

**MINUTES**  
FINANCE AND AUDIT COMMITTEE MEETING  
BOARD ROOM, SERVICE AND RESOURCE CENTRE  
411 DUNSMUIR STREET, NANAIMO, BC  
WEDNESDAY, 2020-FEB-19, AT 9:00 A.M.

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Present: Mayor L. Krog  
Councillor D. Bonner  
Councillor T. Brown  
Councillor E. Hemmens  
Councillor I. W. Thorpe  
Councillor J. Turley

Absent: Councillor S. D. Armstrong  
Councillor B. Geselbracht  
Councillor Z. Maartman

Staff: J. Rudolph, Chief Administrative Officer  
R. Harding, General Manager, Parks, Recreation and Culture  
D. Lindsay, General Manager, Development Services (arrived 9:05 a.m.)  
B. Sims, General Manager, Engineering and Public Works  
L. Mercer, A/General Manager, Corporate Services  
K. Fry, Fire Chief  
A. Groot, Director, Facilities and Parks Maintenance  
J. Holm, Director, Development Services (arrived 9:37 a.m., vacated 10:10 a.m.)  
L. Clarkson, A/Director, Parks, Recreation and Culture  
L. Bhopalsingh, Manager, Community Planning (arrived 9:32 a.m., vacated 9:35 a.m.)  
W. Fulla, Manager, Business, Asset & Financial Planning (arrived 9:10 a.m.)  
K. Gonzales, Manager, Aquatics  
K. Lindsay, Manager, Emergency Program (vacated 9:05 a.m.)  
D. Johnston, Manager, Arenas  
R. Lawrance, Environmental Planner (arrived 9:37 a.m., vacated 10:10 a.m.)  
S. Newlands, Parks Project Coordinator (vacated 9:35 a.m.)  
D. Blackwood, Client Support Specialist (vacated 9:05 a.m.)  
S. Gurrie, City Clerk  
K. Gerard, Steno, Legislative Services  
N. Sponaule, Recording Secretary

1. CALL THE FINANCE AND AUDIT COMMITTEE MEETING TO ORDER:

The Finance and Audit Committee Meeting was called to order at 9:00 a.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Move Agenda Item 7(f) - Parks, Recreation and Culture Fees and Charges Policy Update for September 2020 to August 2024 to Agenda Item 7(k) – Closed Circuit Television Video Equipment and Camera Van. Move Agenda Item 7(k) – Closed Circuit Television Video Equipment and Camera Van to Agenda Item 7(f) - Parks, Recreation and Culture Fees and Charges Policy Update for September 2020 to August 2024.

3. ADOPTION OF AGENDA:

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

4. ADOPTION OF MINUTES:

It was moved and seconded that the following Minutes be adopted as circulated:

- Minutes of the Special Finance and Audit Committee Meeting held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC, on Monday, 2019-DEC-09, at 3:43 p.m.
- Minutes of the Finance and Audit Committee Meeting held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC, on Wednesday, 2019-DEC-18, at 9:00 a.m.

The motion carried unanimously.

5. REPORTS:

- (a) Emergency Preparedness Mobile App Host Community Grant

Introduced by Laura Mercer, Acting General Manager, Corporate Services.

Laura Mercer, Acting General Manager, Corporate Services, provided the Finance and Audit Committee (the Committee) with a verbal report regarding the City's role in administering an \$11,000 grant as part of a partnership with the University of British Columbia (UBC) and six island Communities.

Karen Lindsay, Manager, Emergency Program, advised that the City was approached by UBC in November regarding an opportunity to develop a mobile app to assist in developing emergency preparedness plans. The funding will support the public education component of the City's climate resiliency study by hosting workshops and creating a mobile app to further a common vision of encouraging residents in developing household emergency response plans for a more resilient community.

(b) Community Program Development Grant – Nanaimo Science and Sustainability Society (NS3)

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Introduced by Richard Harding, General Manager, Parks, Recreation and Culture.

D. Lindsay entered the Boardroom at 9:05 a.m.

D. Blackwood and K. Lindsay vacated the Boardroom at 9:05 a.m.

Committee discussion took place regarding:

- Eligibility of grant applications and approval process
- Why certain applicants were not eligible and including this reasoning in future reports

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the request from the Nanaimo Science and Sustainability Society (NS3) for a Community Program Development Grant in the amount of \$3,000 to assist in funding a Science in the Park summer program for children and families. The motion carried unanimously.

(c) Next Phase for Nanaimo Art Gallery Development and Implementation

Richard Harding, General Manager, Parks, Recreation and Culture, spoke regarding the next phases for the Nanaimo Art Gallery. Phases one and two of the Nanaimo Art Gallery's development is complete and Staff are now recommending moving forward with phases three and four.

Committee discussion took place regarding:

- The \$50,000 in funding for 2020-2021 not being included in budget deliberations for this year
- Potential impact to the Art Gallery's timeline if funding is pushed out for a year

W. Fulla entered the Boardroom at 9:10 a.m.

- Recent requests made to Council for a community arts centre and whether the Nanaimo Art Gallery would incorporate community art space as part of phase three or four
- Phase four including expansion of the gallery
- Conditional \$50,000 operating grant each year
- Amount requested by the Nanaimo Art Gallery in comparison to the Port Theatre
- Opportunity for partnerships allowing for other groups to use space

It was moved that the Finance and Audit Committee recommend that Council:

1. direct Staff to work with the Nanaimo Art Gallery on moving forward with the next phase of the Nanaimo Art Gallery development process and return with options that may include an updated co-management agreement; and,

2. direct Staff to include funding options that address the next phase of Art Gallery Development and Operations for Council's consideration in the 2021-2025 budget deliberations.

The motion carried unanimously.

(d) Rotary Centennial Garden Project Update

Richard Harding, General Manager, Parks, Recreation and Culture, provided the Committee with an update regarding the Rotary Centennial Garden Project, which included:

- Project will cost more than initial scope showed
- Rotary has fulfilled original \$200,000 sponsorship

Committee discussion took place regarding:

- Status of the Port Theatre grant and it's effect on the Strategic Infrastructure Reserve
- Unique project with components such as lighting and pavers adding to extra costs
- Whether costs involved in infrastructure of project (power, lighting) would benefit other areas of park and could offset costs to those areas
- Whether washroom facilities had been considered for the area because of proximity to playground

It was moved and seconded that the Finance and Audit Committee recommend that Council approve adding \$186,120 to the 2020 budget for the Rotary Centennial Garden Project at Maffeo Sutton Park to be funded by the Strategic Infrastructure Reserve. The motion carried unanimously.

(e) Beban Complex 2019 Project Cancellation

Introduced by Richard Harding, General Manager, Parks, Recreation and Culture.

Committee discussion took place regarding:

- Money that was allocated to this project going into reserves if cancelled
- Reasoning for cancellation

Art Groot, Director, Facilities and Parks Maintenance, provided the following rationale:

- Review of Beban Complex facility took place in 2017 and re-painting the metal siding was proposed as a short-term option at that time
- Upon review, it was discovered that chemical substances in the old paint would require a considerable abatement process which was not budgeted for
- Staff are instead now planning for a longer-term solution which involves upgrading the siding to a thermal energy siding
- Money originally proposed for painting will now be incorporated into the budget for the long-term plan

(f) Closed Circuit Television Video Equipment and Camera Van

Introduced by Bill Sims, General Manager, Engineering and Public Works.

Committee discussion took place regarding whether there would be improved efficiencies with the new equipment.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve increasing the budget for the Closed Circuit Television Video Equipment and Camera Van by \$214,458, funded from the Sewer Reserve. The motion carried unanimously.

(g) Funding for Overdose Emergency Response Conference

Introduced by Dale Lindsay, General Manager, Development Services.

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to dispense \$200,000 received from the Ministry of Mental Health and Addictions to the British Columbia Patient Safety & Quality Council for the purpose of hosting a provincial Overdose Emergency Response Centre Conference in Nanaimo in 2020. The motion carried unanimously.

(h) British Columbia Poverty Reduction Grant Application

Introduced by Dale Lindsay, General Manager, Development Services.

L. Bhopalsingh entered the Boardroom at 9:32 a.m.

Committee discussion took place regarding:

- Expected outcome
- This program addressing phase one of a two phased approach by assessing what needs to be done.
- Health and Housing Task Force systems mapping project helping to inform the Regional District of Nanaimo's project
- Integration of systems mapping with partners at different levels

It was moved and seconded that the Finance and Audit Committee recommend that Council adopt the following resolution:

“That the City of Nanaimo supports the Regional District of Nanaimo as the primary applicant to the UBCM Poverty Reduction Planning and Action grant program for a Social Needs Assessment and Strategy and supports the Regional District of Nanaimo to receive and manage the grant funding on its behalf”.

The motion carried unanimously.

L. Bhopalsingh and S. Newlands vacated the Boardroom at 9:35 a.m.

(i) Sponsorship Policy and Program Development

Laura Mercer, Acting General Manager, Corporate Services, introduced the report in which Staff recommended a three phased approach: phase one determines what the City has to sell, phase two develops a sponsorship policy and phase three is implementation.

J. Holm and R. Lawrence entered Boardroom 9:37 a.m.

Committee discussion took place regarding:

- Combining phase one and phase two to help move the process along faster and be more cost effective
- Phase one helping to identify what kind of sponsorship value could be associated to the City's inventory and what that inventory is
- Process being uncomfortable but a more phased approach not helping to alleviate this
- Not losing sense of community in current naming practices where various fields, facilities and trails are named after community volunteers

It was moved and seconded that the Finance and Audit Committee recommend that Council take a two (2) phased approach to creating a sponsorship policy and strategic plan as follows:

- Phase 1 – Issue a Request For Proposals to:
  - Conduct a feasibility study/inventory asset valuation
  - Develop or update sponsorship/advertising/naming policy
  - Develop sponsorship strategic plan
- Phase 2 – Implement sponsorship program

The motion carried unanimously.

(j) CleanBC Better Homes Rebate Program

Dale Lindsay, General Manager, Development Services, provided the Committee with an overview of the CleanBC Better Homes Rebate Program, which included:

- Opportunity for residents who have oil or natural gas furnaces to have them replaced with a heat pump
- \$100,000 allowing for participation in the program for the next two years

Committee discussion took place regarding:

- Concern that program is not big enough and wouldn't benefit those that may need funding assistance the most
- Possibility of increasing program funding from \$100,000 to \$200,000

Rob Lawrance, Environmental Planner, spoke regarding:

- Program costs being relative to different areas of the province
- Province having a direct role in marketing the program

Committee discussion continued regarding:

- Decision time-sensitive as program deadline first week of March with program launching first week of April – no time to refer to Environment Committee for further discussion on whether funding should be increased
- Keeping with staff recommendation would allow for more funding to be available for Environment Committee initiatives
- Current rebate programs and whether they are well advertised and utilized
- Program for residential only, not commercial
- Benefits of program to both homeowners and tenants

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to participate in the CleanBC Better Homes for Nanaimo to contribute:

- \$2,000 to the Electric Heat Pump fund
- \$500 to the Electric Service Upgrade fund
- \$1,000 to the Electric Heat Pump Water Heater fund
- \$550 to the Contractor Participation Incentive fund
- \$150 to the EnerGuide Home Energy Assessment fund

The motion was defeated.

Opposed: Mayor Krog, Councillors Thorpe and Turley

It was moved and seconded the Finance and Audit Committee recommend that Council:

1. direct Staff to coordinate with the Province of BC and participate in the CleanBC Better Homes Rebate Program; and,
2. direct Staff to add \$100,000 to the 2020-2024 Financial Plan for the participation in the Province of BC CleanBC Better Homes Rebate Program with funding coming from the Emissions Reduction Reserve Fund.

The motion carried unanimously.

The Finance and Audit Committee meeting recessed at 10:10 a.m.

The Finance and Audit Committee meeting reconvened at 10:23 a.m.

Staff Present: L. Clarkson, K. Fry, W. Fulla, R. Harding, K. Gerard, K. Gonzales, A. Groot, S. Gurrie, D. Johnston, D. Lindsay, L. Mercer, J. Rudolph, B. Sims and N. Sponaugle

- (k) Parks, Recreation and Culture Fees and Charges Policy Update for September 2020 to August 2024
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Richard Harding, General Manager, Parks, Recreation and Culture, provided an overview of the planned rollout of an updated Parks, Recreation and Culture Fees and Charges Policy which included:

- Fees have not increased since 2015

- Timeline for update as follows:
  - Present: Bring forward information report for discussion
  - Bringing recommendations back to Finance and Audit in March
  - Engagement with rental groups in advance so they are aware of changes
  - Adoption of bylaw outlining changes by Council in June, in time for printing of the Fall and Winter Activity Guide
  - Fee changes in effect September 1<sup>st</sup>
- Conservative increase to fees with some fees staying the same
- Proposed fees will be consistent with other communities across Vancouver Island
- Current operation costs, marketing conditions, inflationary costs, cost of living increases, cost of most effective use, equipment costs, and comparison to other Vancouver Island communities all factors taken into account
- Costs associated with facility infrastructure and operations

Committee discussion took place regarding:

- Renaming of senior to super senior and increase of use in that age group
- Costs based on age rather than income
- Consideration for people who are working but still hover on poverty line and do not qualify for Leisure Economic Access Policy (LEAP) program
- Whether LEAP program will be reviewed and updated as part of this update

Richard Harding, General Manager, Parks, Recreation and Culture, spoke regarding:

- LEAP program being separate from fees and charges bylaw and able to be reviewed and changed anytime.
- LEAP program based on annual income and is up for a review – will come back to Council at a future date with a broader program that changes the income threshold
- Proposed changes including changing definition to youth and eliminating student rates so the rate for youth, regardless of whether they are in school, would be the same
- Changes including a disability program
- Increase of cost of inflation over the years while fees have stayed the same

Committee discussion continued regarding:

- Building carbon tax into fee structures for facilities
- Recognizing a genuine attempt to establish fairness in staff report
- A relatively small number of user groups will see biggest impact

Richard Harding, General Manager, Parks, Recreation and Culture, spoke regarding:

- Returning to a Finance and Audit meeting in March with recommendations
- Main concern with user groups is knowing as soon as possible so they can budget and plan for financial impacts

6. QUESTION PERIOD:

There were no members of the public in attendance who wished to ask questions.



7. ADJOURNMENT:

It was moved and seconded at 11:00 a.m. that the meeting terminate. The motion carried unanimously.

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CHAIR

CERTIFIED CORRECT:

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CORPORATE OFFICER