



TOWN OF LADYSMITH

A REGULAR MEETING OF THE
COUNCIL OF THE TOWN OF LADYSMITH
WILL BE HELD IN COUNCIL CHAMBERS AT CITY HALL ON

MONDAY, MARCH 19, 2012
7:00 p.m.

A G E N D A

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CALL TO ORDER

1. AGENDA APPROVAL
2. MINUTES
 - 2.1. Minutes of the Regular Meeting of Council held March 5, 2012 1 - 7
3. PUBLIC HEARING
None
4. DELEGATIONS
 - 4.1. Jolynn Green, Community Futures Central Island
Introduction to Community Futures & Services in Ladysmith
 - 4.2. Ron Dale, Ladysmith Japan Relief Committee
Request for Town of Ladysmith Contributions to Japan Relief Assistance 8
5. PROCLAMATIONS
 - 5.1. Mayor Hutchins has proclaimed the month of April 2012 to be "Canadian Cancer Society Daffodil Month" in the Town of Ladysmith
6. DEVELOPMENT PERMITS / DEVELOPMENT VARIANCE PERMITS
None
7. STAFF / ADVISORY COMMITTEE REPORTS
 - 7.1. 2012 to 2016 Financial Plan
 - 7.2. Contract Award - Purchase of Fire Rescue Vehicle 9 - 10
 - 7.3. Water and Sewer Rate Bylaw Amendments 11 - 17
 - 7.4. Strategic Community Investment Funds 18 - 25

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8. CORRESPONDENCE	
8.1. Heath Slee, President, Union of British Columbia Municipalities Provincial Response to UBCM Resolution Regarding Protection of Watersheds	26 – 27
<u>Staff Recommendation</u> That Council receive the correspondence from Heath Slee, Union of British Columbia Municipalities, regarding provincial response to the Town-sponsored UBCM resolution on the protection of watersheds.	
9. BYLAWS	
9.1. Town of Ladysmith Sanitary Sewer Rate Bylaw 1999, No. 1299, Amendment Bylaw 2012, No. 1799	28 – 29
<i>The purpose of Bylaw 1799 is to establish sewer rates for 2012.</i>	
9.2. Town of Ladysmith Waterworks Regulation Bylaw 1999, No. 1298, Amendment Bylaw 2012, No. 1800	30 – 31
<i>The purpose of Bylaw 1800 is to establish water rates for 2012.</i>	
10. NEW BUSINESS	
11. UNFINISHED BUSINESS None	
12. QUESTION PERIOD	
<ul style="list-style-type: none">• A maximum of 15 minutes are allotted for questions.• The Question Period will be comprised of two parts. The first part is reserved for questions directly related to items which appear on the agenda. If there is time remaining, questions during the second part can be on a matter of public interest under the jurisdiction of the Town.• Each questioner will be allowed to ask one question plus a follow-up question related to the answer. If after all questioners have been heard and there is still time remaining, a questioner who has already spoken can ask one additional question plus a follow-up question related to the answer.• Questions must be truly questions and not statements of opinions. Questioners are not permitted to make a speech.• Questioners must avoid personal references; insinuations; violent, offensive or disrespectful remarks about another person; and unparliamentary language.• Questions shall be addressed to the Chair.• No commitments shall be made by the Chair in replying to a question. Matters which may require action of the Council shall be referred to a future meeting of the Council.	

13. EXECUTIVE SESSION

Page

In accordance with Section 90(1) of the *Community Charter*, this section of the meeting will be held *In Camera* to consider the following items:

- Items 1: & 2: The acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality
- Item 3: Personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality

14. ADJOURNMENT



**MINUTES OF A MEETING OF COUNCIL OF THE
TOWN OF LADYSMITH
HELD IN COUNCIL CHAMBERS AT CITY HALL ON
MONDAY, MARCH 5, 2012**

COUNCIL MEMBERS PRESENT:

Mayor Rob Hutchins	Councillor Steve Arnett	Councillor Bill Drysdale
Councillor Jillian Dashwood	Councillor Gord Horth	Councillor Glenda Patterson
Councillor Duck Paterson		

STAFF PRESENT:

Pat Durban	Erin Anderson	Sandy Bowden
Joanna Winter		

CALL TO ORDER Mayor Hutchins called the Regular Council Meeting to order at 7:00 p.m.

AGENDA APPROVAL Mayor Hutchins requested Council's consideration of the following addition to the agenda:
12.2 Earth Hour

CS 2012-055 It was moved, seconded and carried that the agenda for the Regular Session of Council for March 5, 2012 be approved as amended.

DELEGATIONS **Gerry Yellowlees, Ryan Cooper – Duke of Edinburgh's Award**
Mayor Hutchins presented the Duke of Edinburgh's Bronze Award to Ryan Cooper, and congratulated him on his significant achievements in qualifying for this award.

Mike Rankin – Mid-Isle Soccer Association
M. Rankin presented information to Council regarding a Mini-World Cup Soccer event that is taking place in Ladysmith on May 12 and 13, with 80 teams taking part and bringing nearly 1,000 young soccer players and family members from all over Vancouver Island to Ladysmith. He requested Council's support of the event through the provision of the following:

- A liaison from the Parks, Recreation and Culture Department to assist with site planning and logistics
- The loan of traffic cones to use as corner flags on fields
- The Mayor's help in borrowing the international flags used when the tournament was held in Parksville several years ago
- Trolley service to run between venues and a central parking

location

- Directional signage
- Upgrades to the playing fields at Frank Jameson Community Centre and Ladysmith Secondary School field.

Council thanked Mr. Rankin for his presentation and agreed to consider his requests.

MINUTES

- CS 2012-056 It was moved, seconded and carried that the minutes of the Regular Meeting of Council held February 20, 2012 be approved as circulated.

COUNCIL COMMITTEE REPORTS

- CS 2012-057 It was moved, seconded and carried that representatives of the Cowichan Affordable Housing Secretariat be invited to make a presentation to the Government Services Committee.

- CS 2012-058 It was moved, seconded and carried that a letter of congratulations be sent to the band Skellig for their recent win in the prestigious Hard Rock Canada competition.

Government Services Committee Recommendations *Closed Meeting Best Practices*

- CS 2012-059 It was moved, seconded and carried that the following Best Practices for all closed meetings be adopted:
1. Establish whether or not the "meeting" constitutes a formal meeting thereby triggering the requirement to comply with the legislation (Sec. 90 Community Charter).
 2. Ensure all closed meeting notices:
 - a) are prepared in accordance with the legislation;
 - b) that specific reasons for closing the meeting are stipulated (Sec. 90 and 92 Community Charter); and,
 - c) are posted on public bulletin boards and on the Town's website.
 3. Ensure the public is aware that, upon request, their name(s) will be included on the email distribution list for Council and Committee agendas and minutes.
 4. Ensure that a resolution is adopted in the open meeting authorizing the Council to close the meeting to the public and that the resolution is read out in its entirety. Three

components of the resolution are:

- a) The fact that the meeting or part of the meeting is to be closed;
 - b) The basis on which the meeting is to be closed; and,
 - c) The specific paragraph from Sec. 90 that requires or authorizes the closure
5. Use the special authority to waive notice of a special closed meeting only under exceptional circumstances.
 6. Keep discussion focussed on subjects as stipulated in the notice.
 7. Never vote on readings or adoption of a bylaw.
 8. Ensure that minutes include all meeting attendees.
 9. Review closed meeting minutes bi-annually and "rise and report" on items as deemed appropriate.

CS 2012-060

Expansion of Cowichan Valley Regional District Transit Services

It was moved, seconded and carried that the proposed expansion of Cowichan Valley Regional District transit services to Ladysmith and Area G be referred to staff for review, in conjunction with staff of the Cowichan Valley Regional District, and that a response to the Cowichan Valley Regional District be prepared prior to May 31, 2012.

CS 2012-061

Town of Ladysmith Sign and Banner Stations

It was moved, seconded and carried that staff be requested to review the growing demand for the promotion of community events at the Town's sign and banner stations, and to report back to the Government Services Committee with findings and recommendations, as requested by Cliff Fisher of the Ladysmith Maritime Society in his correspondence dated February 8, 2012.

CS 2012-062

Regional Visitor Services

It was moved, seconded and carried that the Town of Ladysmith support in principle Option Four as presented in the Staff Report on Regional Visitor Services from the Cowichan Valley Regional District dated February 16, 2012.

Ladysmith Celebrations Society is seeking two new Board members as well as committee members. The Annual General meeting will take place on March 20.

Councillor Arnett suggested that the Town of Ladysmith should consider requesting that the Vancouver Island Regional Library

**STAFF / ADVISORY
COMMITTEE REPORTS**

Board construct a new library in Ladysmith.

2012-2016 Financial Plan – Grants-in-Aid

Council considered the requests for grant-in-aid funding in 2012 received from community groups and organizations.

Councillor Drysdale declared a conflict of interest and excused himself from the meeting for the discussion regarding the request for funding from the Ladysmith Festival of Lights.

CS 2012-063

It was moved, seconded and carried that the Staff Sergeant of the Ladysmith Royal Canadian Mounted Police Detachment be requested to provide 2011 crime statistics for the Town of Ladysmith, Area G and Area H.

CS 2012-064

It was moved, seconded and carried that the proposed Grants-in-Aid budget for 2012 be referred to the next budget meeting for further consideration.

Proposed Off-Leash Dog Park at Transfer Beach

CS 2012-065

It was moved, seconded and carried that support in principle be given to the establishment of an off-leash dog park in the Transfer Beach vicinity, subject to confirmation of size and exact location.

Proposed Grant Application – Transfer Beach Spray Park Surface Upgrade

CS 2012-066

It was moved, seconded and carried that staff be authorized to make application for a Tire Stewardship BC Community Grant in the amount of \$15,000 as a 50 per cent contribution to the cost of upgrading the surface of the Transfer Beach Spray Park, and that an amount of \$15,000 be included in the 2012 Annual Budget as the Town's matching contribution to the grant, as required upon approval of the grant application.

Staff were requested to provide information regarding vandalism to similar surfaces in other communities.

CORRESPONDENCE

CS 2012-067

**Karen Felker, B.C. Honours and Awards Secretariat
Order of British Columbia – 2012 Call for nominations**

It was moved, seconded and carried that the correspondence from Karen Felker, B.C. Honours and Awards Secretariat regarding the 2012 Call for Nominations for the Order of British Columbia be received.

**John Rowlandson, Velo Village Saltspring Island
Request for Endorsement of Resolution Supporting Provincial**

CS 2012-068

Investment in Cycling Infrastructure

It was moved, seconded and carried that the following resolution regarding cycling infrastructure in British Columbia be adopted, as requested in the correspondence from John Rowlandson regarding Velo Village Saltspring Island:

WHEREAS the Union of British Columbia Municipalities has consistently endorsed resolutions calling for development, improvement and augmentation of cycling infrastructure, including but not limited to:

- frequent sweeping of bike lanes (2011-B19);
- increased width and refurbished road shoulders to accommodate cycling (2010-B16, 2007-B14, 2007-B99);
- a BC Cycling Development Program (2010-B17);
- revenue sharing for cycling infrastructure intersecting provincial highways(2009-B83);
- safer cycling conditions to encourage ridership (2008-B108);
- bicycle lane funding (2007-B100, 2006-B140); and
- infrastructure for non-greenhouse gas emitting transportation (2006-B110);

AND WHEREAS rural cycling infrastructure strengthens communities by:

- increasing the safety of cycling on rural roads;
- supporting the growth of cycle tourism;
- addressing local climate change challenges;
- providing transportation and recreation alternatives;
- establishing links with existing urban and regional cycling networks; and
- enabling small business access to new commercial corridors and markets:

THEREFORE BE IT RESOLVED that the Town of Ladysmith urges the Province of British Columbia to invest in cycling infrastructure in rural communities, in order to accelerate the availability and broaden the range of cycling opportunities for commuter, recreational and competitive cyclists living in and visiting rural and urban areas.

BYLAWS

CS 2012-069

Town of Ladysmith Streets and Traffic Bylaw No. 1309, Amendment Bylaw 2012, No. 1794

It was moved, seconded and carried that Town of Ladysmith Streets and Traffic Bylaw No. 1309, Amendment Bylaw 2012, No. 1794 be adopted.

NEW BUSINESS

- CS 2012-070** **Hedges**
It was moved, seconded and carried that staff be requested to provide Council with copies of bylaws regulating hedges from at least three other British Columbia communities.
- CS 2012-071** **Earth Hour**
It was moved, seconded and carried that the Town of Ladysmith participate in Earth Hour 2012.

QUESTION PERIOD

- R. Johnson was reminded that the 'Rise and Report' provision in Executive Session is to ensure that Council is able to make public the results of certain *in camera* discussions as appropriate.
- R. Johnson enquired about emergency supplies at various locations throughout the Town of Ladysmith.
- R. Johnson was advised that the 2012 budget will next be discussed at the March 19 Council meeting.

EXECUTIVE SESSION

- CS 2012-072** It was moved, seconded and carried at 9:00 p.m. that Council retire into Executive Session after a three minute recess to consider the following items in accordance with Section 90(1) of the Community Charter:

Item 1: The acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

Item 2: The acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

Item 3: The security of the property of the municipality

ARISE AND REPORT

Council arose from Executive Session with report on the following item:

- The Town's intention to extend the current contract for the provision of land agent services for Town-owned lands with Capital Asset Group to April 30, 2012 for a monthly fee of \$2,800 (including HST), with any further extension to the contract on a month-to-month basis as the services are

required, and to include the expenditures related to this service in the 2012 budget.

ADJOURNMENT

CS 2012-073

It was moved, seconded and carried that this meeting of Council be adjourned at 10:08 p.m.

Mayor (R. Hutchins)

CERTIFIED CORRECT

Corporate Officer (S. Bowden)

Subject to Adoption

**E-Mail sent by Ron Dale to Mayor Hutchins
March 7, 2012**

Mayor Hutchins:

April 3, 2011, a fundraiser at LSS was held to generate money to assist the people of Japan. The idea was born in First United Church in response to a hymn, WHAT CAN I DO. It was a moderate success that generated over \$3500. But it was a fantastic day with geographic and cultural information, children's activities, prayer and moving speeches describing some incredible stories of survival and heroism.

As the Chairperson of that committee I am planning a trip to the Sendai area, including the ocean side city of Kamaishi, and nearby Natori. While there I will present on behalf of the town of Ladysmith the money raised in Ladysmith.

At this time Keiko Bottomley, a Japan Relief Committee member, and I are establishing contacts there in order to have the donation go to a school or schools who have needs. My suggestion is that funds are used to purchase playground equipment at a school. I chose that target because so much of the participation came from the schools in Ladysmith, especially E'cole Davis Road.

My requests are that the Town of Ladysmith:

- make a \$500 donation to bring our total to \$4,000
- donate signage that identifies Ladysmith, that can be affixed to a playground or other equipment
- provide a package of materials; brochures, pictorials, pins, CD's, depicting the essence of Ladysmith
- write a letter of introduction authorizing me to present to the specified city, town, or institution as an ambassador of our town
- Investigate the possibility of developing a further relationship with the community receiving our donation

I am leaving March 29 and will present the funds raised April 9.

I look forward to meeting the council to give further clarification of this request and to thank the council for their support.

Thank you for your consideration,

Ron Dale
Committee Chairperson
Japan Relief Committee



Town of Ladysmith
STAFF REPORT

To: Ruth Malli, City Manager
From: Sandy Bowden, Director of Corporate Services
Date: March 12, 2012
File No:

Re: Request for Proposals for the Purchase of a Fire Rescue Vehicle – Contract Award

RECOMMENDATION(S):

That, upon the successful completion of the Alternate Approval Process, the contract for the purchase of a new fire rescue vehicle be awarded to Safetek Emergency Vehicles in the amount of \$446,000 plus applicable taxes.

PURPOSE:

The purpose of this staff report is to seek Council's authorization to accept the low bid submitted by Safetek Emergency Vehicles for a fire rescue vehicle in the amount of \$446,000 plus taxes.

INTRODUCTION/BACKGROUND:

Council will recall that at the meeting held on January 16, 2012 a resolution was adopted directing staff to update the Fire Vehicle Plan to ensure there is funding set aside in a reserve account to replace the fire department equipment as the assets reach the end of their useful life. The funds set aside are to equal the replacement cost divided by the life of the asset. At that meeting, Council also authorized staff to proceed with an Alternate Approval Process allow the Town to borrow up to \$440,000 for the purchase of a new fire rescue vehicle to replace the 1986 Ford rescue vehicle.

In accordance with the Town's Purchasing Policy, staff issued an RFP regarding the acquisition of the fire rescue vehicle. Three bids were received (note two were from the same company proposing different payment schemes) and after a complete review by a committee of the bids submitted, staff and the committee recommends accepting the low bid in the amount of \$446,000 plus taxes. The vehicle will not be purchased until after the conclusion of the Alternate Approval Process.

SCOPE OF WORK:

Staff will proceed with the Alternate Approval Process in accordance with the legislation. Once the approval of the electorate is confirmed and funding is in place, staff will proceed with the fire rescue vehicle purchase.

ALTERNATIVES:

This vehicle purchase is in accordance with the established Fire Department Equipment Replacement Plan and the Town's Purchasing Policy. Council could amend the equipment replacement plan and not proceed with the vehicle purchase. There are some liability risks associated with this option.

FINANCIAL IMPLICATIONS:

At this time, there is approximately \$40,000 in the fire reserve that could be applied to the purchase price of \$453,805, resulting in approximately \$415,000 as the amount to be borrowed. The current yearly lease cost for this purchase is approximately \$35,000 per year which is in the Five Year Financial Plan. If the original

Provincial Sales Tax (PST) rules are re-instated as expected, the servicing cost of the lease will increase in 2013.

In January, Council approved the Fire Equipment Replacement Plan which allocates \$121,000 per year towards the replacement of fire vehicles. This amount was approved after the 2012 Financial Plan was presented; therefore, it was not included in the preliminary budget or in the 5.39% taxation increase figure. The impact of the \$121,000 allocation to reserves is approximately a 1.9% levy increase. As budget input is continually being sought and additional projects being considered, Council may wish to review the reserve plan or postpone awarding the tender until full budget deliberations are complete.

LEGAL IMPLICATIONS:

n/a

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

The Fire Department is well regarded in the community and staff anticipates that ensuring public safety by purchasing up-to-date rescue equipment will be positively received. The Alternate Approval Process will determine the level of community support for this expenditure.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

The Corporate Services, Financial Services, and Fire/Rescue Departments will work together regarding this vehicle acquisition.

RESOURCE IMPLICATIONS:

All work will be performed with existing resources.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

The purchase of a new fire rescue vehicle aligns with Sustainability Goal No. 8 and the 7th Pillar of Sustainability by promoting a healthy and safe community.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This issue aligns with Strategic Direction A – “Wise Financial Management” and Strategic Direction F – “A Safe and Healthy Community”.

SUMMARY:

The 1986 Ford fire rescue vehicle requires replacement in accordance with the Fire Department Equipment Replacement Plan. Council directed Staff to proceed with an Alternate Approval Process to borrow up to \$415,000 to purchase the fire rescue vehicle. An RFP was issued for the rescue apparatus and three bids were received in response to the RFP. Staff recommends awarding the contract to Safetek Emergency Vehicles for the purchase of a fire rescue vehicle in the amount of \$446,000 plus taxes once the Alternate Approval Process is successfully completed.

I concur with the recommendation.



Ruth Malli, City Manager

ATTACHMENTS:

None



Town of Ladysmith

STAFF REPORT

To: Ruth Malli, City Manager
From: Erin Anderson, Director of Financial Services
Date: March 12, 2012
File No:

Re: Amend Water and Sewer Rate Bylaws

RECOMMENDATION(S):

That Council give first three readings to the Sanitary Sewer Rates Bylaw 2012 No. 1799 and Waterworks Regulation Bylaw 2012 No. 1800.

PURPOSE:

To amend the Water and Sewer rates effective April 1, 2012.

INTRODUCTION/BACKGROUND:

In February, the water and sewer operating and capital budgets were presented for discussion purposes. A copy of the slide presentation is attached as well as preliminary Water and Sewer Budgets.

Sewer:

The Sewer Capital Budget and Sewer Operating Budget were presented during a slide presentation to Council on February 20th. The largest capital project continues to be the Waste Water Treatment Plant. As mentioned in the presentation, the Town has submitted an additional grant and funding application for this project and is waiting to hear the results. As construction on the next phase of the Waste Water Treatment Plant should be started in 2012, it is necessary to plan the funding of this project. Council will recall that the Town already has been awarded a \$5.2m grant towards this project, though the entire costs are greater. Borrowing must be put in place before the large expenses begin to occur.

To contribute to funding this project, it is recommended that the quarterly sewer rates increase by \$1.00 per month effective April 1. This rate increase results in a per-monthly charge of \$14.00 for the residential properties. The last rate increase occurred over ten years ago.

Water:

Included in the slide presentation was the proposed water budget for Operations and Capital. The Town is currently completing the 2011 Waterworks construction which borrowing was necessary to fund. There are additional projects in 2012 to 2016 which will require the Town to receive grants or undertake additional borrowing.

To fund these projects, it is recommended that the base rate of water consumption increase by \$1 per quarter for single family dwellings to \$22 per quarter, effective April 1, 2012. It is also recommended that all properties are charged this base rate regardless of the type of property (ie, business, residential etc). The last rate increase occurred in January 2010 for single family dwellings.

SCOPE OF WORK:

Once adopted, the new rates will be added to the billing system.

ALTERNATIVES:

If the current sewer and water rates are maintained, there will be insufficient funding for the capital projects that are scheduled to take place. Some of these construction projects are the result of recommendations from the regulatory bodies. It is imperative that the Town continues to adhere to all of the regulations associated with the delivering the high quality of water the property owners currently receive.

FINANCIAL IMPLICATIONS:

As discussed.

LEGAL IMPLICATIONS:

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

Citizens are encouraged to continue to provide input in the budget meetings.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Any changes to the budget will require extensive communications amongst the various departments.

RESOURCE IMPLICATIONS:

The Finance Department continues to prepare the budget. Other Directors' input is necessary.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

ALIGNMENT WITH STRATEGIC PRIORITIES:

This issue aligns with Strategic Direction A – “Wise Financial Management”

SUMMARY:

It is recommended that Council give first three readings to the Sanitary Sewer Rates Bylaw 2012 No. 1799 and Waterworks Regulation Bylaw 2012 No. 1800.

I concur with the recommendation.



Ruth Malli, City Manager

ATTACHMENTS:

Preliminary Sewer Operating Budget
Preliminary Water Operating Budget
Copies of Slide presentation from February 20, 2012

Preliminary Sewer
Operating Budget

	2011 Budget	2012 Budget
Revenue		
Sewer Parcel Tax	- 532,224	- 945,804
Sewer User Fees	- 615,300	- 657,854
Local Improvement	- 8,922	- 8,920
Total Revenue	<u>- 1,156,446</u>	<u>- 1,612,578</u>
Expense		
Sewer Operations	484,222	625,300
Principal Payments	4,333	117,821
Interest Payments	6,031	182,868
Transfers to Capital	661,860	686,589
Total Expenses	<u>1,156,446</u>	<u>1,612,578</u>
NET	<u>0</u>	<u>0</u>

Preliminary Water
Operating Budget

	2011 Budget	2012 Budget
Revenue		
Water Parcel Tax	- 348,000	- 348,600
Water User Fees	- 674,100	- 651,614
Total Revenue	<u>- 1,022,100</u>	<u>- 1,000,214</u>
Expense		
Water Operations	459,318	482,970
Principal Payments	-	24,011
Interest Payments	-	38,000
Transfers to Capital	562,782	455,233
Total Expenses	<u>1,022,100</u>	<u>1,000,214</u>
NET	<u>0</u>	<u>0</u>



Water & Sewer

Financial Plan 2012 – 2016
To be amended by Council Priorities

Water & Sewer Overview

- Monies generated in the respective funds stay within that fund.
 - *Water revenues are used solely to fund water operations & projects*
 - *Sewer revenues are used solely to fund sewer operations & projects*

Water & Sewer Overview

- Capital Projects funded mainly from:
 - Utility Rates
 - Parcel Tax
 - Grants
 - Reserves
 - DCC's
 - Capital

Current Rates

- Water:
 - 2011 Parcel Tax \$100 (\$8.33 per month)
 - Water Utility rates based on consumption
- Sewer:
 - 2011 Parcel Tax \$154 (\$12.83 per month)
 - Sewer Utility rates based on flat quarterly rate

Rates in relation to other utilities

	Per Month	Per Year
Cell phone	\$40	\$480
TV & Internet	60	720
Telephone	35	419
Total	\$135	\$1,219
Water Parcel Tax (2011)	8	100
Average Single Family Water	12	146
Sewer Parcel Tax (2011)	13	154
Average Single Family Sewer	13	156
Average Single Family Garbage	14	168
Total	\$ 61	\$ 724
Arizona Home:	Per Month	Per year
Sewer	42	509
Water – base charge	18	213

Operation Expenses

- Expenses captured specifically for water & sewer (ie, not general expenses)
- Expenses include:
 - Wages & Benefits
 - Equipment Uses
 - Contracted Services
 - Materials & Supplies



Reserves

- Any operating surplus is allocated towards future projects
- Development Cost Charges (DCC's) can be used to fund certain projects as set out in the DCC Bylaw.

Borrowing

- Can borrow from the Municipal Finance Authority (MFA) for Capital Projects.
- Currently borrowing \$1m to complete 2011 Waterworks projects
- Anticipated Borrowing:
 - To complete the Waste Water Treatment Plant
 - To continue with Waterworks Pipeline & Treatment Plant

Water Operations (Expenses)

	2011 Budget	2012 Budget	Budget Change
Water Treatment	\$131,190	\$138,600	\$7,410
Water Breaks	32,010	32,600	590
Maintenance	10,880	11,130	250
Flushing	23,690	26,820	3,130
Meter Repairs	24,440	26,610	2,170
Supply Operations	237,108	247,210	10,102
Total	\$459,318	\$482,970	\$23,652

Borrowing \$1m

- Already approved
- Cost to borrow per year \$63,000

Sewer Operations (Expenses)

	2011 Budget	2012 Budget	Budget Change
Treatment	\$179,090	\$189,450	\$10,360
Repairs	15,740	16,200	460
Lift Str. Mtce	23,230	23,750	520
Main Flushing	18,790	19,270	480
Solids Handling	14,380	19,750	5,370
Trucking Sludge	0	115,000	115,000
Production Operations	232,992	241,880	8,888
Total	\$484,222	\$625,300	\$141,078

Borrowing for Sewer

- Current Borrowing Costs from 1990 is \$10,364 per year
- Future borrowing:
 - Depends on grants & borrowing method
 - (400k – 600k)

WATER PROJECTS

Approved Water Projects to be completed in 2012

Holland Cr crossing	\$ 84,452
Pipeline (south-end)	212,107
Stocking Dam	182,545
Hydro Gen (design)	35,000
New Chlorine Disinfection	609,805
Power Supply - Arbutus	300,000
Total	\$ 1,423,909

Funding has been allocated from Reserves and Operations

Proposed Water Projects

	2012	2013	2014	2015	2016
Hydro Generating construction (Grant of \$375,000)	875,000				
Holland to Stocking	240,000	300,000	2,870,000		
Additional Pipeline					
Main Replacement Program	250,000	500,000	500,000	500,000	500,000
Watershed Improvement				200,000	200,000
Ozonation/UV Treatment		2,900,000			
Total	\$ 1,365,000	\$ 3,700,000	\$ 3,370,000	\$ 700,000	\$ 700,000

Originally budgeted to take place 2014/2015 with grant funding

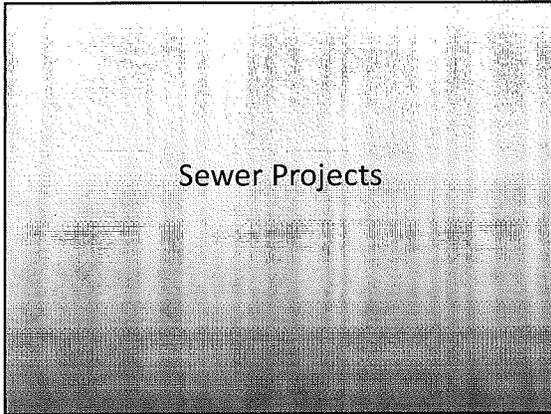
Originally budgeted to take place beyond 2016 with grant funding

Proposed Water Budget

	2012	2013	2014	2015	2016
Operations	\$ 482,970	\$ 495,044	\$ 508,658	\$ 522,646	\$ 537,019
Borrowing Costs	62,012	310,060	310,060	310,060	310,060
Capital	2,488,910	3,700,000	3,370,000	700,000	700,000
Total Expense	\$ 3,033,892	\$ 4,505,104	\$ 4,188,718	\$ 1,532,706	\$ 1,547,079
Proposed Grants		- 966,667	- 956,667		
Borrowing	- 982,801	- 4,000,000			
Approved Grants	-	466,273			
Water Rates	-	651,615	- 667,608	- 683,701	- 699,899
Water Parcel Tax	-	348,600	- 699,200	- 701,200	- 703,200
Use of own funds	-	584,604	1,828,371	- 1,847,150	- 129,607
Total Revenues	\$ - 3,033,892	\$ - 4,505,104	\$ - 4,188,718	\$ - 1,532,706	\$ - 1,547,079
Net	0	0	0	0	0

- ### Additional Items
- timeline is greater than 5 years
- Lower Stocking Inlet Structure in partnership with CVRD
 - Raise Holland Dam – for greater storage capacity
 - Filtration

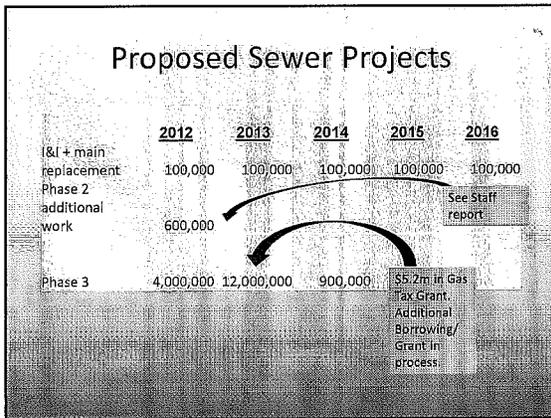
- ### Revenue Possibilities:
- Parcel Taxes:**
- Every \$1 increase in parcel taxes = \$3,486
- Utility Rates:**
- Increase quarterly rates
- Borrowing:**
- Every \$1m borrowed equals approximately \$70,000 in debt servicing costs per year



Approved Sewer Projects to be completed in 2012

Phase 2 WWTP
remaining portion \$ 458,096

Funding from Reserves



- ### Revenue Possibilities:
- Parcel Taxes:**
- Every \$1 increase in parcel taxes = \$3,516
 - \$115 increase = additional \$404,340
- Utility Rates:**
- Increase quarterly rates
- Borrowing:**
- Every \$1m borrowed equals approximately \$70,000 in debt servicing costs per year

Sewer Scenario

	2012	2013	2014	2015	2016
Operations	\$ 625,300	\$ 640,933	\$ 1,243,558	\$ 1,277,756	\$ 1,312,894
Borrowing Costs	300,689	585,173	585,173	586,173	579,570
Capital	5,158,096	12,100,000	1,000,000	100,000	100,000
Total Expenses	\$ 6,084,085	\$ 13,327,106	\$ 2,828,731	\$ 1,963,929	\$ 1,891,465
Grants	\$ 0	\$ 5,210,000	\$ 0	\$ 0	\$ 0
Borrowing	4,471,506	4,618,492			
Sewer Rates	898,773	700,112	735,117	771,573	810,457
Sewer Tax	945,804	948,494	951,184	1,024,794	1,068,804
Reserves		1,850,007	1,143,430	187,282	82,194
Total Revenue	\$ 6,084,085	\$ 13,327,105	\$ 2,829,731	\$ 1,963,829	\$ 1,891,465
Net Difference	0	0	0	0	0

Sewer Scenario with GMF Loan/Grant

	2012	2013	2014	2015	2016
Operations	\$ 625,300	\$ 640,933	\$ 1,243,558	\$ 1,277,756	\$ 1,312,894
Borrowing Costs	439,650	439,650	439,650	439,650	439,650
Capital	5,158,096	12,100,000	1,000,000	200,000	200,000
Total Expenses	\$ 6,223,046	\$ 13,180,583	\$ 2,683,208	\$ 1,917,406	\$ 1,952,544
Grants	\$ 0	\$ 6,210,000	\$ 0	\$ 0	\$ 0
Borrowing	4,610,489	3,816,492			
Sewer Rates	898,773	700,112	735,117	771,573	810,457
Sewer Tax	945,804	948,494	951,184	989,334	992,124
Reserves		1,503,484	996,907	156,199	149,953
Total Revenue	\$ 6,223,046	\$ 13,180,582	\$ 2,683,208	\$ 1,917,406	\$ 1,952,544
Net Difference	0	0	0	0	0



Town of Ladysmith

STAFF REPORT

To: Ruth Malli, City Manager
From: Erin Anderson, Director of Financial Services
Date: March 12, 2012
File No:

Re: Strategic Community Investment Funds

RECOMMENDATION(S):

That Council authorize staff to enter into a new agreement with the Province to ensure the Town continues to receive the Strategic Community Investment Funding for 2012 - 2014.

PURPOSE:

To obtain Council's authorization to enter into the Strategic Community Investment Funds Agreement with the Province.

INTRODUCTION/BACKGROUND:

For many years, the Town of Ladysmith receives both Traffic Fine Revenue sharing and Small Communities Grants annually from the Province. As permitted, the monies have been used to offset operations and policing costs.

A new agreement has been drafted for the next 3 years. The agreement lists the monies allocated to the Town for 2012 – 2014:

	Small Communities Grant	Traffic Fine Sharing
2012	\$635,549	\$64,521
2013	\$297,041	\$31,676
2014	\$297,041	\$31,676

The funds are to be used for their intended purpose and must be publically reported by June 30th each year.

SCOPE OF WORK:

As detailed in the agreement, pursuant to a resolution of Council, the agreement will be executed by the Corporate Officer.

ALTERNATIVES:

Not signing the agreement may result in the Town forfeiting the money.

FINANCIAL IMPLICATIONS:

Receiving this money is integral to the Town's revenue sources. There is a significant drop in funding between 2012 and 2013. The 2012 Preliminary Budget originally included \$500,000 in the Small Communities Grant revenue. The Preliminary budget has now decreased to \$460,000 in anticipation of "smoothing" the revenue over the next 3 years so tax payers do not feel the full force of this drop. The Traffic Fine Sharing budget remains at the proposed amount of \$50,000 for 2012.

LEGAL IMPLICATIONS:

n/a

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

The use of these funds will be reported publically by June 30th of the following year.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This issue aligns with Strategic Direction A – “Wise Financial Management”

SUMMARY:

That Council authorize staff to execute the Strategic Community Investment Funds agreement.

I concur with the recommendation.



Ruth Malli, City Manager

ATTACHMENTS:

Memo and Agreement from Province.



Ministry of Community,
Sport and Cultural
Development

Local Government
Infrastructure and Finance
Branch

MEMORANDUM

February 27, 2012

All Municipal and Regional District Financial Administrators

Re: Strategic Community Investment Funds

Please find attached an amended letter and agreement with respect to the Strategic Community Investment Funds. The funding amounts have not changed, but additional clauses have been added to the agreement and covering letter to further clarify funding processes and accountabilities.

Please replace the letter and agreement sent on Friday, February 24 with the attached.

Sorry for any inconvenience.

"Original signed by"

Talitha Soldera
Director
Local Government Finance

Attachments



February 27, 2012

To: All Municipal and Regional District Financial Administrators

Re: Strategic Community Investment Funds

In this difficult economic time, certainty is critical for the Ministry of Community, Sport and Cultural Development and for local governments. Restructuring the small community and regional district and traffic fine revenue sharing grants provides this certainty.

Many local governments rely on a steady stream of grant funding to meet operational requirements and there are frequently concerns with respect to the level of grant funding for the future. Undertaking the Strategic Community Investment Fund 2012-2014 program allows the Province of British Columbia (Province) to strengthen its commitment to local governments.

The Strategic Community Investment Fund 2012-2014 program will achieve the objectives of supporting local government efforts to stimulate local economies and will provide local governments with increased financial certainty while continuing to support investments in community safety for which traffic fine revenue sharing grants are intended. Providing more funding sooner allows local governments to make strategic spending decisions, stimulating local economies and creating local jobs. By detailing the level of funding in the Funds Agreement for each of the next three years, both the Province and local governments are provided with budget certainty for the future. As in past years, the grant amounts will be recalculated as new data is received.

Funding will be provided in a flexible, objective-based approach, enabling the money to flow quickly to communities while ensuring a strong accountability framework. In order to be eligible to receive funds each year, local governments must continue to develop a plan that sets out the intended uses and performance targets for those funds and must report publicly on their plan and progress towards achieving performance targets by June 30 in each following year.

Under the SCIF Agreement, the Province intends to maintain the same level of funding as under the formulas in the *Local Government Grants Act*. For certainty, transfer amounts will be authorized in each fiscal year, subject to receipt of a report that funds received to date have or are being used for the intended purposes and that public disclosure has or is being complied with in accordance with the Funds Agreement.

Please sign the attached Funds Agreement to indicate your acceptance of the terms and conditions within and return to the Ministry of Community, Sport and Cultural Development as soon as possible, and **no later than March 23, 2012.**

The Province cannot ensure payment of Funds to local governments submitting signed Funds Agreements after March 23, 2012.

In recognition of the short timeframe to sign and deliver the Funds Agreements, local governments are encouraged to email an electronic version of their signed Agreement.

Electronic copies of a signed Funds Agreement may be emailed to:

Jennifer.Richardson@gov.bc.ca.

Hard copy original signed Funds Agreements, along with the Council/Board resolution authorizing entering into the Agreement, may be sent to:

Mailing Address

Ministry of Community, Sport and Cultural Development
Local Government Infrastructure and Finance Branch
PO Box 9838 Stn Prov Govt
Victoria, BC V8W 9T1

If you have any questions, please contact Jennifer Richardson at 250-356-9609 or by email at: Jennifer.Richardson@gov.bc.ca.

Sincerely,

"Original signed by"

Don Fast
Deputy Minister
Ministry of Community, Sport and Cultural Development

STRATEGIC COMMUNITY INVESTMENT FUNDS AGREEMENT

This Agreement made as of _____, 2012,

BETWEEN:

Town of Ladysmith (Local Government)

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA represented by the Deputy Minister of the Ministry of Community, Sport and Cultural Development (Province).

WHEREAS:

- A. The Province acknowledges that in this difficult economic time, financial certainty is critical for the Province and for local governments.
- B. The Province intends to strengthen its commitment to local governments by providing Strategic Community Investment Funds (Funds) over the next three years (2012 – 2014). This is also intended to provide bridge financing until local and provincial economies improve.
- C. By clarifying funding levels for the next three years, local governments are provided with the fiscal certainty required to make spending decisions, stimulate local economies and create jobs.
- D. The Province and the Local Government acknowledge the importance of reporting to residents on how the Funds are used. Transfers will be authorized using a flexible, purpose and objective-based approach to enable the Funds to flow quickly to communities, while ensuring a strong accountability and reporting framework.

NOW THEREFORE, in consideration of the mutual promises herein, the Local Government and the Province agree as follows:

Provided the Local Government complies with the terms and conditions of this Agreement, transfers will be authorized in the following amounts, for the purposes identified, on or before the date indicated.

Assured Funds	Use	Date	Amount
Small Community Grants	local government services	March 31, 2012	\$253,881
		June 30, 2012	\$381,668
		March 31, 2013	\$84,627
		June 30, 2013	\$212,414
		June 30, 2014	\$297,041
Traffic Fine Revenue Sharing Grants	defray the cost of local police enforcement	March 31, 2012	\$24,633
		June 30, 2012	\$39,888
		March 31, 2013	\$ 8,211
		June 30, 2013	\$23,465
		June 30, 2014	\$31,676

1. CONDITIONS RELATING TO PAYMENTS BY THE PROVINCE

Notwithstanding any other provision of this Agreement, the payment of money, or incurrence of an obligation or commitment, by the Province pursuant to this Agreement, is subject to:

- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act* (R.S.B.C. 1996, c. 138) (the "FAA"), to enable British Columbia in any fiscal year or part thereof when any such payment may be required, to make that payment;
- (b) Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in section 1(a); and
- (c) a report received from the local government that funds received to date have or are being used for the intended purposes and that public disclosure has or is being complied with in accordance with section 2 of this Agreement prior to funds being transferred.

2. ACCOUNTABILITY AND REPORTING TO RESIDENTS

- (a) Local governments receiving Funds will develop a plan that sets out the intended uses and performance targets for the Funds received from the Province.
- (b) By June 30th and in each following year, the Local Government will report publicly on the plan under section 2(a), and progress made toward achieving performance targets for the Funds in accordance with those plans.

3. TERM

This Agreement shall commence on the date that it is fully executed by both of the Parties and shall expire on June 30, 2015.

4. USES OF FUNDS

If any of these funds are not required for their intend use, the Province reserves the right to redirect the funds for other purposes.

SIGNATURES

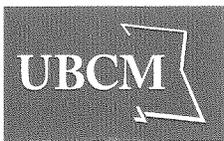
This Agreement has been executed on behalf of the Local Government by the duly authorized Corporate Officer pursuant to a resolution of the Council or Board, and on behalf of the Province, by the Deputy Minister, Ministry of Community, Sport and Cultural Development.

Town of Ladysmith

HER MAJESTY THE QUEEN
IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA as represented by
the Deputy Minister of the Ministry of
Community, Sport and Cultural
Development

Corporate Officer

Deputy Minister
Ministry of Community, Sport
and Cultural Development



Union of BC Municipalities
Suite 60 10551 Shellbridge Way
Richmond, BC, Canada V6X 2W9

Phone: 604.270.8226
Email: ubcm@ubcm.ca

February 29, 2012

Mayor Robert Hutchins
Town of Ladysmith
Box 220
Ladysmith BC V9G 1A2

RECEIVED
MAR - 5 2012

Dear Mayor Hutchins:

Re: 2011 Resolutions

Please find attached the provincial response to the 2011 resolution(s) put forward by your Council and endorsed by the UBCM membership at Convention.

I trust this information will be of assistance to you. Please feel free to contact Reiko Tagami, UBCM Information & Resolutions Coordinator with any questions.

Tel: 604.270.8226 ext. 115 Email: rtagami@ubcm.ca

Sincerely,

A handwritten signature in black ink, appearing to read "H. Slee", is written over a faint, illegible typed name.

Director Heath Slee
President

Enclosure

WHEREAS many local governments draw surface water for their water systems, and such sources are vulnerable to degradation and pollution caused by a variety of industrial and recreational activities;

AND WHEREAS watersheds are not recognized in legislation, leaving local governments without adequate tools to enact measures for the protection of watersheds;

AND WHEREAS many local governments get their drinking water from sources on privately owned land;

AND WHEREAS the provincial health authorities are increasing the requirements for the provision of clean water from local government water systems:

THEREFORE BE IT RESOLVED that UBCM request the provincial government to develop a funding program that facilitates local government acquisition of both the watershed and adjacent land for those local governments with water systems on privately owned land;

AND BE IT FURTHER RESOLVED that all activities in watersheds used for drinking water be subject to final approval and control by affected local governments and the Ministry of Environment (MOE), and that MOE be legislatively required to ensure that the quality and quantity of water in watersheds meet provincial health requirements.

CONVENTION DECISION: ENDORSED

PROVINCIAL RESPONSE

Ministry of Environment

Ministry of Environment (MOE) acknowledges the importance of source water protection in ensuring safe drinking water regardless of the source location.

Lead responsibility for drinking water protection and the Drinking Water Protection Act (DWPA) is the Ministry of Health and regional Health Authorities. MOE has no statutory authority under DWPA.

In practice, MOE and the Ministry of Forests, Lands and Natural Resource Operations (MFLNRO) work with Health Authorities to ensure a multi-barrier approach to drinking water protection. For MOE, this includes responsibility for human health related water guidelines, standards and policies and monitoring of source waters. Source water protection is also a key consideration in the Groundwater Protection Regulation, Environmental Management Act and implementation of Living Water Smart. MFLNRO has a strong coordinating and decision making role within BC's watersheds.

TOWN OF LADYSMITH

BYLAW NO. 1799

A bylaw to amend the Sanitary Sewer Rates Bylaw 1999, No. 1299 of the Town of Ladysmith.

WHEREAS pursuant to the *Community Charter*, The Municipal Council may, by bylaw, regulate, prohibit and impose requirements in relation to municipal services:

NOW THEREFORE the Municipal Council of the Town of Ladysmith in open meeting assembled enacts as follows:

Amendment

1. Schedule "A" of "Sanitary Sewer Rates Bylaw 1999, No. 1299" is hereby replaced with the attached Schedule A.
2. The provisions of this bylaw shall become effective and be in force as of the 1st day of April 2012.

Citation

3. This bylaw may be cited as "Sanitary Sewer Rates Bylaw 1999, No. 1299, Amendment Bylaw 2012, No. 1799".

READ A FIRST TIME on the _____ day of _____, 2012

READ A SECOND TIME on the _____ day of _____, 2012

READ A THIRD TIME on the _____ day of _____, 2012

ADOPTED on the _____ day of _____, 2012

Mayor (R. Hutchins)

Director of Corporate Services (S. Bowden)

Town of Ladysmith

"Sewer Rates bylaw 1999, No. 1299, Amendment Bylaw 2012, No. 1799

Schedule of Rates

CLASSIFICATION		Sewer Rental Charge Per Month
Residences or Apartments:	Single Family	\$14.00
	Two Family	\$14.00/unit
	Multi-Family, including apartment units	\$14.00/unit
Motels & Auto Courts:	Premises of owner or operator	\$14.00
	For each rental unit	\$ 2.16
Mobile Home Parks:	Public rest rooms and/or service rooms	\$14.00
	For each mobile home with sewer connection	\$14.00
Hotels:	Owners or managers quarters	\$14.00
	Per apartment for rent	\$14.00
	Per room for rent	\$ 2.16
Beer Parlours, Pubs, Licensed Cabarets & Lounges:	For each separately licensed area	\$30.24
Cafes, Restaurants & Dining Rooms		\$30.24
Offices, Shops and Stores:	(per office, shop & store unit not otherwise specified)	\$14.00
Store(s) and Suite(s) combined:	Per store unit	\$14.00
	Per suite	\$14.00
Store(s) and Office(s) combined:	Per store unit	\$14.00
	Per office unit	\$14.00
Office Building:	Per office unit	\$14.00
Laundry or Laundromat		\$48.60
Service Stations and Garages:	Without car wash	\$14.00
	With car wash	\$32.40
Public or Social Club with licensed bar		\$30.24
Church Hall, Public Hall or Lodge Room		\$10.80
Hospitals - per bed		\$ 6.48
Schools - per classroom, auditorium or office		\$14.00

SCHEDULE "A"

TOWN OF LADYSMITH

"Waterworks Regulations Bylaw 1999, No. 1298, Amendment Bylaw 2012, No. 1800"

SCHEDULE OF RATES

<p>1. <u>Metered Service (Quarterly) for Each Individually Metered Single Family Dwelling Unit</u></p>	<p>\$22.00 base rate per quarter \$0.50/m³ for next 26 m³ to 50 m³ \$0.60/m³ for next 51 m³ to 75 m³ \$0.75/m³ for next 76 m³ to 100 m³ \$1.00/m³ for next 101 m³ to 125 m³ \$1.35/m³ for >126 m³</p>
<p>2. <u>Metered Service (Quarterly) for All Other Users</u></p>	<p>\$22.00 base rate per quarter (includes up to 25 cubic meters) and \$0.45/cu.m. for any use over 25 cubic meters</p>
<p>3. <u>Non-Metered Service (Quarterly)</u></p>	<p>\$39.00 flat rate, per unit, per quarter</p>
<p>4. <u>Service Connection Rates</u></p> <p>.1 Where a service connection has not been previously provided to a parcel but where the Public Waterworks System fronts or abuts the parcel:</p> <p>(a) 19 mm (3/4") service connection including meter, meter box, meter setter, check valves, shut-off valves and any other related appurtenances</p> <p>(b) larger than 19 mm (3/4") shall be at cost but not less than ..</p> <p>.2 Where a service connection has been previously provided to a parcel:</p> <p>(a) and that service connection includes a meter, meter box, meter setter, check valves, shut-off valves and any other related appurtenances and is the requested size</p> <p>(b) any upgrading of that service in size including installation of a water meter, meter box, meter setter, check valves, shut-off valves and any other related appurtenances shall be at cost, but not less than</p>	<p>\$2,400.00</p> <p>\$2,400.00</p> <p>\$ 100.00</p> <p>\$2,400.00</p>