Corporate Services

BEC/ck
FPCOW: 2012-Mar-05

STAFF REPORT

REPORT TO: D.W. HOLMES, ASSISTANT CITY MANAGER/GENERAL
MANAGER OF CORPORATE SERVICES

FROM: B. E. CLEMENS, DIRECTOR OF FINANCE

RE: STRATEGIC COMMUNITY INVESTMENT FUNDS

STAFF'S RECOMMENDATION:

That Council direct staff to enter into an agreement with the Province of British Columbia for the Strategic Community Investment Fund to ensure that these funds are available to the City of Nanaimo from 2012-2014.

EXECUTIVE SUMMARY:

A few years ago, the Province restructured the Traffic Fine Revenue Sharing Revenues and the Small Community and Regional District Revenue Sharing Programs into the Strategic Community Investment Fund. In order to be eligible for these funds, each municipality must pass a resolution and sign an agreement with the Province. This agreement requires the City to report annually on how the funds were spent in accordance with a plan.

BACKGROUND:

The City of Nanaimo first received Traffic Fine Revenue Sharing in 2002. Since then, the City has received these funds annually, with the amounts in recent years averaging around \$1.2 million. These revenues have been used to offset the cost of police services in Nanaimo.

The new contract between the Province and the City of Nanaimo specifies the following payments:

March 2012	\$655,685
June 2012	\$1,061,724
March 2013	\$218,562
June 2013	\$624,600
June 2014	\$843,162

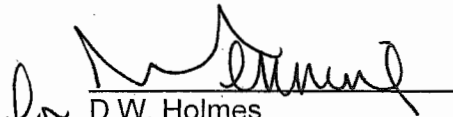
The agreement requires the City to report on the intended use of the funds, a performance target, and the progress made toward the target. In the case of the City of Nanaimo, the target will be to use 100% of the funds to support police enforcement over the term of the agreement. This is how the Strategic Community Investment funds are currently being used.

The agreement requires the signature of the Corporate Officer, "pursuant to a resolution of Council".

Respectfully submitted,



B.E. Clemens
Director of Finance



D.W. Holmes
Assistant City Manager/
General Manager,
Corporate Services

FPCOW: 2012-Mar-05

BEC/ck

G:\ADMINISTRATION\Council\Reports\2012 SCIF.docx



February 27, 2012

To: All Municipal and Regional District Financial Administrators

Re: Strategic Community Investment Funds

In this difficult economic time, certainty is critical for the Ministry of Community, Sport and Cultural Development and for local governments. Restructuring the small community and regional district and traffic fine revenue sharing grants provides this certainty.

Many local governments rely on a steady stream of grant funding to meet operational requirements and there are frequently concerns with respect to the level of grant funding for the future. Undertaking the Strategic Community Investment Fund 2012-2014 program allows the Province of British Columbia (Province) to strengthen its commitment to local governments.

The Strategic Community Investment Fund 2012-2014 program will achieve the objectives of supporting local government efforts to stimulate local economies and will provide local governments with increased financial certainty while continuing to support investments in community safety for which traffic fine revenue sharing grants are intended. Providing more funding sooner allows local governments to make strategic spending decisions, stimulating local economies and creating local jobs. By detailing the level of funding in the Funds Agreement for each of the next three years, both the Province and local governments are provided with budget certainty for the future. As in past years, the grant amounts will be recalculated as new data is received.

Funding will be provided in a flexible, objective-based approach, enabling the money to flow quickly to communities while ensuring a strong accountability framework. In order to be eligible to receive funds each year, local governments must continue to develop a plan that sets out the intended uses and performance targets for those funds and must report publicly on their plan and progress towards achieving performance targets by June 30 in each following year.

Under the SCIF Agreement, the Province intends to maintain the same level of funding as under the formulas in the *Local Government Grants Act*. For certainty, transfer amounts will be authorized in each fiscal year, subject to receipt of a report that funds received to date have or are being used for the intended purposes and that public disclosure has or is being complied with in accordance with the Funds Agreement.

Please sign the attached Funds Agreement to indicate your acceptance of the terms and conditions within and return to the Ministry of Community, Sport and Cultural Development as soon as possible, and **no later than March 23, 2012.**

The Province cannot ensure payment of Funds to local governments submitting signed Funds Agreements after March 23, 2012.

In recognition of the short timeframe to sign and deliver the Funds Agreements, local governments are encouraged to email an electronic version of their signed Agreement.

Electronic copies of a signed Funds Agreement may be emailed to:
Jennifer.Richardson@gov.bc.ca.

Hard copy original signed Funds Agreements, along with the Council/Board resolution authorizing entering into the Agreement, may be sent to:

Mailing Address

Ministry of Community, Sport and Cultural Development
Local Government Infrastructure and Finance Branch
PO Box 9838 Stn Prov Govt
Victoria, BC V8W 9T1

If you have any questions, please contact Jennifer Richardson at 250-356-9609 or by email at: Jennifer.Richardson@gov.bc.ca.

Sincerely,

"Original signed by"

Don Fast
Deputy Minister
Ministry of Community, Sport and Cultural Development

STRATEGIC COMMUNITY INVESTMENT FUNDS AGREEMENT

This Agreement made as of _____, 2012,

BETWEEN:

City of Nanaimo (Local Government)

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA represented by the Deputy Minister of the
Ministry of Community, Sport and Cultural Development (Province).

WHEREAS:

- A. The Province acknowledges that in this difficult economic time, financial certainty is critical for the Province and for local governments.
- B. The Province intends to strengthen its commitment to local governments by providing Strategic Community Investment Funds (Funds) over the next three years (2012 – 2014). This is also intended to provide bridge financing until local and provincial economies improve.
- C. By clarifying funding levels for the next three years, local governments are provided with the fiscal certainty required to make spending decisions, stimulate local economies and create jobs.
- D. The Province and the Local Government acknowledge the importance of reporting to residents on how the Funds are used. Transfers will be authorized using a flexible, purpose and objective-based approach to enable the Funds to flow quickly to communities, while ensuring a strong accountability and reporting framework.

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

Provided the Local Government complies with the terms and conditions of this Agreement, transfers will be authorized in the following amounts, for the purposes identified, on or before the date indicated.

Assured Funds	Use	Date	Amount
Small Community Grants	local government services	March 31, 2012	\$ 0
		June 30, 2012	\$ 0
		March 31, 2013	\$ 0
		June 30, 2013	\$ 0
		June 30, 2014	\$ 0
Traffic Fine Revenue Sharing Grants	defray the cost of local police enforcement	March 31, 2012	\$655,685
		June 30, 2012	\$1,061,724
		March 31, 2013	\$218,562
		June 30, 2013	\$624,600
		June 30, 2014	\$843,162

1. CONDITIONS RELATING TO PAYMENTS BY THE PROVINCE

Notwithstanding any other provision of this Agreement, the payment of money, or incurrence of an obligation or commitment, by the Province pursuant to this Agreement, is subject to:

- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act* (R.S.B.C. 1996, c. 138) (the "FAA"), to enable British Columbia in any fiscal year or part thereof when any such payment may be required, to make that payment;
- (b) Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in section 1(a); and
- (c) a report received from the local government that funds received to date have or are being used for the intended purposes and that public disclosure has or is being complied with in accordance with section 2 of this Agreement prior to funds being transferred.

2. ACCOUNTABILITY AND REPORTING TO RESIDENTS

- (a) Local governments receiving Funds will develop a plan that sets out the intended uses and performance targets for the Funds received from the Province.
- (b) By June 30th and in each following year, the Local Government will report publicly on the plan under section 2(a), and progress made toward achieving performance targets for the Funds in accordance with those plans.

3. TERM

This Agreement shall commence on the date that it is fully executed by both of the Parties and shall expire on June 30, 2015.

4. USES OF FUNDS

If any of these funds are not required for their intended use, the Province reserves the right to redirect the funds for other purposes.

SIGNATURES

This Agreement has been executed on behalf of the Local Government by the duly authorized Corporate Officer pursuant to a resolution of the Council or Board, and on behalf of the Province, by the Deputy Minister, Ministry of Community, Sport and Cultural Development.

City of Nanaimo

HER MAJESTY THE QUEEN
IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA as represented by
the Deputy Minister of the Ministry of
Community, Sport and Cultural
Development

Corporate Officer

Deputy Minister
Ministry of Community, Sport
and Cultural Development

FOR INFORMATION ONLY

REPORT TO: S. CLIFT, DIRECTOR, ENGINEERING & PUBLIC WORKS

FROM: B. SIMS, MANAGER, WATER RESOURCES

RE: WATER AUDIT STUDY – PRELIMINARY FINDINGS

STAFF'S RECOMMENDATION:

That Council receive this report.

DISCUSSION:

Earlier this year, work began on a Water Audit, with the goal of gaining a better understanding where our water is used, and how leakage may be impacting consumption. This will be used to inform where efforts at further conservation are best directed.

Preliminary work carried out to date involved significant data crunching and has provided greater clarity on per capita water consumption than was previously available. The table below compares Nanaimo's per capita flow with Canadian and British Columbia averages.

<i>Jurisdiction</i>	<i>Total Flow in litres per person per day</i>	<i>Residential only flow in litres per person per day</i>
Nanaimo	530	296
Canada	591	327
British Columbia	689	448

('Total Flow' refers to the total annual amount of water delivered. 'Residential Flow' refers to the amount consumed at the home on an annual basis; in Nanaimo's case it is only for single family dwellings. Overall residential average including multifamily will be even lower).

In the past, the City has only reported the 'total flow' amount, which has caused mistaken comparison to the Canadian 'residential flow' amount. It is hoped that these findings will provide better understanding on the part of the public. This information will be made public through a media release.

That Nanaimo is far below the BC average consumption, and moderately below the Canadian averages can be attributed to the proactive conservation measures undertaken historically (universal metering, expanded block rate and full-cost pricing, rebate programs and ongoing education).

The City of Nanaimo has long been a proponent of water conservation, and has historically undertaken several measures in support of conservation. This approach was reinforced in the Water Supply Strategic Plan in 2007, with reference to further demand side management programs. Council adopted the City's Water Conservation Strategy on September 15, 2008. The

☐ Council
☒ Committee *E/PCO*
☒ Open Meeting
☐ In-Camera Meeting
 Meeting Date: *2012-MAR-05*

Water Conservation Strategy identified the need to undertake a Water Audit to better characterize water use, and to determine the rate of unaccounted for water.

Kerr Wood Leidal and Associates Ltd. has begun working with the City to carry out the Water Audit which will better define water uses, consumption and potential leakage. This study is being carried out in two stages. Stage one is a desk top analysis to evaluate billing procedures and better define water consumption. Stage two consists of undertaking field work to validate and refine stage one results.

The Water Audit will also:

- Review the existing water uses and accounting measures;
- Identify where and how improvements can be made to quantify and characterize water uses, consumption and unaccounted amounts; and
- Determine a representative system leakage index.

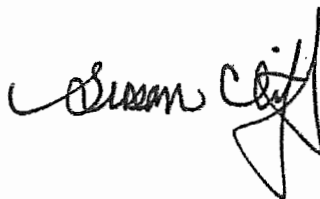
This work is being undertaken using best management practices within the water industry, in accordance with the American Water Works Association's *Water Audits and Loss Control Programs*.

Upon completion of the audit, the findings and recommendations will be presented to Council for consideration of conservation alternatives to be included in the 2012 update to the City's Water Conservation Strategy.

Respectfully submitted,



Bill Sims, Manager
Water Resources



Susan Clift, Director,
Engineering & Public Works



Tom Hickey, General Manager
Community Services

FPCOW: 2012-Mar-05

G:\Administration\Council Reports\2012\Water Audit preliminary findings

INFORMATION ONLY STAFF REPORT

REPORT TO: RICHARD HARDING, DIRECTOR
PARKS, RECREATION AND CULTURE

FROM: JEFF RITCHIE, SENIOR MANAGER OF PARKS AND CIVIC FACILITIES

RE: GENERAL CONTRACTOR TENDER – CLIFF MCNABB ARENA PROJECT

STAFF'S RECOMMENDATION

That Council receives the report.

EXECUTIVE SUMMARY:

Staff will be proceeding to call for tenders for the General Contractor for the Cliff McNabb Arena Upgrade. Five contractors have been pre-qualified. As per the City of Nanaimo's Purchasing Policy, all tenders over \$250,000 require an Information Report to Council prior to going out to tender. This tender is expected to exceed \$1.0 million.

BACKGROUND:

A call for prequalification of the general contractor tender went out on 2012-JAN-20. By the closing date of 2012-FEB-16, sixteen (16) proposals were received. Five proposals were shortlisted based on company experience in arena construction, availability and local knowledge. The successful proposals were:

- Heatherbrae Builders – Nanaimo
- Kinetic Construction Ltd. – Courtenay
- Knappett Projects Inc. – Victoria
- n. Wallace & Co. Ltd. – Surrey
- Windley Contracting (2010) Ltd. – Nanaimo

These five companies will be asked to bid on the General Contractor work.

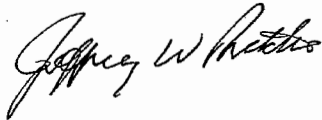
In reviewing the project, the Ice Melt Pit enclosure has been added to the scope of the project based on operational efficiencies, energy efficiencies, health and safety concerns and ice quality issues. The increased cost of \$150,000 will be funded from available Facility Development Reserve funds.

☐ Council
☒ Committee *FPCOW*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2012-MAR-05*

The total project budget is now \$1,750,000 and does not include the Community Recreation Program Grant. News of the grant application for \$400,000 is expected by 2012-MAR-31 which will coincide with this tender closing.

At that time staff will assess the tender results and the final budget and determine any potential project adjustments.

Respectfully submitted,



Jeff Ritchie
Senior Manager
Parks & Civic Facilities



Richard Harding
Director
Parks, Recreation and Culture



Tom Hickey
General Manager
Community Services

2012-FEB-29
File: A4-1-2 / D2-3-7
G:\Admin\STAFF REPORTS TO COUNCIL\2012\
RPT120305GeneralContractorTender-CliffMcNabbArenaProject.docx