

**MINUTES**  
**FINANCE AND AUDIT COMMITTEE MEETING**  
**ELECTRONIC MEETING**  
**WEDNESDAY, 2022-FEB-16, AT 9:02 A.M.**

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

Absent: Councillor S. D. Armstrong

Staff: J. Rudolph, Chief Administrative Officer  
D. Lindsay, General Manager, Development Services/Deputy Chief Administrative Officer  
R. Harding, General Manager, Parks, Recreation and Culture  
B. Sims, General Manager, Engineering and Public Works  
G. Whiting, Deputy Fire Chief  
L. Bhopalsingh, Director, Community Development  
B. Corsan, Director, Corporate and Business Development  
A. Groot, Director, Facilities and Parks Operations  
L. Mercer, Director, Finance  
D. Bailey, Manager, Accounting Services  
W. Fulla, Manager, Business, Asset and Financial Planning  
T. Pan, Manager, Sustainability  
M. Squire, Manager, Water Resources  
T. Webb, Communications Consultant  
S. Gurrie, Director, Legislative Services  
A. Mac Coll, Recording Secretary

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

The Finance and Audit Committee Meeting was called to order at 9:02 a.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Agenda Item 7(g) - Needs and Options to Address Current Gaps in Daytime Drop-in Programming During Cold Weather - Add Report titled "Daytime Services for Vulnerable Populations".

3. APPROVAL OF THE AGENDA:

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

4. ADOPTION OF THE MINUTES:

It was moved and seconded that the Minutes of Finance and Audit Committee Meeting held electronically on Monday, 2022-JAN-19 at 9:00 a.m. be adopted as circulated. The motion carried unanimously.

By unanimous consent the Committee agreed to defer consideration of Agenda item Reports 7(a) Community Resiliency Investment Program (FireSmart Community Funding and Supports Program) to when the Nanaimo Fire Rescue representative is available to join the meeting.

5. REPORTS:

(a) Rock City Road Water Supply Pipeline Risk Reduction

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

- In the Rock City area there is a newly discovered geotechnical issue that Staff have found underneath the watermain supply that runs up to the Lost Lake Reservoir
- Below and along the side of the watermain pipe there is peat soil that could cause it to slide and pull apart in a seismic event
- Staff need to excavate certain points of the pipe and install mechanical joint restraints to prevent the pipe from pulling apart in the future, and before paving occurs
- To complete the work on the water main the project would need to be created and then funded by the reserves

Committee discussion took place. Highlights included.

- With peat soil there is no stability and preventative action will need to be completed soon as it can't be left in an unstable situation
- Seismic events and the movement of pipes with and without joint restraints in unstable soil

Bill Sims, General Manager, Engineering and Public Works, advised the Finance and Audit Committee (Committee) that Staff have looked at other surrounding areas of the pipe and concluded the other soils are stable. The intent of the mechanical joint restraints being installed would be for the pipe to only move in small amounts and for the peat soil to become a slurry and flow past the pipe.

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to install joint restraints on the Rock City Road water supply line and add a project to 2022 for \$350,000 funded from the Water Reserve to complete the work. The motion carried unanimously.

(b) Community Resiliency Investment Program (FireSmart Community Funding and Supports Program)

Geoff Whiting, Deputy Fire Chief, provided a summary of the program. Highlights included:

- Staff are looking for support regarding the grant funding application for the Community Resiliency Investment Program
- This grant funding has been the basis of the City of Nanaimo's (City) FireSmart activities with additional hours contributed by volunteers
- The grant application is for \$237,000 and it would be used towards education for Staff at the BC FireSmart Convention, the Wild Fire Urban Interface Convention, and public education
- The program will be at Nanaimo Home Show in May to provide information regarding FireSmart and how to FireSmart their homes
- The remainder of the funds will be used towards neighbourhood initiatives identified in the 2016 Community Wildfire Protection Plan as being moderate risk urban interfaces with those areas being the following:
  - Long Lake Heights
  - Cottle Lake
  - Protection Island
- The City currently contributes funds towards chipping and disposal of organic waste
- The Protection Island Community has contributed hundreds of hours of volunteer work and have been recognized as a FireSmart Canada community
- FireSmart activities on Protection Island involve Parks, Recreation and Culture due to the nature of the parks in that area
- There is no other funding available for these activities, and Staff would only be able to complete some education for the public if it is not approved
- The application was submitted in December 2021 for the year 2022 with the application to be withdrawn if the resolution does not get Council approval

Committee discussion took place regarding the grant funding being denied, and that the City should fund the FireSmart program if the grant is denied.

It was moved and seconded that the Finance and Audit Committee recommend that Council support the City of Nanaimo's application to the Union of BC Municipalities for the Community Resiliency Investment Program (FireSmart Community Funding and Supports Program) and if successful the 2022-2026 Financial Plan be amended to include this grant. The motion carried unanimously.

(c) Duke Point Water Supply Main - York Creek Drainage Crossing

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

- The Duke Point Water Supply Main at the York Creek Drainage Crossing is a 750 millimetre diameter main that services the Duke Point industrial area
- The water main is adjacent to the Duke Point highway with two culverts that cross over York Creek which drains York Lake
- The rainfall in November in conjunction with beaver activity caused damages which resulted in flooding for residents on Walsh Road
- City Staff installed two drainage culverts to help drain York Lake
- Staff would like to excavate below the water supply main and support the water main with a bridge and remove the culverts entirely to restore the creek underneath the pipe

- The bridge would aid in mitigating the risk to City infrastructure, residents' personal property on Walsh Road and Macmillan Road, and the Ministry of Transportation Infrastructure to re-focus their efforts on the Duke Point culvert

The Committee recognized Regional District of Nanaimo's Electoral Area A Director Keith Wilson, who raised this issue and advocated on behalf of those residents affected.

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to install a pipe bridge on the Duke Point water supply main over York Creek, and add a project to 2022 for \$400,000 funded from the Water Reserve to complete this work. The motion carried unanimously.

(d) Community Program Development Grant - Nanaimo Nature Society

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

- The Nature Society has replaced the Natural Society after it was dissolved
- Guided tours of Buttertubs Marsh will be a pilot program conducted by the Nature Society to encourage residents to connect with nature
- The Nature Society is hoping to expand this program into other parks around Nanaimo if the pilot program at Buttertubs Marsh is successful

Committee discussion took place. Highlights included.

- The tours and educational program and how it is related to the East Marsh areas as the West side of the marsh is being used by Vancouver Island University for wildlife research purposes
- Details of how the money will be spent for the tours and the breakdown of costs

Richard Harding, General Manager, Parks Recreation and Culture, advised the Committee that the City is trying to control residents' access to the West side of Buttertubs Marsh, and the tours will talk about the importance of the West marsh. The Nature Society will be using the cottage with the grant funds allocated to the following areas:

- \$150 design and budget work
- \$850 for 450 copies of brochures
- \$450 for training
- \$1000 updated signage

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the request from the Nanaimo Nature Society for a Community Program Development Grant in the amount of \$2,450 to assist in funding the Buttertubs Marsh Guided Nature Tours program. The motion carried unanimously.

(e) Quarterly Purchasing Report (Single and Sole Source, Purchases in Excess of \$250,000 and Instances of Non-Compliance Purchases)

Introduced by Laura Mercer, Director, Finance.

- The report presented is for the period of 2021-OCT-01 – 2021-DEC-31
- Appendix one lists sole and single source purchases and appendix two lists purchases over 250,000
- There were two instances of non-compliance
- The first instance of non compliance was a project taking longer than anticipated to complete and the second instance was the transitional costs related to Tourism Nanaimo

Committee discussion took place. Highlights included.

- Item 2994 regarding Provincial funding received to create the Nanaimo Situation Table and how it was used
- The relationship between the \$50,000 downtown security and the \$400,00 expense allocated for downtown security going forward

Dale Lindsay, General Manager, Community Development/Deputy CAO, advised the committee that Council had previously allocated \$400,000 towards augmented security for downtown and provided Staff direction to proceed with a study around the downtown and safety. The \$50,000 downtown security and the \$400,000 towards security going forwards are two separate items. Staff will come back to Council to provide recommendations based on the study.

Committee discussion took place. Highlights included

- Item 2355 in the report regarding GP Rollo & Associates Ltd. (Rollo) and the additional work completed towards Community Amenity Contributions
- The original cost of the study completed by Rollo and the additional cost after Council directed Staff to continue further work on the downtown Community Amenity Contribution study
- Item 2947 Neilson Strategies Inc. (Neilson), and the development of the Downtown Security Action Plan regarding their experience and expertise

Staff advised the Committee. Highlights included.

- Staff had initially advertised a call for expression of interests to complete the study for the Downtown Security Action Plan that there was not a satisfactory responses
- The City had to go out and seek a partnership to fulfill the call for expression of interests for the Study of the Downtown Security Action Plan
- Experts used by Neilson were a retired Police Chief from the City of Abbotsford and a former Deputy Police Chief from the City of Vancouver
- Neilson will complete their study for the Downtown Security Action Plan by the end of March
- Additional work completed by Rollo for the Community Amenity Contributions were directed by Council to staff
- The direction given by Council was to continue further work with specific questions regarding how amenity contributions would be calculated and the net versus growth
- Staff had brought Rollo back to answer the additional questions from Council without doing a new Request for Proposal
- The City received a \$30,000 grant to create the Situation Table and the costs of line item 2994 were covered by that grant.

(f) BC Hydro Sustainable Communities Project Implementation Funding Application with the Regional District of Nanaimo

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Introduced by Dale Lindsay, General Manager, Development Services/Deputy CAO.

- Introduced Ting Pan, Manager of Sustainability
- Supporting Nanaimo residents who have oil heating to convert to electric heat pumps for clean energy
- Financial incentives are currently provided from Provincial and Federal governments
- There are many financial and renovation barriers for Nanaimo residents to convert from oil heating to electric heat pumps
- The request for funding is for Staff to work with the Regional District of Nanaimo and BC Hydro to figure out how to support residents through the conversion process of oil to electric
- The program will be a pilot program and the City is hoping to help a minimum of 40 residents convert their homes to clean energy, or until the \$90,000 is exhausted
- \$60,000 of the funds in the plan is for design, market assessments, stakeholder engagement, and communication with \$90,000 allocated for providing the service

Committee discussion took place regarding duct systems in homes for electric heat and the average cost of helping each resident convert their heating system.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve using \$10,000 from the Climate Action Reserve Fund to support a joint application to BC Hydro with the Regional District of Nanaimo for an “Oil to Heat Pump Pilot Program with Equity-Centered Outreach Design”. The motion carried unanimously.

(g) Daytime Services for Vulnerable Populations

Introduced by Dale Lindsay, General Manager, Development Services/Deputy CAO.

- The Daytime Service for Vulnerable Populations report is a follow up to the 2022-JAN-19 Finance and Audit Committee meeting where a motion was made following a presentation from Risebridge
- The motion made by Council on 2022-FEB-07 provided direction to Staff to meet with Risebridge and look at gaps in daytime services for vulnerable populations
- The Society for Equity, Inclusion and Advocacy (SEIA) former space at 489 Wallace Street is now run by Canadian Mental health Association (CMHA)
- The services provided by Risebridge are now located at 520 Prideaux Street
- On 2022-FEB-10 the New Hope Centre changed their hours of operation which is not reflected in the Staff report on Attachment A
- The new hours of the New Hope Centre are breakfast 8:00 – 11:00 a.m. and dinner 3:00 – 5:00 p.m. with take away no longer being an option
- Risebridge provided comments during the meeting with City Staff that the programs currently available hold too high of barriers and additionally that COVID-19 has put further restrictions on capacity and causing strain on the system

- Staff have contacted many organizations about the 2021/2022 cold weather season with their response being that all the facilities were in high demand and at maximum capacity
- All partners providing services have recognized a need for appropriate spaces and an appropriate building as it is the largest barrier for providing services
- \$480,000 is currently in the annual budget for the Systems Planning Organization (SPO) to support its establishment
- In 2018, \$100,000 annually was included in the City budget to support a Daytime Service and Resource Centre
- Staff recognized the annual \$100,000 was not enough to establish and operate the Resource Centre, and it would require multiple partners in the community to make it successful
- The carry over of the \$100,000 from 2018, 2019 and 2020 was partially spent by Council for the Salvation Army Breakfast Program and the Cold weather shelter with a carry forward of \$193,058.78
- In 2019, Staff recommended that the Health and Housing Task Force consider an Expression of Interest call using the \$100,000 with the intent to help augment current services or new services
- The Emergency Warming Shelter being converted into a daily drop in space with it being operated by the 7-10 Club
- The daily use of the Emergency Warming Centre would cost the program an additional \$15,000 in the month of March 2022
- The 7-10 club has operated the Emergency Warming Shelter for additional non-emergency days with funds coming from their own budget
- 2021-DEC-27 the Emergency Warming Shelter commenced with \$15,000 allocated from Council to fund the program

Committee discussion took place. Highlights included.

- Gaps in coordination and speed of responses from the City with vulnerable populations
- The SPO and its ability to provide resources to the community
- Management of questions asked regarding SPO and the resources for the SPO
- Option 3 in the Staff report could be a reasonable stop gap measure for the vulnerable populations for the month of March
- On 2022-FEB-28 option 3 could pass by consent at the Council meeting and have the ability to immediately provide services at the Emergency Warming Centre
- The SPO and its collaborative process to give data and coordination to aide the vulnerable populations

Bill Corsan, Director, Corporate and Business Development, advised the Committee that Staff are working with the transition group which included feedback from the Nanaimo Homeless Coalition. Staff are in the process of making revisions of documents regarding the SPO with the feedback received from the Nanaimo Homeless Coalition. There is a meeting scheduled with the transition group to look at the revisions that were completed to see what the City will keep and amend in the documents.

It was moved and seconded that the Finance and Audit Committee recommend that Council designate the existing Caledonia Emergency Warming Centre as a daily drop-in space until 2022-APR-01, and allocate \$15,000 from the 2018-20 daytime resource centre carry forward. The motion carried unanimously.

6. QUESTION PERIOD:

- There was no one in attendance to ask questions.

7. ADJOURNMENT:

It was moved and seconded at 9:55 a.m. that the meeting adjourn. The motion carried unanimously.

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CHAIR

CERTIFIED CORRECT:

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CORPORATE OFFICER