



## MINUTES

### SPECIAL FINANCE AND AUDIT COMMITTEE MEETING

Wednesday, November 27, 2024, 9:00 A.M.  
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE  
80 COMMERCIAL STREET, NANAIMO, BC

Members: Mayor L. Krog, Chair (vacated at 10:53 a.m., returned at 11:16 a.m.)  
Councillor J. Perrino, Acting Chair  
Councillor S. Armstrong\* (disconnected at 11:01 a.m.)  
Councillor T. Brown\* (joined electronically at 9:18 a.m., disconnected at 11:39 a.m.)  
Councillor H. Eastmure  
Councillor B. Geselbracht  
Councillor E. Hemmens  
Councillor P. Manly  
Councillor I. Thorpe

Staff: D. Lindsay, Chief Administrative Officer  
R. Harding, General Manager, Community Services/Deputy Chief Administrative Officer  
L. Mercer, General Manager, Corporate Services  
B. Sims, General Manager, Engineering and Public Works  
T. Doyle, Fire Chief  
W. Fulla, Director, Finance  
S. Gurrie, Director, Legislative Services\*  
J. Holm, Director, Planning and Development  
K. Ing, Director, IT/CIO  
D. Osborne, Director, Parks, Recreation and Culture  
P. Rosen, Director, Engineering  
J. Van Horne, Director, Human Resources  
M. Bryson, Deputy Director, Civic Facilities  
C. Davis, Deputy Director, Parks and Natural Areas  
N. Vracar, Deputy Corporate Officer  
L. Brinkman, Manager, Community Planning

\* Denotes electronic meeting participation as authorized by "Council Procedure Bylaw 2018 No. 7272"

J. McAskill, Manager, Facility Asset Planning  
J. Rose, Manager, Transportation  
N. Sponaugle, Communications Advisor  
A. Chanakos, Recording Secretary

**1. CALL THE MEETING TO ORDER:**

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

**2. INTRODUCTION OF LATE ITEMS:**

(a) Agenda Item 6(c) 2025 – 2029 Draft Financial Plan – Replace PowerPoint Presentation titled “2025 – 2029 Draft Financial Plan” with the attached version.

**3. ADOPTION OF AGENDA:**

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

**4. REPORTS:**

(a) Progress Report on Council Priority Actions

Jeremy Holm, Director, Planning and Development, noted the report outlines the status of the 203 priority actions adopted by Council in the Integrated Action Plan (IAP) and is designed to help support budget discussions.

Committee and Staff discussion took place regarding ongoing research regarding IAP items number 33 and 34 to develop a construction recycling, deconstruction and demolition bylaw and a Zero Waste public events program.

**5. PRESENTATIONS:**

(a) Chief Administrative Officer Introduction

Dale Lindsay, Chief Administrative Officer reviewed the following highlights for 2024:

- Capital project achievements include Terminal Avenue Phase 1 upgrades, Harewood Centennial Park artificial turf fields and the opening of the Midtown Water Supply line

- Projects underway include the Midtown Gateway, which is expected to open in January 2025, Commercial Street Phase 1, and Phase 2 of the Westwood Lake improvements
- 2024 has been another strong year for private construction values which are projected to total \$275 million, resulting in 914 new dwelling units
- The opening of BC Housing's new supportive housing site on Fitzwilliam Street, and the announcement of the HEART and HEARTH sites
- Reviewed sustainability programs including the new e-bike share program and home energy rebates
- In March, the City transferred 200 acres of land to Snuneymuxw First Nation, through the Province, and received \$1.41 million in return to put into the Property Acquisition Reserve Fund
- The adoption of the Monitoring Strategy and the new Municipal and Regional District Tax (MRDT) program

The City received three awards for the Zero Carbon Step Code, Monitoring Strategy, and the 2024 – 2028 Financial Plan. In addition, Shawna Drinnan, Water Resources Specialist, received an award for their work on the Midtown Water Supply Project.

Councillor Brown joined the meeting electronically at 9:18 a.m.

The Chief Administrative Officer reviewed items related to the projected tax increase, including increased construction and infrastructure costs and the hiring of additional fire fighters and RCMP members.

Council and Staff discussion took place regarding the land at 1 Terminal Avenue, and whether it will fall under City bylaws and zoning regulations.

(b) Budget Video

Introduced by Laura Mercer, General Manager, Corporate Services.

A video was played regarding the draft Financial Plan and budget process.

(c) 2025 - 2029 Draft Financial Plan

Introduced by Laura Mercer, General Manager, Corporate Services.

Presentation:

1. Wendy Fulla, Director, Finance, provided a PowerPoint presentation. Highlights included:

- Reviewed the timeline for adopting the Draft Financial Plan

- Projected property tax increase for 2025 is 1% for the General Asset Management Reserve and 7.7% for the General Property Tax increase, totalling 8.7%
- 2024 is the final year that funds from the Special Initiatives Reserve may be used to lower taxes as part of the post-pandemic strategy
- Projected property tax rates are set to decrease following the final payments of the Vancouver Island Conference Centre (VICC) and the ending of the five-year funding commitment for the Systems Planning Organization (SPO)
- User fees are projected to increase by 4% for sewer, 5% for water and 5.7% for sanitation
- Average homes in Nanaimo will see an approximate property tax increase of \$248, which does not include municipal user fees, for a total of \$3,091
- 2025 revenues are budgeted at \$275.98 million, with the majority coming from property taxes
- The draft operating budget is \$214.0 million to cover operating and maintenance costs for City services including community safety, RCMP, Parks, Recreation and Culture, and Public Works
- Corporate insurance costs are expected to increase by 10% for liability insurance. Cyber and property crime insurance is also expected to increase
- The \$7.25 million increase in wages and benefits is largely due to 20 additional fire fighters, three new Police Support Staff, and two new positions to support the Corporate Asset Management System
- Revenue increases include aquatics and arenas programs returning to pre-pandemic levels, and an increase in grants in lieu
- Declining interest rates will affect investment incomes; however, the anticipated investment income remains at historic returns
- Outstanding external debt at the end of 2023 totalled \$38.17 million

Committee and Staff discussion took place. Highlights included:

- Growth estimates are traditionally low; however, Staff expect the growth rate will be higher based on preliminary numbers received
- Wellcox Secondary Access (for the South Downtown Waterfront) borrowing would require both Council and elector approval; however, Staff are considering funding alternatives
- Microsoft user accounts are being upgraded to increase productivity, communication and security

The Finance and Audit Committee recessed the meeting at 10:14 a.m.

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

(d) 2025 Key Initiatives

Presentation:

1. Laura Mercer, General Manager, Corporate Services, provided a PowerPoint presentation noting some of the key initiatives for City departments. Highlights included:

*Administration*

Human Resources:

- A key priority is to increase training opportunities related to First Nations history and cultural competency, as well as undertake negotiations with the International Association of Fire Fighters to begin work on a new collective agreement

Legislative Services and Communications:

- Key priorities include continuing to improve access to Council and Committee meetings and materials, and ongoing implementation of the City's Records Management Program and of training for the City's Privacy Management Program
- In 2025, Communications' will focus on accessibility, inclusive language, community engagement and First Nation relations
- Continuing work to improve the City's website and enhance public engagement

### *Corporate Services*

#### Corporate and Business Development:

- Key priorities include marketing Nanaimo as an event destination, working with BC Housing to identify opportunities for shelters and a Navigation Centre, and supporting the construction of the Downtown Transit Hub

Committee and Staff discussion took place regarding progress on the Downtown Transit Exchange.

The General Manager, Corporate Services, continued the presentation, and noted that Staff will continue to work with Tourism Nanaimo and the NPC to coordinate joint initiatives, and will assist in the transition of the MRDT program to Tourism Nanaimo.

#### Finance:

- Staff continue to assist in updating the Development Cost Charges Bylaw and are implementing a new Enterprise Resource Platform

#### Information Technology and GIS:

- The Information Technology (IT) and Geographic Information System (GIS) departments provide assistance with the City's website, desktop and mobile computing, and voice technologies
- Key priorities include increasing accessibility of City services in person, over the phone and online
- Staff will continue to assist with projects including upgrading Closed-Circuit Television (CCTV) cameras at Nanaimo Aquatic Centre (NAC) and the Stadium District, the Point-in-Time Count, audio/visual upgrades at the VICC, and improving cybersecurity

### *Community Safety*

#### Public Safety:

- Key priorities include working with BC Housing to increase shelter bed spaces, implementing the Downtown Nanaimo Community Safety Action Plan, establishing the Navigation Centre at 1030 Old Victoria Road, and continuing to provide low or no-cost support services to the vulnerable population

- A recent evaluation has confirmed the Community Safety Officer Program's effectiveness at improving social conditions and public safety in the downtown core; however, additional resources are required to maintain service levels

Nanaimo Fire Rescue:

- Staff will continue to educate community on fire smart principles and work to ensure residents receive timely hazard warnings
- Planning expansion of mental health resources for Staff, and conduct of annual reviews of staffing levels as well as the Emergency Response and Recovery Plan
- Working to expand the Vancouver Island Emergency Response Academy (VIERA) program to safety officials across the region. Revenues from VIERA help offset costs to the detachment

Police Services and RCMP:

- The City contracts police services with the RCMP and provides the building, equipment and support staff through the Police Services department
- The Police Services department has proposed a review of municipal employee levels and resource requirements in 2026
- Annual priorities focus on crime reduction related to repeat violent offenders, controlled substances, youth gang awareness and road safety

*Parks, Recreation and Culture*

Facilities and Park Operations:

- Staff will continue to look at ways to incorporate green technology and initiatives in City projects, and incorporate accessibility modifications and improvements
- Staff will continue to work on invasive plant removal and reducing impacts of informal access to Lotus Pinnatus Park

Mayor Krog vacated the Shaw Auditorium at 10:53 a.m. and Councillor Perrino assumed the Acting Chair.

The General Manager, Corporate Services, continued the presentation, and noted the following:

- Westwood Lake Phase 2 upgrades will reduce conflicts between people and bikes at First Beach

- The City will continue working with BC Housing on the Te'tuxwtun Project regarding landscape maintenance and design
- The implementation of the Computerized Asset Management System (CAMS) to better manage assets, implement preventative maintenance and better prioritize replacement of aging infrastructure
- 2025 capital projects include Neck Point Park parking lot, Harewood Centennial Water Park upgrades and the Urban Forest Canopy assessment

Recreation and Culture:

- Staff will continue to work with organizations like the Nanaimo Art Gallery and Tourism Nanaimo
- Focuses on individual and community wellness through programs, special events, and the provision of facilities and amenities
- The BC 55+ Games Committee is set to host the 2025 Games in September
- Staff will work with Snuneymuxw First Nation to find ways to share cultural skills and knowledge with Nanaimo residents
- Staff are working to implement a number of health-based initiatives such as Recreation Prescription and Social Prescribing

Councillor Armstrong disconnected from the meeting at 11:01 a.m.

- The Advisory Committee on Accessibility and Inclusiveness (ACAI) reviewed the Leisure Economic Access Pass (LEAP) program and provided recommendations which are implemented, in progress or scheduled to be implemented in 2025

*Engineering and Public Works*

Engineering:

- Enhancing traffic safety remains a priority for the Transportation department
- Funding has been set aside for traffic calming initiatives (to be reviewed by Council) to address speeding concerns in prioritized locations
- The Municipal Infrastructure is focusing on technical input for water distribution, sanitary sewer and storm drainage utilities to support the various asset management initiatives

Committee and Staff discussion took place regarding plans for a natural asset inventory to better allocate funds for natural asset management.



The General Manager, Corporate Services, continued the presentation, and noted the following:

- The Major Capital Projects team provides project management support to other departments for project such as Westwood Lake, Harewood Centennial Park, and the Stadium District improvements
- The Facility Asset Management team assists with project planning, asset management, capital projects, and energy and emissions management in facilities

Mayor Krog entered the Shaw Auditorium at 11:16 a.m. and assumed the Chair.

Public Works:

- The Solid Waste Management division's weekly curbside collection services, and events in 2025 including the Trunk Sale and Reuse Rendezvous
- The water supply and distribution system provides clean drinking water to the City, Snuneymuxw First Nation, South West Extension and the District of Lantzville
- The Sanitary Sewer department provides and maintains the sanitary sewer collection system
- The Drainage department is responsible for infrastructure such as pipes, ditches, culverts, catch basins and detention ponds to convey rainwater to natural water bodies
- The Fleet department provides support, oversight and maintenance of the City's fleet inventory

Planning and Development

- Staff will be improving the City's tree canopy through use of a future artificial intelligence (AI) based tree canopy analysis tool, and are updating the Form and Character Development Permit Area Guidelines
- Creating a tenant relocation policy to support tenants impacted by development

Committee and Staff discussion took place regarding the Woodgrove Area Plan and work that will take place throughout 2025.

The General Manager, Corporate Services, continued the presentation, and noted the following:

- A Home Energy Retrofit Financing Program Feasibility Study was brought to Council this year and Council allocated up to \$200,000 from the Climate Action Reserve Fund to support a Home Energy Retrofit Financing Program
- Heritage conservation initiatives will continue into 2025

(e) 2025 - 2029 Draft Project Plan

Presentation:

1. Wendy Fulla, Director, Finance, provided a PowerPoint presentation. Highlights included:
  - The City has \$321.4 million in projects planned over the next five years
  - Approximately 20.4% of projects funded by the General Fund are concurrent with other asset types
  - 70.7% of projects are renewal projects that replace/maintain existing infrastructure
  - In 2023, base funding for projects was set at \$8 million, with the assumption that funding would increase by 5% each year to address inflation and growth in City infrastructure
  - The projected closing balance for reserves in 2025 is \$170M
  - All current borrowing will be paid out by 2042

Committee and Staff discussion took place regarding projected outstanding debt not including the Public Works Yard project or potential major capital projects such as a new police detachment and Waterfront Walkway.

*Project Highlights*

IT and GIS:

Kerry Ing, Director, Information Technology/Chief Information Officer, continued the presentation, and noted the following:

- The goal of IT/GIS is to assist colleagues with the tools available to achieve their goals
- The work with the Public Safety Department to provide security cameras that can aid in investigations
- Upgrades made to the Service and Resource Centre Boardroom to improve hybrid meetings

- Modernization of the City's Enterprise Resource Planning software and Corporate Asset Management System
- Improvements to the building permit system and the City's website

Councillor Brown disconnected from the meeting at 11:39 a.m.

Director, Information Technology/Chief Information Officer, continued the presentation, and noted the following:

- The creation of a three-dimensional (3D) model of Nanaimo to help aid in development planning within the City
- Replacement of network data infrastructure to improve connectivity between facilities

Committee and Staff discussion took place regarding the timeline for the building permit software implementation, and network improvements to improve cybersecurity.

Beban Park Area Active Transportation Links:

Bill Sims, General Manager, Engineering and Public Works, continued the presentation, and provided an example of how multiple active transportation projects tie-in to the Midtown Water Supply Project.

Committee and Staff discussion took place regarding additional active transportation projects in progress in the proximity of the Midtown Water Supply Project.

The Finance and Audit Committee recessed the meeting at 12:03 p.m.

The Finance and Audit Committee reconvened the meeting at 1:00 p.m.

Engineering and Public Works:

Poul Rosen, Director, Engineering, continued the presentation. Highlights included:

- Reviewed various annual programs and studies
- The majority of funding for transportation projects going towards renewal of existing infrastructure
- Pedestrian unallocated funding is budgeted at \$300,000; however, in recent years the budget has been increased to \$1 million

Committee and Staff discussion took place regarding increasing Staff capacity to complete additional projects if the budget was increased.

The Director, Engineering, continued the presentation. Highlights included:

- Reviewed utility projects scheduled for 2025
- Due to increased traffic following Boxwood Road improvements, a traffic signal will be installed at East Wellington Road and Madsen Road in 2026
- Bowen Road being repaved as part of road rehabilitation in 2026

Committee and Staff discussion took place regarding active transportation options on Bowen Road between Labieux Road and Northfield Road.

The Director, Engineering, continued the presentation and noted an opportunity for utility renewals and upgrades to the road cross section on Hammond Bay Road in tandem with the Regional District of Nanaimo's (RDN) forcemain replacement project.

Committee and Staff discussion took place. Highlights included:

- Providing the most cost-efficient active transportation interventions
- Potentially delaying paving along Bowen Road; however, delays could lead to further intervention being required in the future at a higher cost
- Funding is not available to add sidewalks into the RDN forcemain project
- Potentially providing bike lanes on Beban Park property, rather than the road, or detouring the bike route along Labieux Road

The Director, Engineering, continued the presentation, and reviewed the water infrastructure and transportation projects scheduled in the next few years, as well as fleet replacement plans in 2025.

Committee and Staff discussion took place regarding active transportation infrastructure plans for the multi-use pathway on Haliburton Street.

### Nanaimo Fire Rescue:

Tim Doyle, Fire Chief, continued the presentation and reviewed renovation plans for Fire Stations 2, 3 and 4.

Committee and Staff discussion took place regarding consideration for deploying smaller medic trucks to medical aid calls in place of a fire engine truck, and relationships with surrounding fire departments.

The Fire Chief continued the presentation, and noted required updates to fleet and equipment, as well as renovations planned for the Protection Island Fire Station 7 to accommodate larger trucks.

Committee and Staff discussion took place regarding the possibility of converting Fire Station 7 from an on-call fire hall to a career fire hall.

### Facility Projects:

Jennifer McAskill, Manager, Facility Asset Planning, continued the presentation. Highlights included:

- Staff are working on a greenhouse gas reduction study to determine costs related to reaching climate goals
- The City will be replacing the single head electrical vehicle (EV) chargers with dual head chargers to double the capacity in the Harbour Front Parkade and Port of Nanaimo Centre Parkade

Committee and Staff discussion took place regarding recent work to replace the waterproofing membrane at the Bastion Street Parkade.

The Manager, Facility Asset Planning, continued the presentation, and highlighted asset management projects scheduled for City Hall, the Service and Resource Centre, the police detachment and the VICC.

### Parks, Recreation and Culture:

Darcie Osborne, Director, Parks, Recreation and Culture, continued the presentation and noted the creation of an internal tracking system for all public art installations, which will help track ongoing maintenance, art piece care instructions and the overall condition for the life of each art piece. They also reviewed the ongoing work with the Urban Design Roster.

Mike Bryson, Deputy Director, Civic Facilities, continued the presentation. Highlights included:

- Reviewed improvements at the NAC, including the lobby partition and Wapotec chemical system for water treatment, resulting in a 50% reduction in chemicals and a \$134,000 reduction in costs in 2024
- Five City facilities have received accessibility audits with the Rick Hansen Foundation

Committee and Staff discussion took place regarding wayfinding signage at NAC to locate the Canadian Rehabilitation Services (CBI) health clinic.

The Deputy Director, Civic Facilities, continued the presentation and noted upgrades to Oliver Woods Community Centre.

Charlotte Davis, Deputy Director, Parks and Natural Areas, continued the presentation. Highlights included:

- In 2024 the City opened two new artificial turf fields at Harewood Centennial Park. In 2025, bleachers and a new parking lot will be constructed on Seventh Street
- The Marie Davidson BMX project is underway, and is expected to be fully complete by the spring of 2025
- New pickleball courts were opened at Beban Park, and bleachers will be installed early in 2025

Committee and Staff discussion took place regarding options for the Beban Park tennis courts, future updates to the Beban Park pickleball courts, and the future of the Beaufort courts.

The Deputy Director, Parks and Natural Areas, continued the presentation. Highlights included:

- Trail upgrades took place at the Millstone Lions pedestrian bridge, Patterson Trail and the Rutherford Ravine stairs
- Playground improvements took place at Deverill Square Park Court, Westhaven Park Playground, and a new playground installed at Harry Whipper Park
- Westwood Lake Phase 2 is expected to be complete by April 2025

The Deputy Director, Civic Facilities, continued the presentation, and noted improvements planned for the Port Theatre, including a new elevator to service the entirety of the building.

The Deputy Director, Parks and Natural Areas, continued the presentation, and reviewed plans for the Beban Social Centre outdoor learning classroom.

The Deputy Director, Civic Facilities, continued the presentation, and reviewed projects planned for the aquatic centres including the NAC lobby and play structure, kin pool boiler, and mechanical upgrades at Beban Complex.

The Manager, Facility Asset Planning, continued the presentation, and reviewed the NAC dehumidification project and potential impacts the project will have on operations, as it cannot take place during the regular shutdown period.

Committee and Staff discussion took place regarding emission reductions expected to result from the NAC dehumidification project.

The Manager, Facility Asset Planning, continued the presentation, and reviewed the roof replacement project at Beban Complex.

The Deputy Director, Parks and Natural Areas, continued the presentation, and reviewed upgrades to sports facilities including Deverill Park Court, McGirr Sports Complex and the Stadium District. Other recreation projects in 2025 will include the Bowen Park disc golf course, the spray park at Harewood Centennial Park and the design phase of the Maffeo Sutton Park washrooms.

Committee and Staff discussion took place regarding how projects are funded, and the process/implications of delaying one project to fund another.

**6. QUESTION PERIOD:**

The Committee received no questions from the public regarding agenda items.

**7. ADJOURNMENT:**

It was moved and seconded at 2:37 p.m. that the meeting adjourn. The motion carried unanimously.

---

CHAIR

---

ACTING CHAIR

CERTIFIED CORRECT:

---

DEPUTY CORPORATE OFFICER