

MINUTES
SPECIAL FINANCE AND AUDIT MEETING
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
FRIDAY, 2021-NOV-05, AT 9:00 A.M.

Present: Mayor L. Krog, Chair
Councillor D. Bonner (joined electronically)
Councillor B. Geselbracht (joined electronically)
Councillor E. Hemmens
Councillor Z. Maartman
Councillor I. W. Thorpe
Councillor J. Turley

Absent: Councillor S. D. Armstrong
Councillor T. Brown

Staff: J. Rudolph, Chief Administrative Officer
B. Sims, General Manager, Engineering and Public Works
T. Doyle, Fire Chief
J. Le Masurier, Deputy Fire Chief - Administration
A. Groot, Director, Facilities and Parks Operations
B. MacKay, Director, Information Technology
L. Mercer, Director, Finance
P. Rosen, Director, Engineering
J. Van Horne, Director, Human Resources
W. Fulla, Manager, Business, Asset and Financial Planning
J. McAskill, Manager, Facility Asset Planning
J. Rose, Manager, Transportation
P. Stewart, Manager, Engineering Projects
B. Thomas, Assistant Manager, Transportation
S. Gurrie, Director, Legislative Services
K. Lundgren, 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 9:00 a.m.

2. APPROVAL OF THE AGENDA:

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

3. PRESENTATIONS:

(a) 2022 - 2026 Draft Project Plan

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

- Provided an overview of the 2022 – 2026 Draft Project Plan
- Presented the project summary over the next 5 years
- Highlighted infrastructure investments in new cycling and pedestrian amenities, facility renewals, parks infrastructure, equipment and vehicle renewals and road rehabilitation
- Overview of the 2022 project plan general fund
- Average funding from general revenue by year
- Staff currently undertaking an Asset Management Plan and a 20 year Investment Plan review and will return to Council in 2022 with results
- Avoid bringing reserves below their minimum balances as this leaves limited flexibility
- Significant projects currently not included in the draft plan include:
 - Police operations building space issue resolution
 - Nanaimo Operations Centre (NOC)
 - Waterfront Walkway
 - South End Community Centre
- Once information and business cases for these projects are developed, Staff will return to Council requirements

Brian MacKay, Director, Information Technology, continued the presentation. Highlights included:

- Summary of Corporate Services 2021 projects completed and underway
- Corporate Asset Management System Software application to track and manage the City's assets and aid future decision making
- Replacement or upgrade of current Enterprise Resource Planning Software (SAP)

Jennifer, McAskill, Manager, Facility Asset Planning, continued the presentation and spoke regarding the RCMP security and configuration at 580 Fitzwilliam Street.

Phil Stewart, Manager of Engineering Service, continued the presentation. Highlights included:

- Summary of Engineering and Public Works 2021 projects completed and underway
- Challenges in material availability which is affecting both cost and schedule
- Challenges with local contracting and strategies in place such as flexible completion dates
- Overview and breakdown for transportation projects including:
 - Expansion or upgrades to active transportation network
 - Expansion or upgrades to road network
 - Renewal of existing infrastructure
- Listed the notable changes from the previous plan
- Provided the scope, purpose, schedule and budget implications for the following projects:
 - Albert Street (Pine Street to Dunsmuir Street)
 - The Hub
 - 700 block of Haliburton Street

Committee discussion took place regarding the asphalt renewal funding.

Phil Stewart, Manager, Engineering Projects, continued the presentation. Highlights included:

- Provided the scope, purpose, schedule and budget implications for the following projects:
 - Buttertubs Bridge
 - Lenhart Bridge
 - Terminal Avenue complete street (from Commercial Street to Stewart Avenue)
 - Mid-town Gateway Project
 - Off Bowen bike way on Boxwood Road (from Northfield Road to Meredith Road)
 - Third Street (from Watfield Avenue to Pine Street) currently in design phase
 - Fifth Street transportation upgrades (from Wakesiah Avenue to Bruce Avenue) currently in design phase
 - Stewart Avenue/Highway 1 complete streets (from Terminal Avenue to Cypress Street)
 - Intersection upgrade at Madsen Road and East Wellington Road
 - Wakesiah Avenue corridor upgrades
 - Rutherford Road improvements (new project currently in concept design)

Committee discussion took place. Highlights included:

- Community consultation for the Rutherford Road improvement project
- Truck traffic on Madsen Road and the designated truck route
- Project plans in Cinnabar Valley and South End

Phil Stewart, Manager, Engineering Projects, advised the Committee that the South Nanaimo Mobility report will be presented at the 2021-NOV-08 Governance and Priorities Committee Meeting.

Phil Stewart, Manager, Engineering Projects, continued the presentation. Highlights included:

- Overview of storm drainage projects, sanitary sewer projects and water distribution projects
- Highlighted scope, purpose, schedule and budget of the Mid-Town Water Supply project and the Tower Reservoir project
- Currently in the midst of Conditions Assessment Program and a Facility Asset Management Strategy will be coming to Council in 2022

Art Groot, Director, Facility and Parks Operations, continued the presentation. Highlights included:

- Park amenities condition assessment program currently ongoing
- Summary of Parks, Recreation and Culture (PRC) 2021 project highlights

- Provided the scope and budget for the Stadium District improvements project and the Rotary Bowl and Oval Renewal Project
- Working collaboratively across the organization through the REIMAGINE Nanaimo process to update the PRC Master Plan
- Provided the scope, purpose, schedule and budget implications for the following PRC projects:
 - Facility lighting renewals
 - Nanaimo Aquatic Centre mechanical heating, ventilation and air condition (HVAC) upgrade
 - Ongoing Port Theater improvements
 - Railing replacement project and Pioneer Plaza and Diana Krall Plaza
 - Maffeo Sutton Playground Phase Two – Staff actively working on design
 - Ongoing trail way redevelopment projects
 - Loudon Park improvements (anticipated construction 2022 into 2023) with an opportunity to do a sewer realignment within the project
 - Harewood Centennial artificial turf fields
 - Westwood Lake Park amenity improvements – Staff will return in the next couple weeks with public feedback
 - Marie Davidson BMX Track Replacement

Committee discussion took place regarding the ranking of Marie Davidson BMX Track in comparison to similar facilities in North America.

Art Groot, Director, Facility and Parks Operations, continued the presentation and listed projects currently not included in the 10 year project plan.

Committee discussion took place regarding the washrooms at Maffeo Sutton Park in need of upgrading.

The Finance and Audit Committee recessed the meeting at 10:03 a.m.

The Finance and Audit Committee reconvened the meeting at 10:30 a.m.

(b) Items for Council Discussion

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

- A number of discussion items will be coming to the 2021-NOV-10 Special Finance and Audit Committee Meeting for decision
- Provided an overview of options, funding sources, implementation dates and approximate general revenue increase for the following business cases not included in the draft plan:
 - Manager, Financial Services and Special Projects
 - Supervisor, Technical Support
 - Police Services, Support Staff Resourcing Plan

Committee discussion took place regarding the internal capacity to accommodate 15 new support staff in Police Services.

Laura Mercer, Director, Finance, continued the presentation. Highlights included:

- Provided an overview of the following business cases not included in the draft plan (continued):
 - Parkade Security Plan
 - Community Clean Team
 - Manager, Vancouver Island Emergency Response Academy (VIERA)
 - RCMP – Additional Bike Patrol Units

Committee discussion took place. Highlights included:

- The approximate 0.41% increase for four additional RCMP members
- Potential use of Bylaw officers as bike patrol

Jake Rudolph, Chief Administrative Officer, spoke regarding the security review that will inform the Committee on options related to the RCMP Additional Bike Patrol Units.

Laura Mercer, Director, Finance, continued the presentation. Highlights included:

- Provided an overview of the following business cases not included in the draft plan (continued):
 - Aquatics Development Plan
 - Parks, Trails and Natural Areas – Lead Supervisor
 - Parks Maintenance Worker – Playgrounds
- Provided an overview, options and property tax impact of the following discussion items for Council's consideration:
 - Climate Action Reserve
 - Snow and Ice Control (SNIC)
 - Pavement Preservation

Committee discussion took place regarding the \$50,000 increase in pavement preservation.

Laura Mercer, Director, Finance, continued the presentation. Highlights included:

- Provided an overview, options and property tax impact of the following discussion items for Council's consideration (continued):
 - Landscaping – Boxwood detention pond

Committee discussion took place regarding the impact to the Boxwood detention pond if the Parks Operations landscaping budget is reduced.

Laura Mercer, Director, Finance, continued the presentation. Highlights included:

- Provided an overview, options and property tax impact of the following discussion items for Council's consideration (continued):
 - Public Art Maintenance
 - Urban Design Roster
 - National Indigenous People Day & Truth and Reconciliation Day
 - This decision will have an information report on the 2021-NOV-10 Special Finance and Audit Committee agenda

Committee discussion took place requesting clarification on the option to reallocate \$60,000 from the \$150,000 annual Downtown Events grant budget to support events for National Indigenous People Day and Truth and Reconciliation Day.

Laura Mercer, Director, Finance, continued the presentation. Highlights included:

- Provided an overview, options and property tax impact of the following discussion items for Council's consideration (continued):
 - Buttertubs Pedestrian Bridge
 - Information report to be included on the 2021-NOV-10 Special Finance and Audit Committee agenda
 - Albert and Fourth Complete Street Phase 2 Project
 - Information report to be included on the 2021-NOV-10 Special Finance and Audit Committee agenda

Committee discussion took place regarding the use of Third Street as a Vancouver Island University (VIU) connector in the Albert and Fourth Complete Street Phase 2 project.

Laura Mercer, Director, Finance, continued the presentation:

- Provided an overview, options and property tax impact of the following discussion items for Council's consideration (continued):
 - Sanitation - Implement recommendations from the Refuse Truck Life Cycle & Funding Analysis
 - Information report to be included on the 2021-NOV-10 Special Finance and Audit Committee agenda

Committee and Staff discussion took place. Highlights included:

- The difference between department owned diesel units and fleet owned units
- The estimated delivery time for new compressed natural gas (CNG) unit is approximately 18 months
- The size of the automated curbside collection bin contributing to increase in garbage
- The increase in online shopping and gardening impacting green waste collection
- Vehicles reaching end of life are sold by the City and the money returns to the Equipment Depreciation Reserve to help fund replacement purchases

Laura Mercer, Director, Finance, continued the presentation. Highlights included:

- Provided an overview, options and property tax impact of the following discussion items for Council's consideration (continued):
 - Special Initiatives Reserve – Council has the option to direct Staff regarding the use of reserve funding for reducing property taxes

Committee discussion took place. Highlights included:

- Clarification regarding the difference in property tax increase between a parks maintenance worker and the four additional bike patrol members

- Clarification regarding the use of General Revenue for the one-time capital cost in 2022 for a parks maintenance worker
- Haliburton Street project includes the replacement of underground services
- Clarification regarding the use of the \$60,000 for the National Indigenous People Day and Truth and Reconciliation Day

Laura Mercer, Director, Finance, advised the Committee of the expectations for the 2021-NOV-10 Special Finance and Audit Committee Meeting.

4. REPORTS:

(a) Stadium District Plaza Development Update

Art Groot, Director, Facilities and Parks Operations, spoke regarding changes to the Stadium District Plaza Development in order to avoid duplicated work.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve increasing the budget for the Stadium District Plaza from \$350,000 to \$1,164,000 by cancelling the Serauxmen Stadium Artificial Turf Infield project budgeted in 2023 and reallocating \$200,000 from the Stadium District Temporary Washroom budget. The motion carried unanimously.

5. QUESTION PERIOD:

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

6. ADJOURNMENT:

It was moved and seconded at 11:25 a.m. that the meeting adjourn. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER