

AGENDA FOR THE SPECIAL FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING
TO BE HELD IN THE BOARD ROOM, CITY HALL,
ON MONDAY, 2009-NOV-30, COMMENCING AT 4:30 P.M.

1. **CALL THE SPECIAL FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING TO ORDER:**
2. **INTRODUCTION OF LATE ITEMS:**
3. **ADOPTION OF AGENDA:**
4. **DELEGATIONS PERTAINING TO AGENDA ITEMS: (10 MINUTES)**
 - (a) Delegations Pertaining to the 2010 – 2014 Financial Plan
5. **STAFF REPORTS: (blue)**

ADMINISTRATION:

- (a) **2010 – 2014 Financial Plan**

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Staff's Recommendation: That Council receive the report and provide any desired policy direction with regard to an acceptable alternate level of tax increase.

- (b) **Fire Services Plan**

Pg. 5-7

Staff's Recommendation: That Council delay the design, construction, and staffing of Fire Station No. 6 by two years (2012 design, 2014 construction, 2015 commence staffing, and 2016 complete staffing).

CORPORATE SERVICES:

- (c) **Financial Plan Schedule**

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Staff's Recommendation: That Council endorse the financial plan schedule as proposed.

- (d) **Richmond O Zone Project February 12th to 18th, 2010**

Pg. 9-10

Staff's Recommendation: That Council direct Staff to proceed with participating in the Richmond O Zone Celebration Site of the 2010 Olympic Games with the following partners: Cowichan Valley Regional District, Ladysmith, Regional District of Nanaimo, Parksville, and Qualicum Beach.

(e) **UBCM Community Tourism Grant – Year 2 Outcomes**

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Staff's Recommendation: That Council accept the Staff report on outcomes for year 2 of the UBCM Community Tourism Grant program.

COMMUNITY SERVICES:

(f) **RCMP Contract – Staffing Levels & Budget, Request to Minister of Public Safety and Solicitor General**

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Staff's Recommendations: That Council:

1. direct Staff to proceed with the financing plan for RCMP resources as approved by Council on 2009-NOV-16;

AND:

2. direct Staff to write to the Minister of Public Safety and Solicitor General requesting 10 RCMP members for 2010.

6. **INFORMATION ONLY ITEMS:**

- (a) Report from Mr. T. M. Hickey, Director of Engineering and Public Works and Mr. T. F. Moscrip, Senior Manager of Engineering, re: Upcoming Road Projects.

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7. **NOTICE OF MOTION:**

8. **OTHER BUSINESS:**

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

10. **PROCEDURAL MOTION:**

It is moved and seconded that the following meeting be closed in order to deal with the following matters under the *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;

11. **ADJOURNMENT:**

STAFF REPORT
TO: NANAIMO CITY COUNCIL
FROM: A.C. KENNING, CITY MANAGER
RE: 2010 – 2014 FINANCIAL PLAN

STAFF RECOMMENDATION:

That Council receive the report and provide any desired policy direction with regard to an acceptable alternate level of tax increase.

BACKGROUND:

On 2009-NOV-16 staff presented the draft 2010 – 2014 financial plan. At the same meeting, Council considered and approved implementation of higher staffing levels in the fire service and the RCMP. These higher staffing levels were provided for in the draft financial plan. The overall tax increase in 2010 included in the plan is 3.4%.

DISCUSSION:

Some Council members have indicated a desire for a lower tax increase. Other than the approved increases to police and fire service levels, and a proposed higher service level to study land use at the assembly wharf, the draft financial plan includes continuation of existing levels of services. The expected result of a tax increase of below 3.4% is lower services in selected areas.

To achieve the following overall tax increase expenditure reductions as noted would be required:

Overall tax increase	Expenditure Reduction Required
3%	\$340,000
2.5%	\$720,000
2%	\$1,100,000
1%	\$1,870,000
0%	\$2,640,000

One year or short term expenditure reductions will not provide lasting budget relief. For instance, a one-year cut would merely translate into an increase in the next year. To avoid this, and to have a meaningful impact on the budget, the reductions would have to be permanent (or at least long term). This is one of the main reasons that these reductions will impact service levels. Finding significant one time short-term savings can be challenging enough but finding long-term permanent savings is even harder. Short-term cuts in the capital plan could be made with minimal impact but long-term cuts in capital will negatively impact service levels, especially as the city's capital assets start to deteriorate. One option is to fund more capital projects from reserves; however this is dependent on having sufficient reserves and again is a one-year benefit only.

Should Council wish to achieve one of the reduced tax percentages numbers noted previously, staff will provide a follow-up report on recommended expenditure reductions that would achieve the desired tax increase. Staff believe that the best way for Council to succeed in achieving a tax increase lower than 3.4% would be to set the acceptable tax level and task staff to come up with recommendations for appropriate magnitude of expenditure reductions.

Respectfully submitted,



A.C. Kenning, CA
City Manager

ACK/jdk

2009-NOV-30

STAFF REPORT

TO: NANAIMO CITY COUNCIL

FROM: A.C. KENNING, CITY MANAGER and
A.W. LAIDLAW, GENERAL MANAGER, COMMUNITY SERVICES

RE: FIRE SERVICES PLAN

STAFF'S RECOMMENDATION:

It is recommended that Council delay the design, construction and staffing of Fire Station No. 6 by two years (2012 design, 2014 construction, 2015 commencing staffing, and 2016 complete staffing).

BACKGROUND:

At its meeting held 2009-NOV-16, Council requested a staff report on the option of delaying the planning, construction and staffing of the proposed new Fire Station No. 6 (Hammond Bay at Nottingham) to service the Hammond Bay region of the City.

The current plan calls for planning and design to commence in 2010 with full 24/7 staffing to be completed by 2014. The construction of this station is to be funded from borrowing authorized by an alternate approval process or a referendum. Fire Station No. 6 also includes the incremental hiring of 20 additional fire fighters over the implementation period. This station is a critical phase in improving response time within its geographical area as well as improving the overall response performance toward the six minutes, 90 percent of the time target. In addition to improved 'first due' coverage, it will also provide an additional resource for multiple unit responses providing sufficient staff and resource concentration for larger incidents throughout the City. This phase of the plan provides enough response units available to service the risks associated with a large and growing population.

Costs for Station No. 6 in budget years 2010 and 2011 are \$150,000 which primarily are design fees. Borrowing is scheduled to take place in 2012 of \$2.4 million followed by operating increases of \$780,000 in 2013 and an additional \$700,000 in 2014. Delaying the station for one or two years would move design and staffing costs beyond these years. The appended charts demonstrate options and taxation impacts.

SUMMARY:

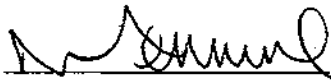
Staff believe planning, construction and staffing of the proposed new Fire Station No. 6 is an important new service for the community. It is very expensive, however, and comes at

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Meeting Date: 2009-NOV-23

a time when the economy is not great and many taxpayers are concerned about taxation levels. In staff's opinion, when Council adopted the 10-year fire plan, it did not anticipate the magnitude of the economic slump currently being experienced.

Delay of Fire Station No. 6 will not generate large budget savings in 2010 or 2011 but will delay the very expensive construction and staffing proposed for 2012 and 2013. Given the economic conditions, staff believe this is something that Council should seriously consider. It should be recognized that this new fire station is a new and higher service that the citizens have up to now lived without and a delay does not take away any current service level. If Council is supportive of such a delay, staff would recommend a delay of two years which would extend the 10-year plan to a 12-year plan. Hopefully economic conditions will have improved in two years making this new service level more affordable to the citizens.

Respectfully submitted,



A.C. Kenning,
City Manager



A.W. Laidlaw,
General Manager, Community Services

2010 - 2014 BUDGET - SUBMITTED TO COUNCIL

	2010	2011	2012	2013	2014
Capital Cost - Fire Station #6	150,000	150,000	2,400,000		
Annual Operating Costs - Fire Station #6				479,669	371,253
Borrowing Costs - Fire Station #6			12,230	296,596	296,596
Total Annual Increase - Operating Costs	—	—	12,230	776,265	667,849
Projected Annual General Taxation Increase	0.0%	0.0%	0.0%	1.0%	0.9%

DELAY 1 YEAR - CONSTRUCTION AND STAFFING FOR FIRE STATION #6

	2010	2011	2012	2013	2014	2015
Capital Cost - Fire Station #6		150,000	150,000	2,400,000		
Annual Operating Costs - Fire Station #6					479,669	371,253
Borrowing Costs - Fire Station #6				12,230	296,596	296,596
Total Annual Increase - Operating Costs	—	—	—	12,230	776,265	667,849
Projected Annual General Taxation Increase	0.0%	0.0%	0.0%	0.0%	1.0%	0.9%
Change - Projected General Taxation Increase	0.0%	0.0%	0.0%	-1.0%	0.1%	

DELAY 2 YEARS - CONSTRUCTION AND STAFFING FOR FIRE STATION #6

	2010	2011	2012	2013	2014	2015	2016
Capital Cost - Fire Station #6			150,000	150,000	2,400,000		
Annual Operating Costs - Fire Station #6						479,669	371,253
Borrowing Costs - Fire Station #6					12,230	296,596	296,596
Total Annual Increase - Operating Costs	—	—	—	—	12,230	776,265	667,849
Projected Annual General Taxation Increase	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	0.9%
Change - Projected General Taxation Increase	0.0%	0.0%	0.0%	-1.0%	-0.9%		

STAFF REPORT

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

FROM: B. E. CLEMENS, DIRECTOR OF FINANCE

RE: FINANCIAL PLAN SCHEDULE

RECOMMENDATION

That Council endorse the financial plan schedule as proposed.

BACKGROUND

At the Regular Finance & Policy Committee of the Whole held 2009-Nov-16 staff presented Council with the draft 2010 – 2014 Financial Plan. As part of the presentation, staff outlined a proposed schedule that would result in the plan being adopted by Council on 2010-Jan-25.

The proposed schedule is as follows:

Nov 30	FPCOW	Staff reports on Fire, Police, Roads
Dec 7	FPCOW	Staff reports on Economic Development, Reserves and 5 year capital program
Dec 14	Council	Available for further discussion
Jan 11	Council	Introduction of budget bylaw
Jan 18	FPCOW	Available for further discussion
Jan 25	Council	Adoption of budget bylaw

Time will available at each meeting for members of the public to speak to the 2010 – 2014 Financial Plan up until the budget and tax rates bylaws are adopted in May. Additional meetings, including an all day budget seminar, can be scheduled if Council so directs.

Staff are requesting that Council adopt the above schedule or amend it as desired.

Respectfully submitted,



Brian E. Clemens
Director of Finance



Douglas W. Holmes
General Manager of Corporate Services

BEC/

FPCOW: 2009-Nov-30
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☐ Council
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☐ In-Camera Meeting
Meeting Date: 2009-Nov-30

STAFF REPORT

TO: IAN HOWAT, DIRECTOR OF LEGISLATIVE SERVICES

FROM: MARILYN HUTCHINSON, ECONOMIC DEVELOPMENT OFFICER

RE: RICHMOND O ZONE PROJECT FEBRUARY 12 – 28, 2010

RECOMMENDATION:

That Council direct staff to proceed with participating in the Richmond O Zone Celebration Site of the 2010 Olympic Games with the following partners; Cowichan Valley Regional District, Ladysmith, Regional District of Nanaimo, Parksville and Qualicum Beach.

EXECUTIVE SUMMARY:

For 17 days from February 12 to 28, 2010, the City of Richmond is hosting the Richmond O Zone (www.richmondozone.com), a showcase of entertainment activities and interactive booths for Canadian and international visitors to the Olympic and Paralympic Games, estimated to be 15,000 booth visitors per day. The international media to the Games are staying in Richmond hotels and will be visiting the O Zone for stories about BC communities. Corporate representatives of Games sponsors and government officials will visit the O Zone to learn about opportunities presented by participating communities including investment opportunities, convention destinations and tourism amenities. BC residents primarily from Lower Mainland communities will take advantage of the new Canada Line to visit the O Zone site. The City of Nanaimo has submitted an initial letter of intent expressing interest and is participating in an information workshop on 2009-NOV-20 to tour the site and better understand the project's expectations.

An interactive presence of central Vancouver Island communities led by the City of Nanaimo's economic development and destination marketing & development team associated with the Olympic & Paralympic Games, is a one-time-only opportunity to showcase the Vancouver Island community that is closest to Vancouver.

BACKGROUND:

Destination Nanaimo and the Economic Development department have committed to promoting Nanaimo to the business and visitor markets during the Olympic & Paralympic Games. This includes advertising in key business publications that will be placed in all Vancouver hotels for corporate and government officials, preparing media stories about Nanaimo for non-accredited media and participating in a partnership with Tourism Vancouver Island to meet the media at a Vancouver Island community-hosted reception in the 2010 Commerce Centre in Robson Square.

In addition to the above campaigns, the invitation to participate in the Richmond O Zone will allow an opportunity for stakeholder volunteers to interact face-to-face and promote Nanaimo both nationally and internationally. A preliminary budget of \$58,000 has been identified from the Economic Development and Destination Nanaimo 2009 budgets to cover expenses associated with 17 interactive nights. An ad hoc planning committee has been convened to discuss theme activities and members believe that participation by Nanaimo organizations will be accepted enthusiastically,

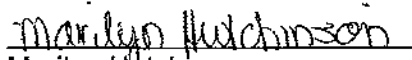
including requests for in-kind support, equipment and other logistical needs. Community in-kind and other supports could easily exceed the seed funding currently identified by the Economic Development department.

SUMMARY:

The significant presence of international media covering the Olympic and Paralympic Games will extend to visiting the Richmond O Zone for additional sport stories unique to BC communities and information that highlights a community's history, amenities and special features. The Economic Development department believes that participation in this initiative could raise the profile of Nanaimo and accelerate awareness as a destination and investment community for many years following the Games.

In the current sluggish economy, Nanaimo's presence in the Richmond O Zone for 17 days in February 2010 could bring long-term economic benefit and community pride.

Respectfully submitted,


Marilyn Hutchinson
Economic Development Officer

Special FPCOW 2009-NOV-30

STAFF REPORT

TO: IAN HOWAT, DIRECTOR OF LEGISLATIVE SERVICES

FROM: MARILYN HUTCHINSON, ECONOMIC DEVELOPMENT OFFICER

RE: UBCM COMMUNITY TOURISM GRANT – YEAR 2 OUTCOMES

RECOMMENDATION:

That Council accept the Staff Report on outcomes for year 2 of the UBCM Community Tourism Grant program.

EXECUTIVE SUMMARY:

Following on previous reports to Council, the Economic Development Office continued visitor development initiatives associated with:

- a) marketing and promotion of Newcastle Island Marine Provincial Park;
- b) supporting the City's Sports & Cultural Tourism strategy; and
- c) researching and implementing a Tourism Destination Development strategy.

Awareness of Nanaimo as a visitor destination has been raised significantly since 2005, the result of a comprehensive visitor marketing strategy targeted to key markets of Victoria, the Lower Mainland and Alberta. Initiatives listed above are reflective of the range of visitor offerings and support for existing and potential destinations and infrastructure.

BACKGROUND:

Newcastle Island Marine Provincial Park \$120,000

The contribution of \$10,000 from the UBCM Community Tourism Program has seen marketing strategies incorporated into the Snuneymuxw operations manager's annual plan. To date this has included updating the island's website to allow improved campground bookings and rental of Pavilion facilities on the island. Funds have been utilized to promote availability of bike and kayak rentals on the island, and re-institute Sunday Salmon Bar-B-Qs, however due to the ban on open fires in August 2009, no salmon barbeques occurred on the island. Other monies were allocated to develop and deliver a display folder on BC Ferries, and advertise in tourism publications for 2009 and 2010. Lastly, plans are in place to update and re-print the island marketing brochure in 2010.

Arising from the City's Protocol Agreement with the Snuneymuxw First Nation and Co-management Agreement between the partners and BC Parks, staff acknowledge the opportunity to raise awareness of Newcastle Island as a visitor destination. For example, in 2007 total visitation to the island via Nanaimo Harbour Ferry was 14,657. By end-summer 2009, total visitation was 25,748, an increase of more than 75%, not counting persons who travelled to the island via their own power boats, kayaks and canoes. Owing to the increasing demand for service, the owner of the harbour ferry has launched a 40-passenger vessel and in 2010 anticipates bringing up to two more of his smaller 14-passenger 'pickle boats' to Nanaimo Harbour, to meet increasing demand for bookings by campers, day-visitors, convention and charter groups.

The Parks, Recreation & Culture department is facilitating the placement of mooring buoys adjacent to the island to improve overnight stays by boaters wishing to experience Nanaimo's visitor amenities. Boaters will also be able to access concession and laundry facilities, and enjoy the island's natural attractions and activities. Value of this project is \$110,000 including engineering services and equipment purchases and BC Parks is contributing an additional \$20,000 toward this initiative, which will offer boaters moorage same as other BC marine provincial parks. Owing to the time-of-year and weather conditions, completion of mooring buoys installation is not expected to be completed until early Spring, prior to start of the 2010 boating and visitation season on the island.

Sports & Cultural Tourism Strategy \$60,000

The contribution of \$60,000 from the Community Tourism Program to the Parks, Recreation & Culture department was allocated equally by \$30,000 to diverse projects to further the sport tourism component of the City's Sport & Cultural Tourism Strategy, and \$30,000 to Salmon in the City Initiatives.

Sport tourism activities were supported as follows:

Project	Allocation	Other Resources
Nanaimo Sport Tourism Guide	\$5,000	Destination Nanaimo \$5,000 Tourism Vancouver Island \$10,000
Marketing collateral*	\$5,400	Parks, Recreation & Culture \$1,300
Sport Tourism Strategy Development	\$6,700	Parks, Recreation & Culture covered costs of preliminary research; will be responsible for layout, graphics & printing of final Strategy document
Tournament & Festival Grant Program Enhancement	\$8,000	Additional to core Program budget of \$20,000; one-time-only
Tourism Nanaimo Guide advertising	\$2,200	
Canadian Sports Congress; raising profile of Nanaimo as a sports destination; attendance at Tourism Vancouver Island annual conference for same purpose	\$2,700	
Total:	\$30,000	

*Reusable shopping bags were purchased for local sport groups hosting out-of-town athletes.

Salmon in the City

A salmon interpretive area will be created in Bowen Park near the duck pond. The purpose of this project is to increase visitation in the park and a special-event stage and footbridge to the island will be built as a scenic viewpoint to the park. Two entrance kiosks will be situated, identifying the trail to the Side Channel. In addition to the UBCM contribution of \$30,000, Parks, Recreation & Culture department will be contributing \$95,000 to this project.

Nanaimo Destination Development Strategy \$154,000

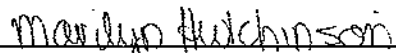
As a component of promoting Nanaimo as a conference and recreational destination, staff have undertaken the research and recommended steps toward a comprehensive Destination Development Strategy. The report will be completed November 2009 and presented to Council for approval. The project's goal is to identify and prioritize Nanaimo's key visitor sub-sectors and offer recommendations for focused destination development activity by the Economic Development Office and community stakeholder organizations. Additionally the report will propose key steps toward implementation of a hotel tax or destination marketing fee, currently under re-examination by the Province of BC. Economic Development department is contributing \$55,000 toward this project.

SUMMARY:

Since implementation of strategic initiatives began in 2005 to increase the profile of Nanaimo, the city's status as a visitor, business and resident destination has been raised significantly. The City's Downtown Revitalization Strategy including development of the Port of Nanaimo Centre has created opportunity for visitation and downtown presence by new businesses. Community partners Nanaimo Port Authority and Nanaimo Airport Commission have engaged their own infrastructure expansion projects, in support of Nanaimo's projected growth.

The 2010 implementation of a strategic Destination Development Strategy will focus resources and efforts on maintaining the momentum built to date and identify a mechanism for shared participation in the next steps of promoting Nanaimo as a conference, business and visitor destination.

Respectfully submitted,


Marilyn Hutchinson
Economic Development Officer

Special FPCOW 2009-NOV-30

STAFF REPORT

REPORT TO: AL KENNING, CITY MANAGER

FROM: ANDY LAIDLAW, GENERAL MANAGER, COMMUNITY SERVICES

RE: RCMP CONTRACT - STAFFING LEVELS & BUDGET, REQUEST TO MINISTER OF
PUBLIC SAFETY AND SOLICITOR GENERAL

STAFF'S RECOMMENDATION:

1. That the financing plan for RCMP resources proceeds as approved by Council on November 16 2009.
2. That Council direct staff to write to the Minister of Public Safety and Solicitor General requesting 10 RCMP members for 2010.

RCMP 2010 BUDGET ANALYSIS REQUESTED BY COUNCIL:

In response to Council's direction, staff has identified the financial impact of changing the timing for additional RCMP members in 2010 and 2011 as presented in the 2010 – 2014 Financial Plan.

Increasing the additional RCMP members to 8 from 5 in 2010 and decreasing the additional RCMP members to 2 from 5 in 2011 will raise the property tax increase in 2010 to 3.9% from 3.4% (residential to increase to 5.1%) and decrease the property tax increase in 2011 to 5.6% from 6.1% (residential to decrease to 6.7%).

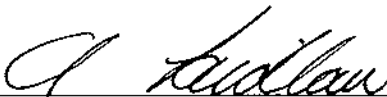
The change in timing for additional RCMP members has a minimal impact on the property tax increase for 2011 and a corresponding negative impact on the property tax increase for 2010.

BACKGROUND:

Each year there is a significant delay between the time that Council approves new RCMP positions and the time that they are actually filled. This is largely due to the fact that notice must be given to the provincial Minister of Public Safety and Solicitor General and a request is then made to the federal Minister of Public Safety to approve additional positions, as the federal government funds 10% of all municipal positions.

Additional RCMP members, like all staff, are budgeted for the full year. Due to the significant delays that occur in filling new positions this results in an annual budget surplus in the year that they are approved. In order to speed up the process in getting new members and reduce the annual surplus in 2010, staff is requesting that Council approve the request to the federal Minister for Public Safety to be for ten new members for 2010. Since the new members will not arrive until at least October, the 2010 budget allocation will be sufficient to cover all ten for the partial year and the additional budget allocation in 2011 will cover the full year costs for all ten. Hiring earlier will allow the RCMP to better allocate resources and have the additional members working in the community sooner.

Respectfully submitted,



Andy Laidlaw
General Manager, Community Services

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Meeting Date: 2009-Nov-30

FOR INFORMATION ONLY

REPORT TO: ANDY LAIDLAW, GENERAL MANAGER, COMMUNITY SERVICES

FROM: TOM HICKEY, DIRECTOR, ENGINEERING & PUBLIC WORKS
TOM MOSCRIP, SENIOR MANAGER OF ENGINEERING

RE: UPCOMING ROAD PROJECTS

RECOMMENDATION:

That Council receive the report.

EXECUTIVE SUMMARY:

At Council's 2009-SEP-24 meeting, a motion was passed that Council review road projects scheduled for construction over the next five years to identify if they are necessary.

The following are the roads projects in the 2010-2014 Financial Plan:

PROJECT	Years	Total Budget	General Revenue Portion	DCC's Portion
1. Hammond Bay Road / Friar Tuck	2010	\$582,000	\$251,000	57%
2. Boundary / Northfield	2010-11	\$250,000	\$50,000	82%
3. Quarterway Bridge Replacement and Bowen Road Widening	2011-12	\$9.6 m	\$3 m	68%
4. Street Lighting (street upgrades)	2011-12	\$620,000	\$620,000	0%
5. Terminal Avenue Brechin to Waddington	2012	\$330,000	\$330,000	0%
6. Transportation Plan	2012	\$70,000	\$35,000	50%
7. Cedar Road (Street Upgrades)	2013	\$760,000	\$760,000	0%
8. Bowen / Northfield / Boxwood	2014	\$1,273,000	\$175,000	86%
9. Road Infrastructure	2010-14	\$800,000	\$800,000	0%
10. Pedestrian / Cycling / Traffic Initiatives	2010-14	\$2.3 m	\$2.3 m	0%

These road projects are prioritized and included in the Capital Budget because they address safety and capacity issues plus they are designed to improve other modes of transportation. They are determined by current need and projected growth.

BACKGROUND:

1. Hammond Bay Road / Friar Tuck

Hammond Bay Road is a major road in the City network and is the only road serving the Stephenson Point/Hammond Bay neighborhoods. In 2007, a long term improvement plan was developed in consultation with the community to improve Hammond Bay Road from Departure Bay to Morningside Drive. This is the first section of road corridor to be improved. The existing intersection at Friar Tuck has restricted visibility and the road in this section is narrow and lacks pedestrian and cycling space.

This road project will balance competing transportation needs within the constrained right-of-way. The existing single travel lane in each direction will be maintained. The project includes: improvements to intersection visibility and an increase in road lane widths for 260 meters to provide room for cyclists on the roadway; a bus pull out; the construction of a sidewalk on the north

side and improvement to the walking shoulder on the south side. The project does not include a left turn bay into Friar Tuck.

The outcome will be improvements to safety for pedestrians, cyclists and transit users.

2. Boundary / Northfield

Northfield Road is an arterial and Boundary Avenue is a major collector in the City Road Network. The problems at this intersection are exacerbated by the proximity of a railroad crossing and Highway 19A. This intersection along with 19A/Northfield is one of the most congested areas in the city.

Short term intersection improvements are under consideration to reduce congestion, minimize vehicles backing onto the railway tracks and to improve the pedestrian/bicycle connections through the area. Plans will likely include the restriction of traffic movements at the Boundary/Northfield intersection and improvements to address the resulting redirection of vehicles onto other roads in the area. These improvements are being developed with input from the Ministry of Transportation and Infrastructure, who are also considering possible improvements at the Highway/Northfield intersection.

3. Quarterway Bridge Replacement and Bowen Road Widening

Bowen Road is one of the City's main arterial roads. At the Quarterway Bridge the traffic count is approximately 18,000 vehicles per day and this section of Bowen Road is projected to reach 22,000 vehicles per day within the next five to seven years. This is comparable to the volumes experienced along Bowen Road in 1996 prior to the construction of the Parkway when the four laning of Bowen Road was a priority of Council.

As previously reported to Council, the Quarterway Bridge was constructed in 1939 and is now approaching the end of its life. This year repairs were made to the bridge at a cost of \$32,000 to keep it operational and without load limits. Annual inspections are required to monitor continuing deterioration.

The goals for this project are to:

- improve long term traffic and pedestrian flow and safety by replacing the aging Quarterway Bridge with a five lane bridge;
- improve the alignment of the Pryde Avenue intersection, and
- provide safer access to businesses on the west side of Bowen Road between Pryde Avenue and the Quarterway Bridge because this is a high rear end collision area.

The design includes the section of Bowen Road from Pryde Avenue to approximately 200 metres east of Buttertubs Drive to establish the correct alignment of the bridge. In 2008 Council unanimously supported the option of a five lane bridge to provide a centre turning lane so that the businesses along Bowen Road have full movement access.

The new Quarterway Bridge is required federally to be designed to convey the 200 year flow under it, which is why the bridge is designed to be higher and longer. With the new bridge, should the 200 year storm occur, the water will be conveyed by the Millstone River within its banks. There will be no flooding of properties fronting Bowen Road nor is Bowen Road or Jinglepot Road flooded.

The project budget is \$11.1 million with \$3.7 million funded through general taxation and \$7.4 million funded from Development Cost Charges. The 2010 to 2014 Financial Plan carries the remaining \$9.6 million of the budget. Between November 1995 and April 2009, the City completed the acquisition of 12 properties plus almost \$300,000 has been spent on design.

Project costs can be reduced to about \$4 million by constructing a new two lane bridge and the related road works in lieu of the proposed five lane bridge and Bowen Road widening. The bridge will have to be built to the 200 year flow design which, like the five lane bridge, will raise the bridge deck by 1.5 metres and require the road grade on the approaches to be elevated as well. To build the two lane bridge, either a temporary bridge and roadway can be built on the Bowen Park side of the road or Bowen Road can be closed for most of the six to eight month construction period. The encroachment into the Park for a temporary bridge and road access will be almost the same as with the construction of a five lane bridge.

A two lane bridge will not accommodate future traffic volumes and does not address road safety issues. A two lane bridge replacement does not address growth so the funding must come entirely from general taxation.

4. Street Lighting

This work is the 2011-12 portion of the Street Upgrades program. The money is budgeted to replace street lights in the Downtown including the extension of the lighting program from Museum Way to Front Street and along Skinner Street plus light upgrades in Cilaire.

5. Terminal Avenue - Brechin to Waddington

The medians on this section of road are in poor repair and the Waddington intersection has safety issues. The work will include replacing the medians on Terminal, minor modifications to the Waddington intersection and improvements to the railway and trailway crossings.

6. Transportation Plan

To encourage citizens of Nanaimo to make a shift in transportation modes, a helpful step is the development of a Transportation Plan. The development of the Transportation Plan is scheduled for 2012. The process will provide the community with the opportunity to participate with Council in the discussion, development and support of transportation goals.

The outcome is a Transportation Plan that will:

- showcase what we are doing right;
- provide information to help us do better;
- develop community objectives for transportation and provide a plan to achieve them, and
- provide a context for making policy and project decisions.

The budget includes the development of a plan plus funding to help implement priority initiatives.

7. Cedar Road

The project is the 2013 component of the annual Street Upgrades program. It will consider improvements to the pedestrian and cycling facilities and will also consider intersection upgrades to improve alignment and visibility concerns. This project is subject to the timing of the Sandstone development and provides the City with an opportunity to work with the Sandstone Development Group in the improvement of the transportation network.

8. Bowen / Northfield / Boxwood

Bowen Road and Northfield Road are arterial roads in the City network. The intersection of Bowen / Northfield has the highest collision history of any City owned intersection and is one of the most congested.

This project is intended to provide a long term solution to safety issues, traffic growth, access configurations and property development issues in the surrounding area. The project will support the development of the surrounding area as an urban neighbourhood and mixed use centre that supports the needs of pedestrians, cyclists and public transit. The main component of the plan is the development of an additional network link to reduce the demand through the Bowen / Northfield intersection.

The project scope and design needs to be more fully developed to better define the budget and to determine the phasing and timing of the project construction. The current Five Year Capital Plan provides for only a portion of the construction costs.

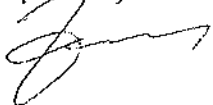
9. Road Infrastructure

Program funding is used to make improvements with development funded projects to enhance existing streets. The program also provides funding for minor improvements resulting from public concerns. Some recent project examples include Mostar Rail Crossing, Cienar Drive, Enterprise Way and Rock City Road.

10. Pedestrian / Cycling / Traffic Initiatives

This is a combination of three budget programs (Sidewalks \$1,500,000, Pedestrian Facilities \$645,000 and On Road Bicycle Network Improvements \$191,000) to address pedestrian, bicycle and neighbourhood traffic issues. It includes the construction of sidewalks, the installation of pedestrian facilities (pedestrian warning flashers; countdown timers), bicycle road network improvements and traffic calming (curb extensions; speed humps; traffic circles) to meet public requests and identified safety needs.

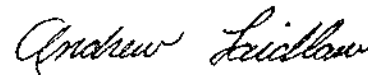
Respectfully submitted,



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