

**MINUTES**  
SPECIAL FINANCE AND AUDIT COMMITTEE MEETING  
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE,  
80 COMMERCIAL STREET, NANAIMO, BC  
FRIDAY, 2020-DEC-04, AT 9:13 A.M.

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Present: Mayor L. Krog, Chair (vacated 3:00 p.m.)  
Acting Mayor E. Hemmens, Chair  
Councillor S. D. Armstrong (vacated 2:00 p.m.)  
Councillor D. Bonner  
Councillor T. Brown  
Councillor B. Geselbracht  
Councillor Z. Maartman  
Councillor I. W. Thorpe (vacated 3:10 p.m.)  
Councillor J. Turley

Staff: J. Rudolph, Chief Administrative Officer  
R. Harding, General Manager, Parks, Recreation and Culture  
S. Legin, General Manager, Corporate Services  
D. Lindsay, General Manager, Development Services  
B. Sims, General Manager, Engineering and Public Works  
L. Fletcher, A/OIC, Nanaimo Detachment RCMP  
T. Doyle, Deputy Fire Chief  
L. Mercer, Director, Finance  
P. Rosen, Director, Engineering  
A. Groot, Director, Facilities and Parks Operations  
D. Bailey, Manager, Accounting Services  
W. Fulla, Manager, Business, Asset and Financial Planning  
J. Rose, Manager, Transportation  
S. Gurrie, Director, Legislative Services  
J. Vanderhoef, Recording Secretary

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

The Special Finance and Audit Committee Meeting was called to order at 9:13 a.m.

2. INTRODUCTION OF LATE ITEMS:

(a) Agenda Item 4(a) 2021 – 2025 Draft Financial Plan Recap – add PowerPoint presentation.

3. APPROVAL OF THE AGENDA:

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

4. REPORTS:

(a) 2021 - 2025 Draft Financial Plan Recap

Introduced by Shelley Legin, General Manager, Corporate Services.

- Budget System hardware failure caused 2.5 days of downtime and delays in preparing the presentation
- Provided an overview of the schedule for the meeting

1. Revised Property Tax and User Fee Increases

Laura Mercer, Director, Finance, provided a PowerPoint presentation. Highlights included:

- Current projected municipal tax increase 2.9% in 2021 which reflects a 1% increase in Asset Management and a 1.9% increase in property taxes
- Received final numbers for benefits which were not incorporated into the presentation but bring the current rate to 3.2%
- Listed assumptions related to the continued pandemic during 2021 and the recovery phase in 2022
- Anticipate 2022 to be a recovery phase with an estimated municipal tax rate of 3.2%
- Projected Sanitation User Fees increased to \$189 in 2021
- Revised impact on a typical home (based on \$527,145 assess value):
  - Total municipal taxes and user fees \$3,110 in 2020 and \$3,233 in 2021 (an increase of \$131 or 4.2%)
- Identified some of the Key Budget Drivers for 2021 and their financial impacts
- Revised Strategic Infrastructure Reserve:
  - Based on allocating COVID-19 Safe Restart Grant funding to offset Casino Revenue
  - Projected closing balance of \$2,312,725 for 2021
  - Spoke regarding some of the projects funded out of the Strategic Infrastructure Reserve
- Revised Special Initiatives Reserve:
  - Based on allocating COVID-19 Safe Restart Grant funding to offset revenue shortfalls and pandemic expenses in 2020
  - After allocation of the COVID-19 Safe Restart Grant there is a balance of \$5,173,515

Committee discussion took place regarding the appropriate time to present recommendations.

2. Items for Council Decision

Laura Mercer, Director, Finance, introduced and provided an overview of how each business case will impact the 2021 property tax rate.

a. Business Cases Not Included in Draft Plan:

i. Corporate Asset Management System (CAMS)

Laura Mercer, Director, Finance, introduced. Highlights included:

- Undertake a four year phased approach (with three dedicated Staff) costing \$2.8 million
- Noted potential funding sources (with majority funded from Community Works): General Revenue, Community Works, Special Initiatives Reserve, or the Strategic Infrastructure Reserve
- Ongoing costs in 2025 to be funded from General Revenue

Committee discussion took place. Highlights included:

- Clarification that these items would be in addition to the current tax increase
- Potential to review alternate reserves as funding options
- Impacts on the Technology Reserve if it were used as a funding source
- Current Tempest software system versus CAMS
- Clarification that the suggestion is to provide funding primarily through the Community Works Fund with minimal impact on the tax rate
- Future requirements/legislation regarding reporting of assets

Laura Mercer, Director, Finance, noted that Staff originally anticipated funding a portion of this initiative from General Revenue which would have resulted in a 0.04% tax increase. After the business cases were submitted other funding options became available, such as the Strategic Infrastructure Reserve, or the Special Initiatives Reserve, which will not impact the property tax rate.

It was moved and seconded that the Finance and Audit Committee recommend that Council add a Corporate Asset Management System to the 2021 – 2025 Financial Plan starting in 2021. Implementation to be funded by \$2.15 million in funding from the Community Works Fund and \$660,900 in funding from the Special Initiatives Reserve. Annual operating costs to be funded from General Revenue. The motion carried unanimously.

ii. Buyer

Laura Mercer, Director, Finance, introduced. Highlights included:

- Increase capacity in the Purchasing Department to implement the Sustainable Procurement Program
- Implementation date 2021-JUL-01

- Funding from General Revenue with approximately 0.06% impact on taxes in 2021

Committee discussion took place. Highlights included:

- Purpose of adding a trailer for additional office space and funding from General Revenue
- Importance of providing the necessary resourcing to implement policies and this position supporting the Sustainable Procurement Policy
- Importance of the Sustainable Procurement Policy in rebuilding the local economy after the pandemic
- Addition of a Buyer would increase capacity of purchasing staff
- Reviewing potential savings and postponing the position
- Benefits of the Sustainable Procurement Policy on the local economy outweighing the costs of the position

It was moved and seconded that the Finance and Audit Committee recommend that Council add a Buyer position to the 2021 – 2025 Financial Plan effective July 1, 2021. The motion carried.

Opposed: *Councillors Armstrong, Thorpe, Turley*

iii. Police Services:

Laura Mercer, Director, Finance, introduced. Highlights included:

- Two additional positions to support RCMP operations:
  - Digital Forensic Technician
  - Major Case File Specialist
- Potentially funded through General Revenue with a 0.09% impact on property taxes in 2021 for each position

Committee discussion took place. Highlights included:

- Significance of each position on RCMP operations
- Potential to employ Staff who are returning to work on a gradual schedule in these roles

Inspector Lisa Fletcher, A/OIC, Nanaimo Detachment RCMP, spoke regarding the following:

- Frustration of Staff performing investigations struggling to provide the information to the Court
- A large number of these cases would relate to child pornography

- Costly to seek local expertise for assistance
- Nanaimo's investigation rate and prosecution rate is one of the best in the province, but the workload is negatively impacting Staff's wellbeing

Committee discussion continued. Highlights included:

- Impact on at risk youth and members of the community
- Potential to implement the two new positions and delay the three approved RCMP positions (part of phased addition of 15 new RCMP officers)
- Implementing both positions would result in a 0.18% property tax rate increase
- Potential to fill these position with trained Staff in a timely manner
- Clarification that these are municipal employee positions and not RCMP members

It was moved and seconded that the Finance and Audit Committee recommend that Council add a Digital Forensic Technician position and a Major Case File Specialist position to the 2021 – 2025 Financial Plan effective January 1, 2021. The motion carried unanimously.

The Special Finance and Audit Committee Meeting recessed at 10:12 a.m.  
The Special Finance and Audit Committee Meeting reconvened at 10:28 a.m.

iv. Police Mental Health Outreach Team – Council Request

Laura Mercer, Director, Finance, introduced. Highlights included:

- Potentially funded through General Revenue
- Depending on how this was implemented annual cost could be approximately \$0.61 to \$1.35 million
- Provided potential options on how to proceed

Committee discussion took place. Highlights included:

- Clarification that the recommendation is to add four additional RCMP officers on top of the three RCMP officers already allocated for 2021
- Number of calls for mental health related issues has increased substantially
- Hoping for Provincial action on this topic to address the gap in policing services and overworked RCMP officers
- Ensuring this topic remains a focal point by arranging meetings with stakeholders in 2021 with plans to revisit the initiative in 2022 if the Province has not initiated a program
- Potential impacts of a navigation centre and newly appointed cabinet ministers

- Advocating for the RCMP to conduct regular meetings with Island Health
- v. Annual Community Watercourse Restoration Grant – Council Request

Laura Mercer, Director, Finance, introduced. Highlights included:

- Establish a dedicated Community Watercourse Restoration Grant program with annual funding of \$20,000
- Potentially funded through General Revenue with a 0.02% impact on property taxes

Committee discussion took place regarding the position supporting environmental initiatives.

It was moved and seconded that the Finance and Audit Committee recommend that Council add an Annual Community Watercourse Restoration Grant program to the 2021 – 2025 Financial Plan, to be funded from the Special Initiatives Reserve in 2021 and 2022. The motion carried.

Opposed: *Councillors Thorpe and Turley*

- vi. Manager, Social Planning – Council Request

Laura Mercer, Director, Finance, introduced. Highlights included:

- Increase capacity to oversee implementation of the City's social planning responsibilities and advance social planning initiatives
- Potentially funded through General Revenue with a 0.15% impact on property taxes

Committee discussion took place regarding the original intent of this request being to reserve funding for the recommendations coming from the Health and Housing Task Force (HHTF).

Dale Lindsay, General Manager, Development Services, provided clarification that this would be a new position and this work is currently overseen by Lisa Bhopalsingh, Manager, Community Planning.

Committee discussion continued. Highlights included:

- Need for increased capacity in the Planning Department
- Waiting for the recommendations from the HHTF

- Lisa Bhopalsingh, Manager, Community Planning, continuing the indigenous engagement aspect of this role because of her established relationships
- vii. Manager, Sustainability – Council Request
- Laura Mercer, Director, Finance, introduced. Highlights included:
- To oversee the City's current climate change adaptation, mitigation and environment protection initiatives and meet the commitments of the BC Hydro Community Energy Manager Offer program
  - Implementation date 2021-JUL-01
  - Partial funding commitment under the BC Hydro's Community Energy Manager Offer to be confirmed
  - Potentially funding the remaining through General Revenue with a 0.05% impact on the property tax rate (based on successful grant application)

Committee discussion took place. Highlights included:

- Two year timeframe for the Community Energy Manager Program
- Increased need for Staff/Manager capacity to address the wide list of sustainability projects
- Likelihood of BC Hydro partially funding the position if the City has committed to pay for the position
- Importance of this position due to climate change and the urgency to put energy/effort behind this initiative
- Need for this position to proceed with, or without, the support of BC Hydro
- This position relates to climate and economy

It was moved and seconded that the Finance and Audit Committee recommend that Council add a Manager, Sustainability, to the 2021 – 2025 Financial Plan effective July 1, 2021 and apply to the BC Hydro Community Energy Manager Offer program to fund a portion of the position. The motion carried.

Opposed: *Mayor Krog, Councillors Armstrong, Thorpe and Turley*

- viii. Indigenous Engagement Specialist – Council Request

Laura Mercer, Director, Finance, introduced. Highlights included:

- Resourcing of indigenous relations and engagement
- To be implemented 2021-JAN-01 and funded from General Revenue

Committee discussion took place. Highlights included:

- Protocol Agreement Working Group is working on an advisory committee to improve engagement
- Request for further discussion and clarification of the role in the new year

ix. Municipal Enforcement Officers Change of Hours

Laura Mercer, Director, Finance, introduced. Highlights included:

- To increase Municipal Enforcement Officer's from a 35 to a 40 hours work week
- Potentially funded through General Revenue with a 0.02% impact on property taxes
- To be implemented 2021-JAN-01

It was moved and seconded that the Finance and Audit Committee recommend that Council increase the hours of the Municipal Enforcement Officers from a 35 to a 40-hour workweek in the 2021 – 2025 Financial Plan effective January 1, 2021. The motion carried unanimously.

x. E-Bike Rebate Program – Council Request

Laura Mercer, Director, Finance, introduced. Highlights included:

- Establish an E-Bike grant program with an annual funding pool of \$10,000
- Potentially funded through the Emission Reduction Reserve with no tax impact
- To be implemented in 2021-JAN-01

Committee discussion took place regarding the need to reflect on this initiative further to ensure it will be effective in driving change.

xi. Community Clean Team

Laura Mercer, Director, Finance, introduced. Highlights included:

- In November 2019, the City piloted the “Social Disorder Response Team”, a collaborative approach to effectively and efficiently maintain the orderliness and cleanliness of the City's public spaces
- In May 2020, Council extended the pilot to December 31, 2020
- This business case would extend the pilot for an additional 12 months to December 31, 2021 at a projected cost of \$248,300



- Potentially funded through the Special Initiatives Reserve

Committee discussion took place. Highlights included:

- Coordinating with the Van Isle Clean Team
- Approximate time spent cleaning Wesley Street is 2-3 hours per day

It was moved and seconded that the Finance and Audit Committee recommend that Council extend the Community Clean Team pilot to December 31, 2021, to be funded from the Special Initiatives Reserve. The motion carried unanimously.

xii. Municipal Services Inspector

Laura Mercer, Director, Finance, introduced. Highlights included:

- Increase internal capacity, will allow for more projects to be inspected by City inspectors rather than external consultants
- Position includes purchase of a fleet vehicle (hybrid anticipated)
- Position would be partially funded by Water and Sewer to mitigate impact on property taxation
- Once implemented this could be funded through General Revenue with a 0.11% impact on property taxes in 2021

Committee discussion took place. Highlights included:

- Work is currently performed by consultant inspectors and included in project costs
- Potential savings by creating an internal position and costs of external contractors
- Funding ultimately coming from property taxes
- Concern regarding purchase of a vehicle through the Emission Reduction Reserve
- Providing increased core services to the community

It was moved and seconded that the Finance and Audit Committee recommend that Council add a Municipal Services Inspector position to the 2021 – 2025 Financial Plan effective January 1, 2021 and an additional unit to the City Fleet funded from the Emission Reduction Reserve. The motion carried.

Opposed: Councillors Armstrong, Bonner, Brown, Geselbracht

xiii. Project Engineer

Laura Mercer, Director, Finance, introduced. Highlights included:

- Increase internal capacity to manage City projects and reduce the use of contracted project managers
- Position would be partially funded by Water and Sewer
- Potentially funded through General Revenue with a 0.11% impact on property taxes
- To be implemented 2021-JAN-01

Committee discussion took place. Highlights included:

- Potential for this position to clear backlog in active transportation projects
- Challenges of finding a skilled staff person to fill the position
- Amount spent on contracted project managers during the past two years - \$495,000 spent between March 2018 – April 30, 2020
- Challenges of filling the position for a two year timeframe
- Proposed wage rate including benefits
- Implications of funding the position for a two year term through the Special Initiatives Reserve
- Hourly rate of a Staff position versus the hourly cost of a contractor
- Potential efficiencies that contractors could provide
- Potential for this position to increase the capacity in the department and active transportation projects
- Contracting Staff to various projects so their position is paid for by the project
- Implementing the position, funded from the Special Initiatives Reserve, for the first two years and then funding from General Revenue starting in year three
- Committing a future Council to a tax increase and/or someone losing their job

It was moved and seconded that the Finance and Audit Committee recommend that Council add the position of Project Engineer, to be funded from the Special Initiatives Reserve in 2021 and 2022. The motion carried.

Opposed: *Councillor Thorpe and Turley*

b. Art Gallery Next Phase

Laura Mercer, Director, Finance, introduced. Highlights included:

- During the 2020-JUN-17 Finance and Audit Committee meeting Council was provided options to support the

- Nanaimo Art Gallery's plan for a phased development at the Arts Centre, 150 Commercial Street
- Nanaimo Art Gallery's Request:
  - Increase operating grant by \$50,000/year – total 2021 operating grant if approved \$221,111
  - Operating grant increases 2% annually under current agreement
  - Allocate \$10,000 annually to the Nanaimo Art Gallery for capital expenditures
  - Allocate \$25,000 in 2021 for the development of a feasibility report on the concept of an Arts Centre and Nanaimo Art Gallery's Phase 3 facility project
- Currently included in the 2021 – 2025 Draft Financial Plan funded from General Revenue
- Alternative funding source for the one-time grant for the feasibility report could be the Strategic Infrastructure Reserve

Committee discussion took place. Highlights included:

- Clarification that Staff are seeking direction on withdrawing the funding to the Art Gallery, or how to fund the \$25,000 feasibility study
- Feasibility study including needs of local artists
- Combining a feasibility study and the concept of an art centre
- Importance of engagement with the public on need for an art centre
- Concern regarding how this project aligns with Council priorities
- Supporting Nanaimo's diverse arts and culture community
- Feasibility study to be preformed by art gallery staff and staff from the Culture Department
- Arts and Culture drawing people to the community

It was moved and seconded that the Finance and Audit Committee recommend that Council allocate \$25,000 in 2021 for the development of a feasibility report on the concept of an Arts Centre and Nanaimo Art Gallery Phase 3 facility project funded from the Strategic Infrastructure Reserve. The motion carried unanimously.

The Special Finance and Audit Committee Meeting recessed at 11:57 a.m.  
The Special Finance and Audit Committee Meeting reconvened at 1:00 p.m.

c. Start Date of New Positions Delayed

Laura Mercer, Director, Finance, introduced. Highlights included:

- To reduce 2021 Property Taxes the start dates of three new positions approved in the 2020 – 2024 Financial were delayed to late Summer

- Options for Council's Consideration:
  - Reinstate January 2021 start date for one or more of the following approved positions:
    - Manager, Facility Assets - current start date: 2020-SEP-01 - financial impact of 2021-JAN-01 start date \$98,346
    - Junior Financial Analyst - current start date: 2021-AUG-15 - financial Impact of 2021-JAN-01 start date \$57,774
    - Assistant Accountant - current start date: 2021-SEP-01 - financial impact of 2021-JAN-01 start date \$61,628
- Potentially funded through the Special Initiatives Reserve or General Revenue

Committee discussion took place. Highlights included:

- Replenishing the capacity of the Finance Department
- Funding for these positions in future years would be through General Revenue
- Figures provided are for 2021-JAN-01 until 2021-SEP-01
- Clarification that if one of the positions were not filled the funds would remain in the reserve

It was moved and seconded that the Finance and Audit Committee recommend that Council reinstate a January 01, 2021, start date for the following positions, to be funded from the Special Initiatives Reserve:

- a. Manager, Facility Assets
- b. Junior Financial Analyst
- c. Assistant Accountant

The motion carried unanimously.

- d. Reinstate Projects

Laura Mercer, Director, Finance, introduced. Highlights included:

- To reduce 2021 Property Taxes projects where delayed, cancelled or their scope was reduced
- Council might consider reinstating select projects from the list of projects adjusted to reduce property taxes
- Potentially funding these projects through the Special Initiatives Reserve or the Strategic Infrastructure Reserve
- Provided a list of potential projects to reinstate

Committee discussion took place regarding the projects being previously funded from General Revenue.

Wendy Fulla, Manager, Business, Asset and Financial Planning, provided the Committee with an update on the current balances for

the Special Initiatives Reserve (\$3.695 million) and the Strategic Infrastructure Reserve (\$2.287 million).

Committee discussion continued. Highlights included:

- Bowen Park Trail lighting scheduled for 2021
- The Special Initiatives Reserve does not require a minimum balance, but the Strategic Infrastructure Reserve requires a minimum balance of \$320,000
- Clarification that the Public Works yard paving project would be to repair damaged pavement and would not interfere with the Public Works renewal plans
- Reasons for these projects being delayed were to decrease the tax rate
- Projects listed are necessary City maintenance/improvements
- If all projects were approved it would bring the Special Initiatives Reserve balance to \$2.81 million

It was moved and seconded that the Finance and Audit Committee recommend that Council reinstate the following 2021 projects with funding to be allocated from the Special Initiatives Reserve:

Fire Services: Emergency Pre-Emption Devices	\$ 55,080
Integrated Survey Control Monuments	5,000
Drainage: Infrastructure Condition Assessment Program	100,000
ENGPW Contingency: Projects	50,000
ENGPW Contingency: Developer Cost Shares	50,000
ENGPW Contingency: Transportation Projects	50,000
Railway Crossing Repairs	34,000
PW Yard: Paving	25,680
Bowen Corridor Traffic Signal management Hardware Upgrade	250,000
Bowen Park Trail way Lighting	100,000
Civic Facilities: Condition Assessment Program	100,000
Bleacher Replacement Program – Portable	18,360
Park Amenities Condition Assessment Program	10,000
Park Amenities: Investigation/Pre-Design	10,000
Parks/Facility Accessibility	<u>25,000</u>
Total	\$ 883,120

The motion carried.

Opposed: Councillor Brown

e. Community Connect Pilot Extension

Laura Mercer, Director, Finance, introduced. Highlights included:

- Request from Community Connect to cost share continuation of enhanced neighbourhood safety program between January 1 – June 30, 2021

- Potential to fund through General Revenue which would impact the tax rate 0.13%
- Potential to fund through the Special Initiatives Reserve, or the Strategic Infrastructure Reserve

Committee discussion took place. Highlights included:

- Precedence being set and the need to provide this service to each area of the community
- The Old City Quarter is a unique entity impacted more heavily by homelessness
- Maintaining the pilot program with a plan to review during a Governance and Priorities Committee (GPC) meeting in the future
- Duplicating and building upon the structure of Community Connect
- Including the Downtown core in this initiative
- Requesting a legal opinion

Dale Lindsay, General Manager, Development Services, spoke regarding the original Staff report. He noted that the *Community Charter* does not allow the City to provide funding directly to a business; however, in this situation because the Business Improvement Area (BIA) is a non-profit organization Council has the option to provide funding. He reviewed the request made by Community Connect and the recommendations put forward by Staff in the business case.

Committee discussion continued. Highlights included:

- Possibility for Woodgrove Mall to apply for a BIA
- Concerns regarding funding in response to issues rather than long-term planning
- Impact of the downtown core on citizen and visitors perception
- Six month pilot program provides an opportunity to collect more data
- Foot traffic between Wesley Street and food/shelter service providers within the downtown area
- Concern regarding the policing services gap

It was moved and seconded that the Finance and Audit Committee recommend that Council allocate \$147,000 from the Special Initiatives Reserve to Community Connect to allow for the continuation of an enhanced neighbourhood safety program between January 1, 2021 and June 30, 2021. The motion carried.

Opposed: *Councillors Armstrong and Brown*

f. Public Art

Laura Mercer, Director, Finance, introduced. Highlights included:

- Richard Harding, General Manager, Parks, Recreation and Culture, will be making a change to the Public Art budget to move \$50,000 from Partners in Parks budget line into Public Art for permanent art (for a total of \$100,000)

- There is currently \$50,000 allocated within the 2021 Draft Budget

Richard Harding, General Manager, Parks, Recreation and Culture, noted that due to a change approximately four years ago the Partners in Park Program (PIP) and Public Art program have each been allocated \$50,000. Prior to that change the PIP was allocated \$100,000.

Committee discussion took place. Highlights included:

- Public Art is not considered a capital asset/infrastructure
- Clarification that the funding allocated towards PIP currently sits at \$100,000
- Concern regarding reducing of funding for PIP

Laura Mercer, Director, Finance, clarified that the suggestion was to move \$50,000 from PIP to Public Art to increase the Public Art budget to \$100,000 with no impact on taxation or reserves. She suggested alternatively that \$50,000 could be allocated from the Strategic Infrastructure Reserve towards the Public Art budget to increase it to \$100,000 and leave PIP at \$100,000.

Committee discussion continued. Highlights included:

- PIP being over subscribed
- Division of Public Art budget between permanent and temporary art pieces
- Options to replace the picture frame piece at Swy-a-Lana lagoon
- A report is scheduled regarding options for permanent public art

Councillor Armstrong vacated the Shaw Auditorium at 2:00 p.m.

g. Public Works Day

Laura Mercer, Director, Finance, introduced. Highlights included:

- \$15,000 allocated in the 2021 Draft Budget for Public Works Day in 2021
- Council could cancel the Public Works Day and reallocate the funds with no impact to the tax rate, or reduce project funding in 2021 by \$15,000 to lower the tax rate marginally

Bill Sims, General Manager, Engineering and Public Works, spoke regarding Staff planning to create and distribute Public Works educational videos for schools/organizations rather than an in-person event.

Committee discussion took place. Highlights included:

- Clarification that if funding remains unchanged it will be used to create educational videos and the Public Works Day will remain in the budget for 2022
- Potential cost to create the videos

h. Association of Vancouver Island Coastal Communities (AVICC)

Laura Mercer, Director, Finance, introduced and noted that there is \$15,175 allocated in the 2021 Draft Budget for the AVICC conference which will be removed as the conference is no longer taking place in 2021.

i. COVID Internal Order

Laura Mercer, Director, Finance, introduced. Highlights included:

- Staff suggest allocating \$500,000 to a 2021 COVID Internal Order to cover continuing and potential new costs related to the pandemic:
  - Personal protective equipment for Staff
  - Security at the Service and Resource Centre and City Hall
  - Additional (or extension) of facility ambassadors
  - Other related COVID-19 costs
- Potentially funded through the Special Initiatives Reserve

It was moved and seconded that the Finance and Audit Committee recommend that Council allocate \$500,000 from the Special Initiatives Reserve to a 2021 COVID Internal Order to cover continuing and potential new costs related to the pandemic. The motion carried unanimously.

j. Snow and Ice

Bill Sims, General Manager, Engineering and Public Works, introduced. Highlights included:

- Provided a summary of the current level of service
- During the 2020-NOV-30 Special Finance and Audit Committee Meeting Council requested an increased level of services to add clearing of sidewalks on bus routes and arterials, within 6 urban nodes
- Provided an overview of the potential details involved in implementing sidewalk clearing
- Staff could not find examples of comparable lower mainland municipalities that provide this service
- Significant investment in equipment would be required at an estimated \$315,000 - \$1.26 million
- Assuming a five day event Staff estimate a cost of \$62,000 per 24 hour period



- Concerns regarding Staff capacity and snow storage areas
- Noted that contractors have indicated no willingness to bid on this work
- Staff suggest further research if Council wishes to proceed

Committee discussion took place. Highlights included:

- Number of variables involved
- Challenges of meeting the expectations of citizens and the limited number of events due to the warmer climate
- Snow on sidewalks causing safety concerns and the need to enforce the bylaw requiring sidewalks to be cleared

Bill Sims, General Manager, Engineering and Public Works, spoke regarding enforcement of the “Traffic and Highways Regulation Bylaw 1993 No. 5000” and that Staff’s first priority is clearing roads for fire and ambulance services. He noted that Parks and Public Works have been working together and have increased their focus on clearing bus shelters.

Jake Rudolph, Chief Administrative Officer, suggested this topic might be better suited for discussion during a GPC meeting.

k. Active Transportation

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

Presentation:

1. Jamie Rose, Manager, Transportation, provided a PowerPoint presentation regarding active transportation. Highlights included:
  - Overview of the process for selecting active transportation projects
  - Provided diagrams showing the long-term and short-term major road improvement projects, improved cycling corridors and upgrades planned for the next five years
  - Staff are collecting data regarding cycling traffic use on specific routes

Committee discussion took place. Highlights included:

- Numbers represent the monthly cyclists on these routes
- Potentially encouraging local cyclists to use a software system/app like Strava to better track usage

Jamie Rose, Manager, Transportation, continued his presentation. Highlights included:

- Albert Street connection to downtown:
  - requires further consultation with property owners
  - identified significant challenges with implementing this project
  - Staff suggest a more thorough review of this project before moving forward
  - Potential grant available
- Provided a list of planned 2021 Capital Projects

Committee discussion took place. Highlights included:

- Albert Street connection being advanced in 2021
- Implementation of connector between E&N Trail and Metral Drive
- Costs related to crossings/intersections and prioritizing crosswalk improvements
- Reviewing project overlaps to ensure efficient planning

Poul Rosen, Director, Engineering, spoke regarding project timelines. He noted that most project cycles take two years worth of planning work/design before they are ready for implementation. He cautioned that Staff may be limited on how much they can accomplish in a shorter timeframe.

It was moved and seconded that the Finance and Audit Committee recommend that Council allocate an additional \$700,000 (for a total of \$1 million) in the 2021 Budget for pedestrian infrastructure and improvements to be funded from the Strategic Infrastructure Reserve. The motion carried.

Opposed: *Councillors Thorpe and Turley*

Committee discussion took place. Highlights included:

- Recommendation from the Mayor's Task Force on Recovery and Resilience to connect Harewood area to the downtown
- Opportunity to follow through on the concept of "the minimum grid" which many Councillors campaigned for
- Clarification regarding how funding allocated to a project that is not completed in 2021 would be addressed in 2022
- Albert Street connector project being challenging physically and from a planning perspective

Poul Rosen, Director, Engineering, spoke regarding the consultation that needs to be done with the neighbourhood for the Albert Street connector.

Mayor Krog vacated the Shaw Auditorium at 3:00 p.m. and Acting Mayor Hemmens assumed the Chair.

Committee discussion continued. Highlights included:

- Concern regarding the timeframe to implement the Albert Street project and the challenges noted by Staff
- Timeframe to apply for the grant and complete the Albert Street project
- Potentially dividing the Albert Street project into smaller phases and potential costs of each phase

It was moved and seconded that the Finance and Audit Committee recommend that Council add the Albert Street Project (from Milton Street to Pine Street) to the 2021 Budget with \$300,000 funded from the Strategic Infrastructure Reserve and \$1 million funded from the Special Initiatives Reserve, for project delivery in 2021 - 2022. The motion carried.

Opposed: *Councillors Maartman, Thorpe and Turley*

### 3. Next Steps

Laura Mercer, Director, Finance, introduced. Highlights included:

- Approximate tax increase currently at 3.6%, Special Initiative Reserve \$1.865 million, Strategic Infrastructure Reserve \$588,000
- December 7<sup>th</sup> – Direction from Council on revisions to draft plan (if needed) and E-town hall meeting in the evening
- December 9<sup>th</sup> – Direction from Council on revisions to draft plan (if needed)
- 2021 – 2025 Financial Plan Bylaw to Council for first three readings December 21<sup>st</sup>
- 2021 - 2025 Financial Plan Bylaw adopted by Council January 2021

Jake Rudolph, Chief Administrative Officer, suggested that the 2020-DEC-07 Special Finance and Audit Committee meeting be cancelled.

Councillor Thorpe vacated the Shaw Auditorium at 3:10 p.m.

### 5. OTHER BUSINESS:

Committee discussion took place. Highlights included:

- Further questions regarding operations, the 911 reserve, funding increases to reserves through internal charges, and an update on the five year projections for the General Asset Management Reserve
- Potential opportunities to lower the tax rate and options regarding delaying the hiring of three additional RCMP officers
- Clarification that the Manager of Sustainability position budget includes the grant funding from BC Hydro
- Clarification that the E-Town Hall meeting is scheduled for 2020-DEC-07 during the Regular Council Meeting

Sheila Gurrie, Director, Legislative Services, provided an overview of the upcoming meetings and inquired if there was consensus to cancel the 2020-DEC-07 Special Finance and Audit Committee Meeting.

Committee discussion took place. Highlights included:

- Currently no funding reserved for the work being done by the HHTF
- Council previously allocated funds towards the Economic Development Task Force
- \$500,000 is the minimum amount identified by Dr. Turner, CEO, HelpSeeker, required to develop a new organization which will handle health and housing in Nanaimo
- Importance of funding the recommendations from the HHTF and possibly providing annual funding

Jake Rudolph, Chief Administrative Officer, noted the findings/recommendations from the HHTF are scheduled for the 2020-DEC-14 GPC meeting and Staff may be coming forward with a report regarding funding for a daytime resource centre soon.

Committee discussion took place. Highlights included:

- Deferring consideration until the recommendations from HHTF have been received
- Importance of showing a commitment to health and housing

It was moved and seconded that the Finance and Audit Committee recommend that Council reserve \$400,000 from the Special Initiatives Reserve and \$100,000 from the Daytime Resource Centre, to be allocated in the 2021 Budget, for the recommendations coming from the Health and Housing Task Force. The motion carried unanimously.

6. ADJOURNMENT:

It was moved and seconded at 3:27 p.m. that the meeting adjourn. The motion carried unanimously.

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CHAIR

CERTIFIED CORRECT:

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CORPORATE OFFICER