



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, OCTOBER 6, 2014
Call to Order 5:30 p.m.
Closed Meeting 5:31 p.m.
Regular Meeting 7:00 p.m.

AGENDA

CALL TO ORDER 5:30 p.m. in order to retire immediately into Closed Session.

1. CLOSED MEETING

In accordance with sections 90(1) and 90(2) of the *Community Charter*, this section of the meeting will be held *In Camera* to consider the following items:

- labour relations or other employee relations
- 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

2. RISE AND REPORT

3. AGENDA APPROVAL

4. MINUTES

4.1. Minutes of a Regular Meeting of Council held Monday, September 15,
2014.....1 - 8

5. DELEGATIONS – None

6. PROCLAMATIONS – None

7. DEVELOPMENT APPLICATIONS

7.1. Development Variance Permit Application – 816 Malone Road (Drysdale)
- Lot 17, District Lot 96, Oyster District, Plan 368089 - 13

7.2. Development Variance Permit Application – 410 Third Avenue (Forrest) -
Lot 1, Block 73, District Lot 56, Oyster District, Plan 703A..... 14 - 16

7.3. Development Variance Permit Application – 920 Malone Road
(Bourodemos) – Lot 2, District Lot 96, Oyster District, Plan VIP57370 17 - 20

8. BYLAWS – OCP / ZONING – None

9. COMMITTEE REPORTS

9.1. Mayor R. Hutchins

Cowichan Valley Regional District; Stocking Lake Advisory Committee; Community Health Advisory Committee/Interagency Group

9.2. Councillor B. Drysdale

Municipal Services Committee; Protective Services Committee; Heritage Revitalization Advisory Commission

9.2.1. Municipal Services Committee Recommendations, September 15, 2014 meeting.....21

9.2.2. Heritage Revitalization Advisory Commission Recommendation – Decorative Pavers for First Avenue 22 - 24

9.3. Councillor J. Dashwood

Advisory Design Panel; Cowichan Valley Regional District Community Safety Advisory Commission; Social Planning Cowichan; Social Planning Cowichan Affordable Housing Directorate; Ladysmith Early Years Partnership; Ladysmith Chamber of Commerce

9.4. Councillor G. Horth

Advisory Planning Commission; Parks, Recreation and Culture Commission; Liquid Waste Management Committee; Ladysmith Downtown Business Association

9.4.1. Parks, Recreation and Culture Commission Report – Ladysmith Baseball Association..... 25 - 27

9.5. Councillor D. Paterson

Protective Services Committee; Parks, Recreation and Culture Commission; Festival of Lights

9.6. Councillor G. Patterson

Youth Advisory Committee; Liquid Waste Management Committee

9.7. Councillor S. Arnett

Stocking Lake Advisory Committee; Vancouver Island Regional Library Board; Celebrations Committee

10. STAFF REPORTS

10.1. Gas Operating Agreements – New Operating Fees 28 - 58

10.2. Watershed Project – Adjustment of Project Budget..... 59 - 60

10.3. Replacement of Storm Sewer Line – 100 Block, First Avenue 61 - 63

11. BYLAWS

- 11.1. Town of Ladysmith Permissive Tax Exemption Bylaw 2014, No. 1867 64 - 72**
May be adopted.

The purpose of Bylaw 1867 is to exempt certain buildings and surrounding land from property taxes in 2015. The exemptions are in accordance with the *Community Charter*, and apply to churches, charitable, not-for-profit and recreational organizations and certain partnerships.

12. CORRESPONDENCE

- 12.1. Hon. Mary Polak, Minister of Environment**
Concerns about Forward Road Hydrocarbon Contamination..... 73 - 80

Staff Recommendation

That Council receive the correspondence from Minister Mary Polak dated September 17, 2014 regarding concerns about hydrocarbon contamination in the vicinity of Forward Road.

- 12.2. Bruce Joliffe, Vancouver Island Regional Library Board of Trustees**
2015 to 2019 Financial Plan 81 - 84

Staff Recommendation

That Council receive the correspondence from the Vancouver Island Board of Library Trustees and the Library’s 2015 to 2019 Financial Plan.

- 12.3. Kendra Thomas, Cowichan Women Against Violence Society**
‘Purple Lights’ Tree during Festival of Lights..... 85 - 86

Staff Recommendation

That Council request the Festival of Lights Society to designate a tree to be strung with purple lights during the Ladysmith Festival of Lights in support of Cowichan Together Against Violence.

13. NEW BUSINESS

14. UNFINISHED BUSINESS

- 14.1. Cowichan Valley Regional District – Cowichan Valley Sportsplex Proposed**
Funding Model 87 - 88

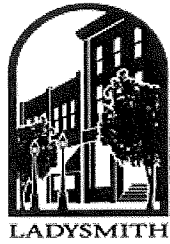
Council will recall that correspondence from the Cowichan Valley Regional District regarding a proposed funding model for the Cowichan Sportsplex was considered at the August 18, 2014 Council Meeting and referred to staff for further investigation. For Council’s information, in 2012 Council expressed support for a funding model for the Sportsplex similar to that used to fund the Cowichan Theatre. Please be advised that a question

regarding funding for the Sportsplex will be placed on the ballots for the upcoming Local Government Elections as a non-binding referendum for the CVRD electoral areas and the Town of Lake Cowichan; however, the City of Duncan and Municipality of North Cowichan are not holding referenda on the matter.

15. QUESTION PERIOD

- A maximum of 15 minutes is allotted for questions.
- Persons wishing to address Council during “Question Period” must be Town of Ladysmith residents, non-resident property owners, or operators of a business.
- Individuals must state their name and address for identification purposes.
- Questions put forth must be on topics which are not normally dealt with by Town staff as a matter of routine.
- Questions must be brief and to the point.
- Questions shall be addressed through the Chair and answers given likewise. Debates with or by individual Council members or staff members are not allowed.
- 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.

16. ADJOURNMENT



**TOWN OF LADYSMITH
MINUTES OF A MEETING OF COUNCIL
MONDAY, SEPTEMBER 15, 2014
COUNCIL CHAMBERS, CITY HALL
CALL TO ORDER 3:30 P.M.**

COUNCIL MEMBERS PRESENT:

Mayor Rob Hutchins
Councillor Bill Drysdale
Councillor Glenda Patterson

Councillor Steve Arnett
Councillor Gord Horth

Councillor Jillian Dashwood
Councillor Duck Paterson

STAFF PRESENT:

Ruth Malli
John Manson

Sandy Bowden
Clayton Postings

Felicity Adams
Joanna Winter

CALL TO ORDER

Mayor Hutchins called this Regular Meeting of Council to order at 3:00 p.m.

CLOSED SESSION

CS 2014-309

Moved and seconded at 3:01 p.m.:

That Council retire into Closed Session to discuss the following items:

- the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose
- 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
- labour relations or other employee relations

Motion carried.

CALL TO ORDER

Mayor Hutchins reconvened the Regular Meeting of Council at 6:00 p.m.

AGENDA APPROVAL

CS 2014-310

Moved and seconded:

That the agenda for the Regular Council Meeting of September 15, 2014 be approved as amended by the following addition:

8.1 Letter from April and Steve Marrington

9.4 Closed Circuit Video Equipment Request for Proposals

Motion carried.

MINUTES

CS 2014-311

Moved and seconded:

That the minutes of the Regular Meeting of Council held Monday, August 18, 2014 be approved.

Motion carried.

**DEVELOPMENT
APPLICATIONS**

Zoning Bylaw Amendment – Owner Occupancy and Housekeeping Amendments

Moved and seconded:

CS 2014-312

That the proposed amendments to Zoning Bylaw 1860 be referred to staff for development of recommendations for alternatives to an owner occupancy requirement for coach house dwellings.

Motion carried.

Holland Creek Place – Covenant CA3656639 (Kolk)

Moved and seconded:

CS 2014-313

That Council confirm its direction from the July 7, 2014 meeting, that the construction of a walkway from Lot A, District Lot 43, Oyster District, Plan EPP12594 to the sidewalk on Dogwood Drive is not required due to desired tree retention and long-term maintenance implications.

Motion carried.

REPORTS

Municipal Services Committee Recommendations

Moved and seconded:

CS 2014-314

That Council direct staff to investigate and report back on a maintenance and replacement program and budget for public benches in the Town of Ladysmith, including the feasibility of having volunteer organizations assist with bench maintenance.

Motion carried.

Moved and seconded:

CS 2014-315

That Council request Councillors D. Paterson and G. Patterson to investigate Adopt-a-Block programs in neighbouring communities and report back with recommendations.

Motion carried.

2015 Permissive Tax Exemption Bylaw

Moved and seconded:

CS 2014-316

That Council receive the staff report regarding the Permissive Tax Exemption Bylaw for 2015.

Motion carried.

Multi-Material B.C. Contract

Moved and seconded:

CS 2014-317

That Council

- confirm that the Town intends to continue with an agreement with Multi-Material B.C. beyond the current agreement which ends on March 31, 2015 and authorize staff to negotiate with Multi-Material B.C. under terms similar to the existing agreement, for a period of five years;
- approve an additional \$25 per ton tippage fee to the Cowichan Valley Regional District to cover the cost of shipping recycled

materials from Bings Creek to Nanaimo for processing under the Multi-Material B.C. system; and

- direct staff to investigate and report back on an automated pick-up system; the feasibility of picking up glass and film plastics for recycling; and the feasibility of a reduction in garbage and recycling fees for residents.

Motion carried.

Closed Circuit Video Equipment for RCMP Ladysmith Detachment – Request for Proposals

Moved and seconded:

CS 2014-318

That Council authorize the reallocation of up to \$25,000 budgeted as partial funding for the Royal Canadian Mounted Police RCMP Detachment generator to the Closed Circuit Video Equipment and that the Financial Plan be amended accordingly.

Motion carried.

BYLAWS

Town of Ladysmith Community Centre and Facilities Fees and Charges Bylaw 2014, No 1846

Moved and seconded:

CS 2014-319

That Town of Ladysmith Community Centre and Facilities Fees and Charges Bylaw 2014, No. 1846 be adopted.

Motion carried.

Councillor Arnett declared a conflict of interest with the following agenda item and excused himself from the meeting.

Town of Ladysmith Permissive Tax Exemption Bylaw 2014, No. 1867

Moved and seconded:

CS 2014-320

That Town of Ladysmith Permissive Tax Exemption Bylaw 2014, No. 1867, be read a first, second and third time.

Motion carried.

Councillor Arnett returned to the meeting.

CORRESPONDENCE

Councillor D. Paterson declared a conflict of interest with the following agenda item and excused himself from the meeting.

**Steve Dinsmore, Ladysmith Kinsmen Club
Update on Completed, Planned and Proposed Projects**

Moved and seconded:

CS 2014-321

That Council:

- Receive with thanks the progress report from the Kinsmen Club dated August 25, 2014 regarding various projects undertaken by the Club;
- Refer the proposed project to replace the playground at Transfer Beach Park to staff to discuss project details with the Club including, but not limited to, playground design, financial

implications, project schedule, and the option of partnering with other community groups such as the Ladysmith Rotary Club, and report back to Council in this regard; and,

- Once approval in principle is given by Council to proceed with the project, refer the project details to the Parks, Recreation and Culture Commission for review and recommendation.

Motion carried.

Councillor D. Paterson returned to the meeting.

NEW BUSINESS

Special Meeting

Moved and seconded:

CS 2014-322

That a Special Meeting of Council take place on Wednesday, October 1, 2014 at 7:00 p.m., at a location to be determined, to consider the boundary extension application by Couverdon Real Estate.

Motion carried.

RECESS

Moved and seconded at 6:30 p.m.:

CS 2014-323

That this Regular Meeting of Council recess, that Council retire into Closed Session, and that the Regular Meeting reconvene at 7:00 at the Aggie Hall.

Motion carried.

RISE AND REPORT

Council arose from Closed Session at 6:45 p.m. without report.

PRESENTATION

Holland Lake and Stocking Lake Hydrology Update

Mayor Hutchins reconvened the meeting at the Aggie Hall at 7:00 p.m. and welcomed the members of the public in attendance.

Mayor Hutchins made a presentation giving a global and local context on water supply and consumption.

Mauricio Herrera, Project Director with Tetra Tech EBA, provided an overview of the hydrology update for Holland Lake and Stocking Lake carried out by Tetra Tech EBA in 2014 in support of the Town's long-term planning for its surface water supply system.

John Manson, Director of Infrastructure Services with the Town of Ladysmith, summarized the results of the modelling, discussing five options outlined in the report, and analyzing several variables including water consumption, precipitation and size of population.

Members of the audience were invited to ask questions about the report.

Bryan Henderson

Enquired whether more data, detail and measurements would make the modelling more accurate and was advised that the

current model is based on a reasonable data set typical of these types of projects, and sound hydrological modelling and analysis.

Jim Szasz

Enquired why the report did not contain information and analysis on Hart Lake, and was advised that the Town does not currently hold a water licence on Hart Lake.

Mel Dorey, Area H Director, Cowichan Valley Regional District

Thanked the Town for undertaking this study, and enquired whether the Town will install turbidity meters, and was advised that these are already in place and working effectively to alert staff to switch water supply when necessary.

Councillor Steve Arnett

Enquired about the cost of the infrastructure required to store water as outlined in the report, and was advised that Option 5 includes recommendations for considerable enhancement to water storage, but that no costing has yet been done.

Councillor Arnett

Asked about the cost of installing more sophisticated and user-friendly software to collect and analyze data on the water supply system. Staff advised that the cost would likely be less than \$10,000.

Maureen Thom

Enquired whether the models in the report accurately analyze the impact of climate change and decreasing annual precipitation. She was advised that the consultants took a conservative approach to the analysis, and used river run-off data rather than precipitation levels based on climate change models for greater accuracy in the modelling.

Maureen Thom

Enquired about the possible effects of an earthquake on the Town's water supply system, and was advised that the system is designed to meet specific earthquake design standards, but that the effects would vary based on the location and strength of an earthquake.

Greg Roberts

Asked about the implications on the five options and the capacity of the water supply system to manage growth if the Town does not secure a licence to use sufficient water from Banon Creek, and if the Banon Creek biology had been reviewed. He was advised that the Town is confident the licence will provide sufficient capacity, and the Town extracts a small portion of Banon Creek discharge

Rob Johnson

Asked how vulnerable the existing pipeline is to an earthquake, on a scale of one to 10, particularly the pipeline downstream of Stocking Lake. He was advised that the damage sustained in an earthquake would vary depending on its location and strength, and that the Town plans to upgrade the pipeline downstream of Stocking Lake.

Rob Johnson

Asked how Ladysmith compares with the rest of British Columbia with respect to water consumption and was told that Ladysmith's consumption is slightly lower than the provincial average.

Mayor Rob Hutchins

Enquired why raising the Holland Lake dam was not a high priority item in the recommendations, in light of the risk of a long-term drought. He was told that modelling showed that storage is key to managing water supply in times of low precipitation and high demand. However, over time several options will need to be adopted, including storage, combined with one or more of the other options presented.

Carol Henderson

Asked whether the modelling took into account heavy precipitous rainfall and the resulting effects such as siltation and run-off, and was advised that it did.

Carol Henderson

Enquired where a new reservoir would be built in the new development proposed by Couverdon, and was told that it will be at the required elevation, although a specific site has not been determined.

Greg Roberts

Asked whether the Town had considered a suggestion to draw down water supply to actually model how the system would serve an expanded population, and was advised that there is some risk to this approach, and that the modelling methodology provides the ability to predict the effect without actually drawing down the water.

Debbie Baker

Enquired whether there is a maximum limit for daily consumption under the water services agreement with the Stz'uminus First Nation, and was told that the agreement provides for consumption on a per unit basis, and the agreement provides specific limits on supply, which have been incorporated into the model.

Debbie Baker

Enquired whether the modelling took into account possible dramatic development in Saltair and the Stz'uminus First Nation, and was told that the anticipated population growth used in the modelling takes growth in these areas into account within the units allowed for in the agreement.

Bruce Whittington

Asked whether there has been any calculation of the environmental cost of enhancing infrastructure, raising the Holland Lake dam and building new pipelines. He was advised that the report under consideration is a planning document, and that environmental studies would be carried out prior to any work being done.

Bruce Whittington

Enquired if there is a provision to recover from unanticipated events such as natural disasters or contamination of the water supply, and was advised that the general principle is to build redundancy into the system to accommodate potential breakdowns, but that this model does not consider reliability or include predictions for emergencies.

Penelope Allen

Asked why there are so many discrepancies throughout the province with respect to fees charged for water licences, and was advised that the Town shares this concern and has made representation to the Province about it.

Penelope Allen

Asked the Town to consider offering credits to residents who use less water as an incentive for reduction in water use. She was advised that the Town already uses a block water rate system where water charges increase with the amount of water used.

Debbie Baker

Asked how much water rates would increase annually, and was advised that costs cannot be calculated until a decision is made with respect to the water supply system options presented in the report under discussion.

Loretta Christopherson

Enquired whether all of the Town of Ladysmith is metered, and was told that the town has universal water metering in place.

Loretta Christopherson

Asked whether the modelling had taken different elevations and levels of vegetation into account and was told that the methodology took variations in terrain and vegetation into account.

ADJOURNMENT

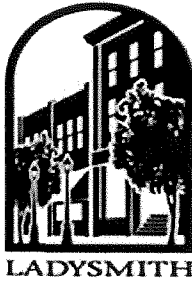
CS 2014-324

Moved and seconded:
That this meeting of Council adjourn at 10:10 p.m.
Motion carried.

CERTIFIED CORRECT:

Mayor (R. Hutchins)

Corporate Officer (S. Bowden)



Town of Ladysmith
STAFF REPORT

To: Ruth Malli, City Manager
 From: Felicity Adams, Director of Development Services
 Date: September 16, 2014
 File No: 3090-14-01

Re: Development Variance Permit Application – 816 Malone Road (Drysdale)
Lot 17, District Lot 96, Oyster District, Plan 36808

RECOMMENDATION(S):

That Council approve Development Variance Permit application 3090-14-01 for Lot 17, District Lot 96, Oyster District, Plan 36808 (816 Malone Road) to permit an addition to an attached garage.

PURPOSE:

The purpose of this staff report is to obtain Council direction regarding a development variance permit for an addition to an existing attached garage.

INTRODUCTION/BACKGROUND:

The applicants are proposing to add a 14.9m² (160 ft²) storage room onto the existing attached garage. The proposed siting of the storage room projects into the required front (south) property line.

SCOPE OF WORK:

The current stage of this application is to seek Council's consideration of the proposed Development Variance Permit (DVP).

The subject property is approximately 701.7 m² (7,553 ft²) in size and is zoned Single Dwelling Residential (R-1). The minimum front yard setback for a principal building is 6.0m. The current front parcel line setback is 7.65m. The applicant is proposing a front yard setback of 5.01m, or 0.99m less than the required front yard setback to permit the construction of a storage room. The variance proposed is summarized in Table 1 and illustrated in the plan attached to the DVP form.

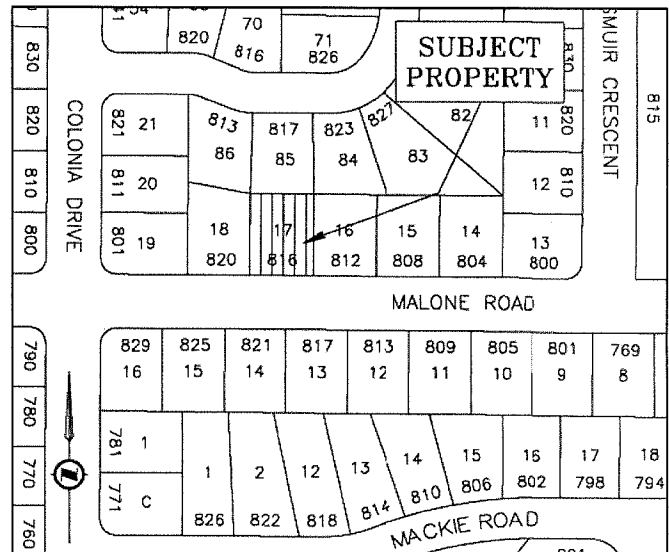


Table 1: Summary of Development Variance Permit Application 3090-14-01

Principal building	Current	Permitted	Proposed	Requested Variance
Front parcel line setback	7.65m	6 m	5.01 m	0.99 m

All other regulations of the R-1 zone have been met.

ALTERNATIVES:

To not support DVP application 3090-14-01.

FINANCIAL IMPLICATIONS: n/a

LEGAL IMPLICATIONS:

The *Local Government Act* enables Council to vary zoning regulations, except use and density regulations through the issuance of a development variance permit. This is a discretionary decision of Council. Public notification is required.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

The Town of Ladysmith notice regarding Development Variance Permit 3090-14-01 was sent to neighbouring properties on September 18, 2014. No feedback was received.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Development Variance Permit application 3090-14-01 was referred to the Infrastructure Services Department, and they have no objection to the proposed variance.

RESOURCE IMPLICATIONS:

Processing Development Variance Permit applications is within available staff resources.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

The subject development variance permit proposal is not inconsistent with the Visioning Report.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Effective land use planning and community design are strategic Council directions.

SUMMARY:

It is recommended that Council approve Development Variance Permit application 3090-14-01.

I concur with the recommendation.

R. Malli

Ruth Malli, City Manager

ATTACHMENTS:

DVP 14-01



TOWN OF LADYSMITH
DEVELOPMENT VARIANCE PERMIT 14-01
DATE: OCTOBER 6, 2014

TO:	William and Debra Drysdale
ADDRESS:	816 Malone Road Ladysmith, B.C. V9G 1N2

1. This Development Variance Permit is issued subject to compliance with all of the bylaws of the Town of Ladysmith applicable thereto, except as specifically varied or supplemented by this Permit.
2. This Development Variance Permit applies to and only to those lands within the Town of Ladysmith described below and any and all buildings, structures and other development thereon:

Lot 17, District Lot 96, Oyster District, Plan 36808. PID: 000-410-241
(816 Malone Road)

3. Section 10.2 "Single Dwelling Residential (R-1)" Zone of the "Town of Ladysmith Zoning Bylaw 2014, No. 1860" is varied for the subject property as follows:

From:

Section 10.2 (5)(e) "No Principal Building or Structure shall be located closer to the Parcel Line than the minimum Setback shown in the Table below:

<u>Parcel Line</u>	<u>Minimum Setback</u>
Front Parcel Line	6.0 metres"

To:

Section 10.2 (5)(e) "No Principal Building or Structure shall be located closer to the Parcel Line than the minimum Setback shown in the Table below:

<u>Parcel Line</u>	<u>Minimum Setback</u>
Front Parcel Line	6.0 metres

Except for an addition to the garage which may be sited 5.01 metres from the front parcel line as shown on Schedule A, which is attached and forms part of this Permit".

4. The land described herein shall be developed strictly in accordance with terms and conditions and provisions of this Permit and any plans and specifications attached to this Permit which shall form a part thereof.
5. The following plans and specifications are attached:
 - a) Schedule A - Site Plan (Turner Land Surveying, Apr.22 2014)

6. THIS PERMIT IS NOT A BUILDING PERMIT. No occupancy permit shall be issued until all items of this Development Variance Permit have been complied with to the satisfaction of the Corporate Officer.

AUTHORIZING RESOLUTION passed by Municipal Council on the _____ day of _____, 2014.

Mayor (R. Hutchins)

Corporate Officer (S. Bowden)

I HEREBY CERTIFY that I have read the terms and conditions of the Development Variance Permit contained herein. I understand and agree that the Town of Ladysmith has made no representations, covenants, warranties, guarantees, promises or agreements (verbal or otherwise) with William Drysdale and Debra Drysdale other than those contained in this permit.

Signed

Witness

Title

Occupation

Date

Date

Signed

Witness

Title

Occupation

Date

Date

Site Plan showing proposed building addition on:
 Lot 17, District Lot 96,
 Oyster District, Plan 36808.

Client: Bill Drysdale

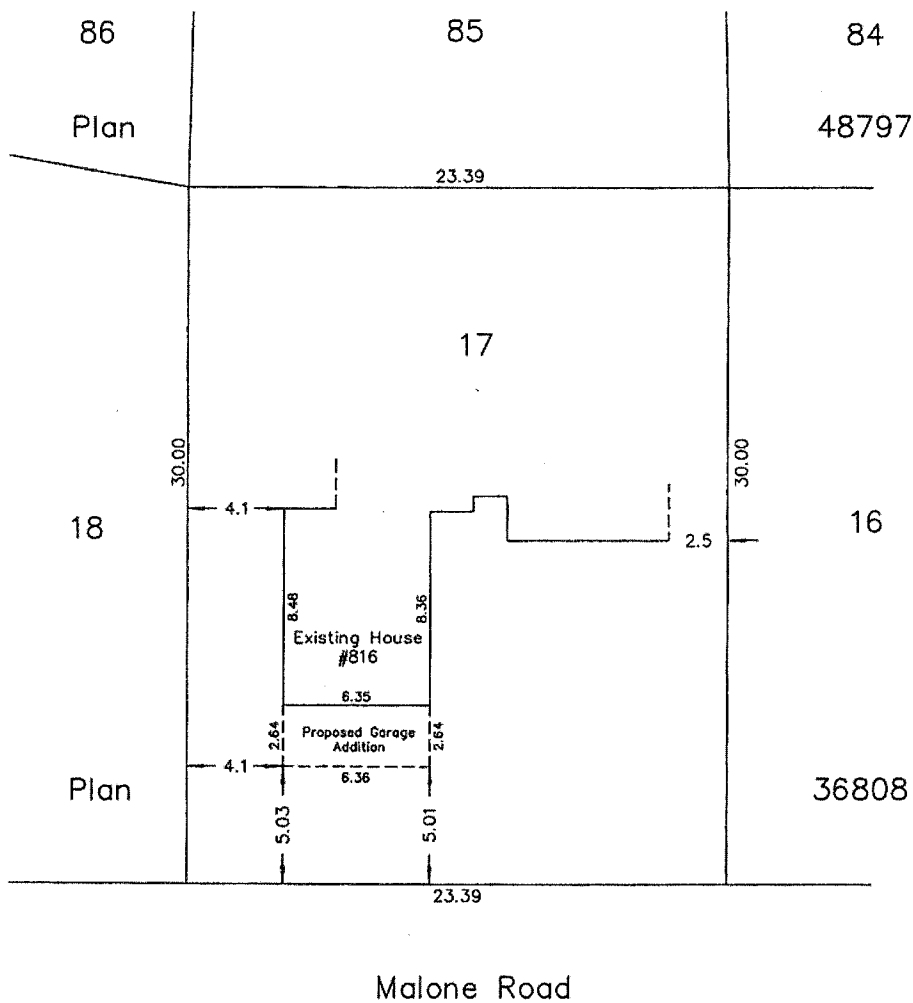
Civic Address: 816 Malone Road

File: 14-037

Date: April 22nd, 2014

Scale: 1:250

Drawn by: JGG



Distances are in metres.

Note:
 This property is affected by
 the following registered documents:
 W76300 & Building Scheme K103542.

Turner & land surveying™

250.753.9778
 605 Comox Road
 Nanaimo, BC V9R 3J4

Certified correct this 22nd day of April, 2014.

B.C.L.S.

(This document is not valid unless originally signed and sealed.)

Schedule A: Site Plan (Turner Land Surveying, Apr. 22 2014)
 DVP 3090-14-01 (W. & D. Drysdale)
 816 Malone Road



Town of Ladysmith
STAFF REPORT

To: Ruth Malli, City Manager
From: Felicity Adams, Director of Development Services
Date: October 1, 2014
File No: 3090-14-02

Re: **DEVELOPMENT VARIANCE PERMIT APPLICATION – 410 Third Ave. (Forrest)**
Lot 1, Block 73, District Lot 56, Oyster District, Plan 703A

RECOMMENDATION(S):

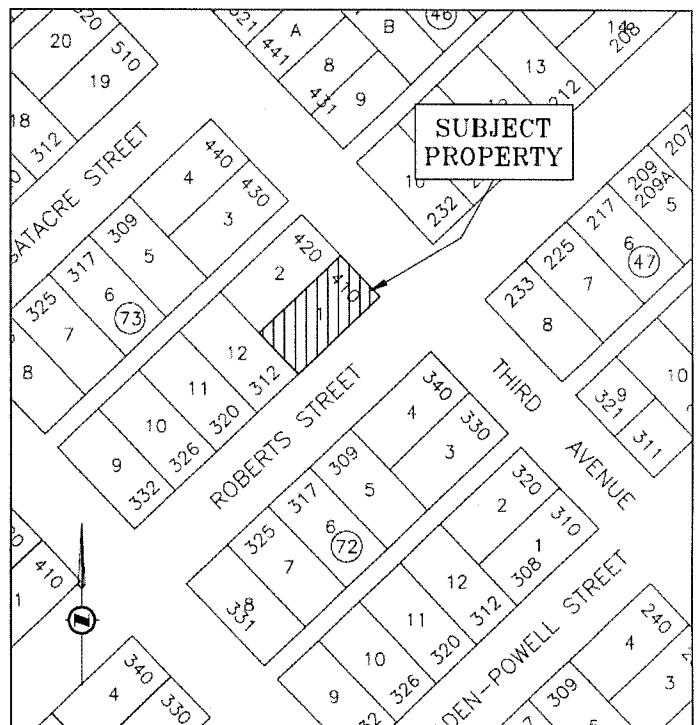
That Council consider whether it wishes to direct staff to proceed with statutory notice for Development Variance Permit application (3090-14-02) for Lot 1, Block 73, District Lot 56, Oyster District, Plan 703A (410 Third Ave.).

PURPOSE:

The purpose of this staff report is to obtain Council direction regarding statutory notification for an application for a development variance permit for the siting and height of a coach house in an existing accessory building at 410 Third Avenue.

INTRODUCTION/BACKGROUND:

The applicant, Charles Forrest, is proposing variances for the siting and height of a coach house accessory building at 410 Third Avenue. Currently a single unit dwelling and accessory building are located on the property. To permit a coach house in the second storey of the accessory building the applicant is requesting a variance to: 1) the maximum height for a coach house building, and 2) a variance for the required distance between the coach house and the principal dwelling. Pursuant to Bylaw 1667 staff requires Council's approval to proceed with the statutory notice to the neighbours given the extent of the variances requested.



SCOPE OF WORK:

The current stage of this application is to seek Council's direction to proceed with the statutory notice for the development variance permit application. The subject property is zoned 'Old Town Residential (R-2)', is 669m2 in size, and is a corner lot.

The current siting and height of the accessory building conformed to the zoning bylaw at the time it was built. The finished floor area of the accessory building is 84m² (904ft²) (which also complied with the regulations for accessory buildings at the time that it was built). The applicant has proposed to remodel the second storey such that the coach house dwelling is 60m² (646ft²) to comply with Zoning Bylaw 2014, No.1860. A building permit would be required for the renovation and the remaining 24m² would form part of the accessory building.

Thus, the proposed coach house will meet the requirements of Zoning Bylaw 2014, No.1860 except for two variance requests:

- 1) the proposed coach house is four metres from the principal dwelling and six metres is required, thus a variance of two metres is requested; and
- 2) The building is 7.3 metres in height and maximum permitted height for coach house buildings is 6.6 metres, thus a variance of 0.7 metres is requested.

If the development variance permit application is successful a development permit will be required to ensure the proposed coach house meets the guidelines of DPA 10 Coach House Intensive Residential.

Table 1: Proposed Variances for Coach House – 410 Third Avenue

	Required	Proposed	Proposed Variance
Distance between coach house and principal dwelling	6 m	4 m	2 m
Height of coach house	6.6 m	7.3 m	0.7 m

ALTERNATIVES:

To not support DVP application 3090-14-02.

FINANCIAL IMPLICATIONS:

n/a

LEGAL IMPLICATIONS:

The *Local Government Act* enables Council to vary zoning regulations, except use and density regulations, through the issuance of a development variance permit. This is a discretionary decision of Council. Public notification is required.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

It is recommended that Council direct staff to proceed with the statutory notice for Development Variance Permit application 3090-14-02.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Development Variance Permit application 3090-14-02 has been referred to the Infrastructure Services Department.

RESOURCE IMPLICATIONS:

Processing Development Variance Permit applications is within available staff resources.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- The Vision Report calls for increasing the diversity of housing across the community.
- The applicant indicated in the 'Sustainable Development Checklist' that the plumbing in the accessory building is on-demand hot water, and contains low flush toilets.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Effective land use planning and community design are strategic Council directions.

SUMMARY:

It is recommended that Council direct staff to proceed with the statutory notice for Development Variance Permit application 3090-14-02.

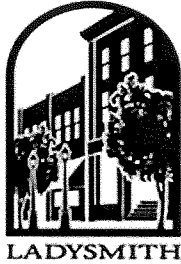
I concur with the recommendation.

R. Malli

Ruth Malli, City Manager

ATTACHMENTS:

None



Town of Ladysmith
STAFF REPORT

To: Ruth Malli, City Manager
From: Felicity Adams, Director of Development Services
Date: October 1, 2014
File No: 3090-14-03

Re: **DEVELOPMENT VARIANCE PERMIT APPLICATION – 920 Malone Road (Bourodemos)
Lot 2, District Lot 96, Oyster District, Plan VIP57370**

RECOMMENDATION(S):

1. That Council not support the encroachment of the accessory structure located at 920 Malone Road on the Town boulevard.
2. That Council direct staff to proceed with statutory notice for Development Variance Permit application (3090-14-03) for Lot 2, District Lot 96, Oyster District, Plan VIP57370 (920 Malone Road) to permit the siting of the accessory structure to be as close as zero metres from the side and rear lot lines; and that the applicant be required to provide a survey prepared by a BCLS showing the location of the structure, prior to the statutory notification.

PURPOSE:

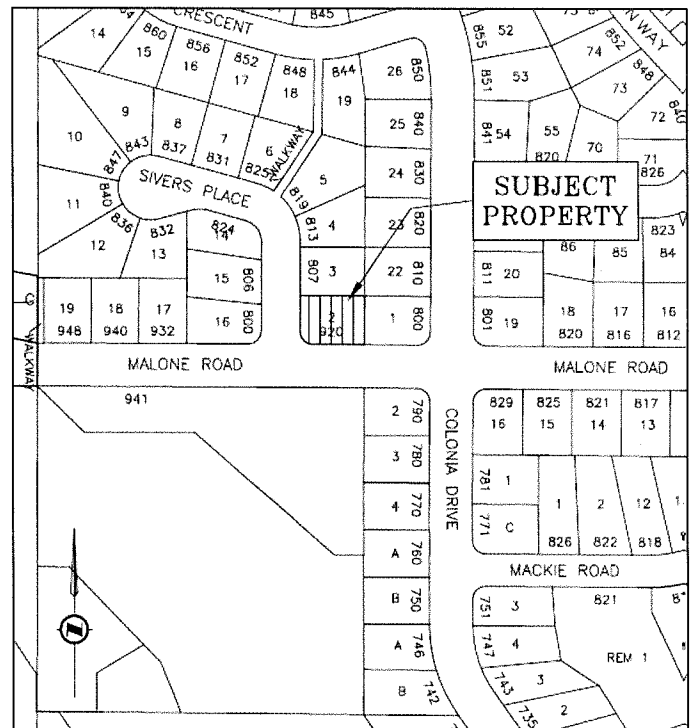
The purpose of this staff report is to obtain Council direction regarding statutory notification for a development variance permit application to permit an accessory structure at 920 Malone Road.

INTRODUCTION/BACKGROUND:

The applicant, Petros Bourodemos, is proposing variances for an existing accessory structure at 920 Malone Road. Pursuant to Bylaw 1667 staff require Council’s approval to proceed with the statutory notice to the neighbours given the extent of the setback variances requested.

SCOPE OF WORK:

The current stage of this application is to seek Council’s direction to proceed with the statutory notice for the development variance permit application. The subject property is zoned ‘Single Dwelling Residential (R-1)’ and is in a neighbourhood of primarily single family homes. The accessory structure is located on the exterior side parcel line and is visible from Sivers Place and from upslope properties located nearby. The rear property line is landscaped.



This 'L' shaped open-sided accessory structure is 2.4m (8ft) in height and has an area of 15m² (160ft²). It is intended to be used as a shelter for outdoor family entertainment including outdoor fire-pit and T.V. viewing. The structure was built without a building permit and is the subject of a bylaw complaint. The structure currently encroaches beyond the owner's property onto Town land. To legalize the structure the applicant is requesting a zero metre variance for the side and rear setbacks. A fence may be sited with a zero metre parcel line setback; however, as this is a roofed structure it requires a 1.5m setback to the side and rear parcel lines.

If the current siting was supported through approval of a Development Variance Permit, an encroachment agreement with the Town would also be required. Staff does not recommend the accessory structure remaining on the Town boulevard.

Table 1: Proposed Variances – 920 Malone Road

	Required	Proposed	Proposed Variance
Side Parcel Line	1.5 m	0 m	1.5 m
Rear Parcel Line	1.5 m	0 m	1.5 m

ALTERNATIVES:

Option One: That Council not support Development Variance Permit 3090-14-03 (Lot 2, District Lot 96, Oyster District, Plan VIP57370) and not proceed with the application.

Option Two: That Council direct staff to proceed with statutory notice for Development Variance Permit application (3090-14-03) for the existing siting of the structure at Lot 2, District Lot 96, Oyster District, Plan VIP57370 (920 Malone Road); and that the applicant be required to provide a survey showing the location of the structure, prior to the statutory notification. (This option requires an encroachment agreement.)

FINANCIAL IMPLICATIONS:

n/a

LEGAL IMPLICATIONS:

The *Local Government Act* enables Council to vary zoning regulations, except use and density regulations, through the issuance of a development variance permit. This is a discretionary decision of Council. Public notification is required.

The applicant has submitted a letter to Council regarding this request. As this is a Bylaw enforcement matter Mr. Bourodemos should be provided the opportunity to speak to Council.

The accessory building encroaches onto Town property, if the current siting is supported an encroachment agreement would also be required between the Town and the property owner. This agreement would be prepared at the owner's expense.

CITIZEN/PUBLIC RELATIONS
IMPLICATIONS:

Council may direct staff to proceed with the statutory notice for Development Variance Permit application 3090-14-03.

INTERDEPARTMENTAL
INVOLVEMENT/IMPLICATIONS:

Development Variance Permit application 3090-14-03 has been referred to the Infrastructure Services Department. If the Development Variance Permit and encroachment agreement are successful the applicant will be required to obtain a building permit for the accessory building.



Figure 1: View of structure from Sivers Place.

The Bylaw Enforcement Officer also notes that the Town of Ladysmith "Burning Regulation Bylaw 2001, No. 1380" states that cooking fires contained within a barbeque pit or fire pit may not exceed 4ft². Any fires greater than 4ft² require a permit and must comply with the regulations of Bylaw No. 1380.

RESOURCE IMPLICATIONS:

Processing Development Variance Permit applications is within available staff resources.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

n/a

ALIGNMENT WITH STRATEGIC PRIORITIES:

Effective land use planning and community design are strategic Council directions.

SUMMARY:

Council may consider directing staff to proceed with the statutory notice for Development Variance Permit application 3090-14-03. Staff is not supportive of the structure being located on Town land.

I concur with the recommendation.

Ruth Malli

Ruth Malli, City Manager

ATTACHMENTS:

Letter from P. Bourodemos (Sept. 1, 2014)



BC CLIMATE ACTION
COMMUNITY 2013

cowichan
19



September 1, 2014

Mayor Rob Hutchins and Town Council
Town of Ladysmith

My name is Petros Bourodemos. My wife Kalliopi, son Georgios and myself live at 920 Malone Road. I was born and raised in Ladysmith and built my current home in 2006.

I recently (beginning of April of this year) starting building a shade roof over a portion of my yard. As there was no foundation I was unaware that I required a permit to build. I was informed by Tom Skarvig on April 28, 2014 that I did require a permit to build and that I would also have to move the structure in five feet from the fence. Since that time I have been going through the steps that I was informed I needed to follow, in order to leave my shade roof where it is and to finish construction.

The purpose of this structure is to block rain, sun or snow from hitting my family and friends while we are sitting in the yard where we sometimes set up a tv to watch hockey games or other sports events while also enjoying a small cooking fire when allowed. For these events in the past I used to place tarps up for the same purpose, but I thought that a more appealing structure that could stay up year round without being damaged by the elements would be a better option.

My reasoning for why I would like to leave the structure where it is is that if I was required to move the cover in five feet, it would render it useless. Water, sun or snow could then still enter the sitting area and make the whole experience less pleasurable. It also would not allow for a safe amount of space between seats and the house for a cooking fire which is a large part of the appeal for these gatherings.

I have spoken to several of my neighbours and none of them have expressed any sort of negative reactions to the location or visual appeal of the structure. A few of them also offered that the structure is a huge improvement visually from the tarps that I had used previously. I have purchased matching shingles to my house to assure that the structure would not be an eye sore to the neighbours, however, I am also willing to purchase and plant cedar trees as hedging on the outside of the fence which would also hinder access to the structure from the outside of the yard. I take great pride in my house and yard and have spent many hours making sure that it looks pleasing to all that see it.

I believe that in its current location my structure poses no threat to the population around my home, it would be visually pleasing to look at, and it would be a useful and enjoyable addition to my yard for my family and friends.

I thank you for your consideration.

Petros Bourodemos



Town of Ladysmith

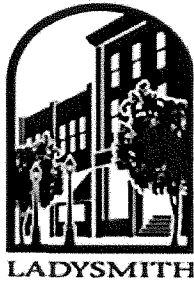
COMMITTEE REPORT

To: Mayor and Council
From: Councillor Bill Drysdale
Chair, Municipal Services Committee
Date: September 17, 2014
File No:

Re: **MUNICIPAL SERVICES COMMITTEE RECOMMENDATIONS**

At its September 15, 2014 meeting, the Municipal Services Committee recommended that Council:

1. a) Receive the Waterfront Area Plan Review – Developing the Scope of Work document and direct staff to continue to work with the Federation of Canadian Municipalities Green Municipal Fund to secure funding for the project.
- b) Establish the geographic area to be included in the Waterfront Area Plan Review to be the Waterfront Sub-Area as outlined on page 22 of the staff report titled Waterfront Area Plan Review – Determining the Scope of Work.
- c) Direct staff to report back with recommendations for an appropriate timeline for completion of a Review of the Waterfront Area Plan.



Town of Ladysmith

COMMISSION REPORT

To: Mayor and Council
From: Heritage Revitalization Advisory Commission
Date: September 24, 2014
File No: 6800-02-20

Re: PROPOSED CONTRIBUTION OF DECORATIVE PAVERS FOR FIRST AVENUE

RECOMMENDATION:

That Council accept the proposed contribution of decorative pavers for First Avenue, and support a linear design of one set of pavers with eight fish, with placement at a less busy location near a bench or pedestrian crossing where the sidewalk widens.

BACKGROUND / HISTORY:

At the August 14, 2014 HRAC meeting, Mayor Hutchins notified the Heritage Revitalization Advisory Commission (HRAC) about the opportunity to install interlocking, tessellating concrete pavers in the shape of a salmon, to be produced and provided by a local designer.

HRAC discussed the opportunity to install fish pavers. The design was considered to be attractive, unique and especially interesting to children in regards to math and art. Additional details regarding the colour of the pavers, and the proposed location were requested for the September HRAC meeting.

It was moved, seconded and carried that the Heritage Revitalization Advisory Commission support in principal the concept of the salmon concrete paver display, but request additional details such as the colour, number of pavers, and location.

At its meeting held on August 18, 2014, Council discussed the proposed donation of decorative pavers for First Avenue and directed that the pavers be further reviewed by HRAC (CS 2014-302):

That Council refer the correspondence from Cochrane Mowbray outlining a proposal to donate decorative pavers for installation on First Avenue outside the Old Town Bakery to the Heritage Revitalization Advisory Commission for review and recommendation.

ANALYSIS:

A site visit was held on First Avenue with members of HRAC and the designer/producer Cochrane Mowbray to view samples of the decorative pavers.

Refer to Schedule A for images of the proposed layouts. The proposed contribution is two sets of pavers that each make a square approximately 24" by 24".

Members viewed the pavers in a square formation (four fish) and in a linear shape (eight fish, approximately 24" by 40"). Note that due to a size differential between the existing pavers and the proposed pavers, a concrete spacer would have to be added for either option (shown in Schedule A).

HRAC members were in favour of accepting the pavers, citing the uniqueness and positive impact on the street. Members discussed the potential layout of the pavers (two square sets versus one larger linear set), and determined that the linear set would have greater impact. The location for the pavers was suggested to be reconsidered. Members noted that the street is already busy outside the bakery and may lead to congestion. Ideas were put forth for the pavers to be located next to a bench to encourage enjoyment, or near to the crosswalk where the sidewalk widens.

HRAC also suggested that the fish pavers could be considered for elements in a pathway from the waterfront to downtown.

It was moved, seconded and carried that HRAC are in favour of accepting the donation of the fish pavers.

It was moved, seconded and carried that HRAC recommend that the installation be one linear shape instead of two square shapes, and advise an alternative location.

ATTACHMENTS:

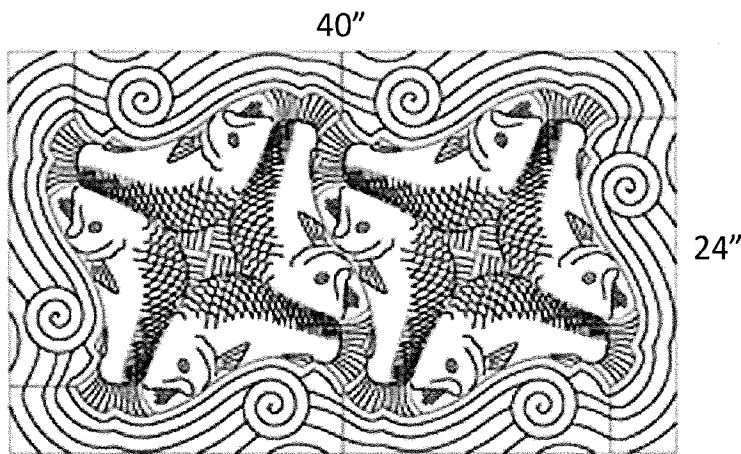
Schedule A: Potential Paver Layout



HRAC Site Visit

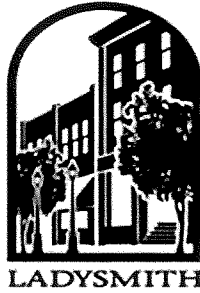


Linear shape with spacers



Linear shape

Schedule A: Potential Paver Layout
 Proposed Contribution of Decorative Pavers for First Avenue
 HRAC Recommendation to Council
 September 24, 2014



Town of Ladysmith

COMMISSION REPORT

To: Council
From: Parks, Recreation and Culture Commission
Date: September 30, 2014
File No:

Re: **Ladysmith Baseball Association Request to Construct Scorekeeper's Building and Replace Batting Cage at Holland Creek Ball fields**

RECOMMENDATION:

THAT Council consider the following recommendation from the Parks, Recreation and Culture Commission:

The Parks, Recreation and Culture Commission recommend that Council consider granting permission to the Ladysmith Baseball Association to construct a scorekeeper's building and replace batting cage at Holland Creek Ball Fields and that Council request staff to confirm the construction specifications prior to construction.

INTRODUCTION/BACKGROUND:

At the September 15th Council meeting Council received a request from Rod MacLauchlan, Director of the Ladysmith Baseball Association (LBA). The proposal involved the construction of a scorekeeper's building and making improvements to the existing batting cage at Holland Creek Ball Fields. At that meeting Council referred the item to the Parks, Recreation & Culture Commission for review and comment. At the September 17, 2014 Commission meeting, commission members reviewed the proposal and confirmed that work will be carried out by volunteers and the buildings will be consistent in design, materials and colour with existing buildings in the park. All future maintenance of these buildings will be the responsibility of LBA.

ANALYSIS:

This project will align with the following strategic directions:

- Wise financial management

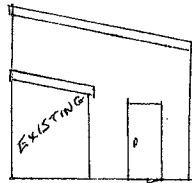
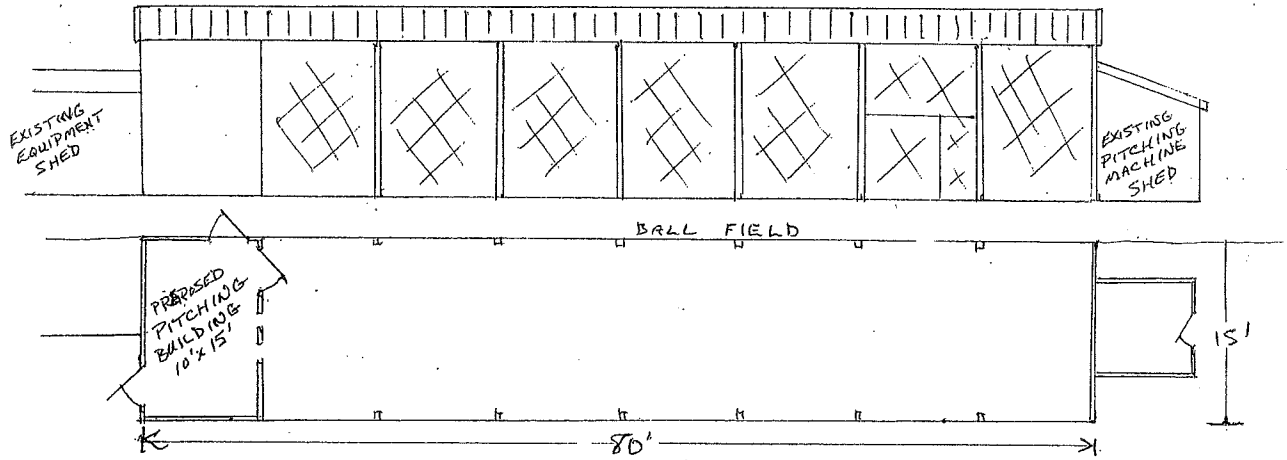
STAFF COMMENTS:

With the Ladysmith Baseball Association (LBA) constructing and maintaining a facility on Town of Ladysmith property it is recommended that a lease agreement between the LBA and the Town of Ladysmith relating to the LBA constructing and maintaining the facilities. It should be noted in the agreement that any future alterations must be approved by the Town of Ladysmith.

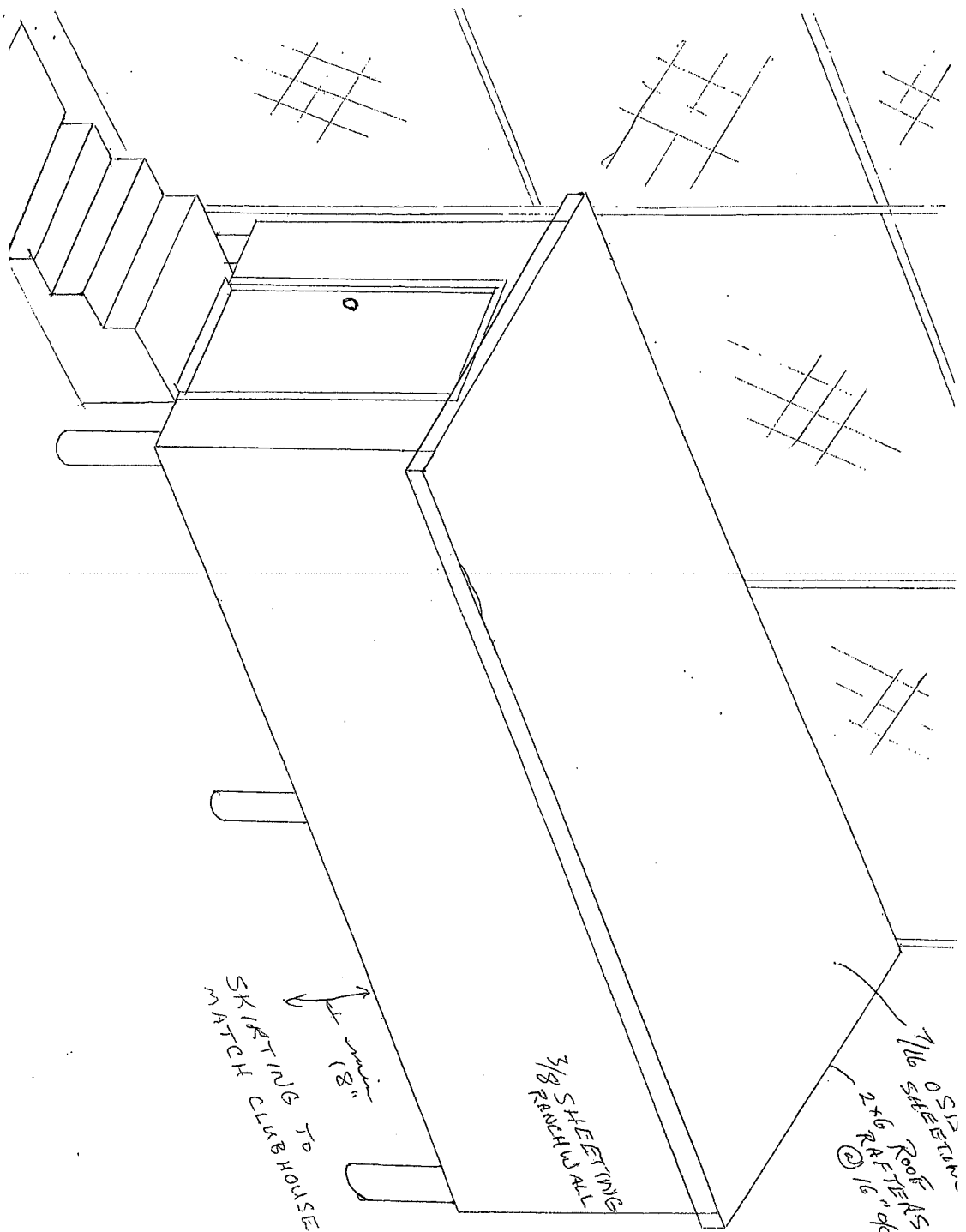
ATTACHMENTS:

Construction drawings (2)

PROPOSED BATTING CAGE UPGRADE



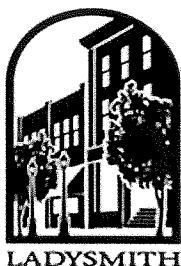
- NEW BUILDING TO HOLD HARBALL AND SOFTBALL PITCHING MACHINES
- COVERED METAL ROOF FOR INCLEMENT WEATHER
- BUILDING MATCHED TO PARK FOR ASTETICS



SKIPPING TO HOUSE
MATCH CLUBHOUSE

3/8 SHEETING

1/16 SHEETING SYSTEM
ROOF JOISTS
2x6 R @ 16"



Town of Ladysmith
STAFF REPORT

To: Mayor & Council
From: Ruth Malli, City Manager
Date: October 1, 2014
File No:

Re: **Gas Operating Agreements – New Operating Fees**

RECOMMENDATION(S):

That Council endorse the Association of Vancouver Island Coastal Communities (AVICC) recommended Gas Operating Agreement in the format as attached.

PURPOSE:

To join with other AVICC communities in signing an operating agreement with Fortis BC.

INTRODUCTION/BACKGROUND:

For the past 4 years, the Association of Vancouver Island Coastal Communities has been engaged in a joint process with FORTIS BC to correct the historic situation whereby municipal taxpayers within AVICC were denied the opportunity to recover the costs of gas distribution lines placed within municipal streets.

This inequity occurred over 25 years ago, when the government of the day unilaterally imposed a prohibition under the *Vancouver Island Gas Pipeline Act* to assist in project construction financing to bring natural gas to Vancouver Island. Municipal taxpayers were not consulted about this decision, but were required to forgo literally tens of millions of dollars in fees and to subsidise gas provision in a manner not required of other taxpayers outside of METRO Vancouver.

In 2011, AVICC and its member municipalities, in cooperation with FORTIS, embarked upon a three-phase strategy to reinstate the ability to recoup annual operating fees.

The strategy involved:

1. Reaching agreement on a new “Made in AVICC” model operating agreement with Fortis BC.
2. Fortis BC bringing in a new “postage rate” structure for gas rates: resulting in significant reductions for gas customers within AVICC, which has now been approved by the BC Utilities Commission.
3. The Province adopting new legislation removing the legislative prohibition on operating fees within AVICC.

After extensive work, two of these conditions precedent have now been achieved. In the case of the legislation, introduction is expected to occur shortly in the Fall sitting of the Legislature –

Note: The Agreement includes a clause that makes the agreement null and void should the legislation change not occur).

As a result, municipal taxpayers are in a position to have FORTIS start collecting the three percent operating fee structure based on gas volumes utilized in 2015 with the first payment to be received in March 2016.

SCOPE OF WORK:

In order to benefit from this new revenue stream, individual municipalities served by gas must now agree to enter into a new formal agreement with FORTIS based upon the AVICC crafted model agreement by the end of October 2014.

This very aggressive timetable is necessary in order to obtain BCUC approvals and for billing preparations to be made to begin to collect fees by March 2015 for payment a year following.

Required Action:

AVICC is formally recommending this agreement to its members at this time. The desire is that each municipality will authorize the signing of its agreement without delay and that, preferably, the BCUC can be presented with the complete suite of AVICC municipal Operating Agreements as a package. This is expected to help to expedite implementation and ensure that no further available revenues are lost to local taxpayers.

This is Council's opportunity to correct a 25 year inequity, to "level the playing field" with competing municipalities in BC, to move towards a preferred "user pay" philosophy for gas service, and to access a significant new on-going revenue stream for municipal taxpayers. It is recommended that Council endorse the AVICC recommended agreement in the format as attached.

ALTERNATIVES:

1. Endorse the AVICC Agreement as requested. (Signed agreements will be presented to the BCUC as a package for approvals, and collection of fees will commence on March 01, 2015.)
2. Decline to approve the agreement and enter into individual discussions with Fortis towards another form of Agreement exclusive to the Municipality. (This is a decision to decline to receive operating fees - Operating Fees are only available under the AVICC Model Agreement. This also has implications for operating relationships as the model agreement's provisions are based on the assumption of off-setting fees)

FINANCIAL IMPLICATIONS:

Common rates phasing over the next several years will lower gas rates within AVICC in progressive steps beginning Jan 01, 2015.

Because of this progressive reduction in the cost of gas, the 3% fee on gas rates will not significantly affect the very significant overall reduction in gas rates projected for residential and business customers in the future. Gas rates will drop in excess of 20% after 4 years for residential customers, and in excess of 30% for most small commercial customers, after including the application of the 3% fee.

At the same time, the three percent fee will have a very significant positive impact for local property taxpayers. The estimate collectively within AVICC has been estimated at up to \$5Million per annum. In the case of Ladysmith, the annual estimate of new found revenue is \$60,675.

LEGAL IMPLICATIONS:

The AVICC has endorsed a model Operating Agreement in the form attached. This agreement was developed in partnership with FORTIS by a working group of municipal engineering staff working over the past 4 years, and has been fully vetted by Stewart McDannold Stuart with the special assistance of the City of Nanaimo and The District of Saanich.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

There is the potential for reduced gas rates for FORTIS residential and commercial customers.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Much of the work has been done through the AVICC.

RESOURCE IMPLICATIONS:

Much of the work has been done through the AVICC.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

n/a

ALIGNMENT WITH STRATEGIC PRIORITIES:

This aligns with Strategy A – Wise Financial Management

SUMMARY:

AVICC is recommending that its members execute an operating agreement with Fortis BC in order to receive revenue for gas lines on municipal property. It is recommended that the Town of Ladysmith sign the agreement by the end of October 2014.

ATTACHMENTS:

Operating Agreement

OPERATING AGREEMENT

THIS OPERATING AGREEMENT (the "Agreement") made this ____day of _____, 20____.

BETWEEN:

(hereinafter called the "**Municipality**")

OF THE FIRST PART

AND:

FORTISBC ENERGY (VANCOUVER ISLAND) INC., a body corporate duly incorporated under the laws of the Province of British Columbia, and having its registered office in the City of Vancouver, in the Province of British Columbia

(hereinafter called "**FortisBC**")

OF THE SECOND PART

RECITALS:

- A. Whereas by a certificate of public convenience and necessity (CPCN), FortisBC (formerly Terasen Gas (Vancouver Island) Inc.) was granted the right to construct and operate gas distribution facilities within the Municipality;
- B. And whereas pursuant to the Community Charter, S.B.C. 2003, a Municipal council may, by resolution adopt and enter into a licensing and operating agreement;
- C. And whereas FortisBC and the Municipality are the parties to a Franchise or Operating Agreement dated the _____ day of _____, 20____ which has or will expire on _____;
- D. And whereas FortisBC and the Municipality wish to enter into this Agreement to clarify and settle the terms and conditions under which FortisBC shall exercise its rights to use Public Places in conducting its business of distributing Gas within the Municipality;

NOW THEREFORE THIS AGREEMENT WITNESSES that the parties covenant and agree as follows:

1. DEFINITIONS

1.1 For the purposes of this Agreement:

- (a) “Boundary Limits” means the boundary limits of the Municipality as they exist from time to time and that determine the area over which the Municipality has control and authority;
- (b) “BCUC” means the British Columbia Utilities Commission or successor having regulatory jurisdiction over natural gas distribution utilities in British Columbia;
- (c) “CPCN” means a Certificate of Public Convenience and Necessity granted by the BCUC which allows FortisBC to operate, maintain and install Company Facilities for the distribution of Gas within the Municipality;
- (d) “Company Facilities” means FortisBC’s facilities, including pipes (live and abandoned), buildings, structures, valves, signage, storage facilities, machinery, vehicles and other equipment used to maintain, operate, renew, repair, construct and monitor a natural Gas Distribution and transmission system;
- (e) “Costs” has the meaning ascribed to it in Section 15.1;
- (f) “Distribution Pipelines” means pipelines operating at a pressure less than 2071 kilopascals (300 psi);
- (g) “Emergency Work” means any work that, in its reasonable opinion, each party carrying out the work believes is urgently required to preserve public safety or health or to preserve the safety of Company Facilities or Municipal Facilities, as the case may be, or other property;
- (h) “FortisBC Employees” means personnel employed by or engaged by FortisBC including officers, employees, directors, contractors, and agents;
- (i) “Gas” means natural gas, propane, methane, synthetic gas, liquefied petroleum in a gaseous form or any mixture thereof;
- (j) “Gas Distribution” means fixed equipment, structures, plastic and metal lines and pipe, valves, fittings, appliances and related facilities used or intended for the purpose of conveying, testing, monitoring, distributing, mixing, storing, measuring and delivering Gas and making it available for use within the Municipality;
- (k) “Impact Service Work” means Service Line Work that:
 - (i) requires cutting of asphalted or concrete surfaces

- (ii) impact to trees, or requires working in or near wetlands, water bodies or other areas of special environmental sensitivity,
 - (iii) requires working on a site known to have archeological significance, including those designated by the Province of British Columbia or by the Municipality as heritage sites; or
 - (iv) impacts existing Municipal or third party underground Facilities.
- (l) “Mains” means pipes used by FortisBC to carry gas for general or collective use for the purposes of Gas Distribution;
 - (m) “Municipal Employees” means personnel employed by or engaged by the municipality, including officers, employees, directors, contractors and agents;
 - (n) “Municipal Facilities” means any facilities, including highways, sidewalks, conduits, manholes, equipment, machinery, pipes, wires, valves, buildings, structures, signage, bridges, viaducts and other equipment within the Public Places used by the Municipality for the purposes of its public works or municipal operations;
 - (o) “Municipal Supervisor” means the Municipal Engineer or other such person designated by the Municipality to receive notices and issue approval as set out in this Agreement;
 - (p) “New Work” means any installation, construction, repair, maintenance, alteration, extension or removal work of the Company Facilities in Public Places except;
 - (i) routine maintenance and repair of the Company Facilities that does not require any cutting of asphalted or concrete surface;
 - (ii) Service Line Work or Impact Service Work; or
 - (iii) Emergency Work;
 - (q) “Park” means land dedicated, held, managed or operated by the Municipality as a public park;
 - (r) “Pipeline Markers” means post, signage or any similar means of identification used to show the general location of Transmission Pipelines and distribution pipelines or FortisBC Rights of Way;
 - (s) “Planned Facilities” means those facilities not yet constructed but which have been identified by way of documented plans for Utilities, for works of third parties, where such works are identified by documented plans permitted by the Municipality;
 - (t) “Public Places” means any public thoroughfare, highway, road, street, lane, alley, trail, square, bridge, right of way, viaduct, subway,

watercourse or other public place in the Municipality but does not mean Parks;

- (u) “Service Line Work” means installation, construction, repair, maintenance, alteration, extension or removal work of that portion of FortisBC’s gas distribution system extending from a Main to the inlet of a meter set and, for the purposes of this Agreement, includes a service header and service stubs;
- (v) “Transmission Pipeline” means a pipeline of FortisBC having an operating pressure in excess of 2071 kilopascals (300 psi); and
- (w) “Utilities” means the facilities or operations of any water, waste water, sewer, telecommunications, energy, cable service or similar service provider located in Public Places within the Municipality.

2. INTERPRETATION

2.1 For the purposes of interpreting this Agreement:

- (a) the headings are for convenience only and are not intended as a guide to interpretation of this Agreement;
- (b) words in the singular include the plural, words importing a corporate entity include individuals, and vice versa;
- (c) in calculating time where the agreement refers to “at least” or “not less than” a number of days, weeks, months or years, the first and last days must be excluded and where the agreement refers to “at least” or “not less than” a number of days, Saturdays, Sundays and holidays must be excluded;
- (d) the word “including”, when following any general term or statement, is not to be construed as limiting the general term or statement to the specific items or matters, but rather as permitting the general term or statement to refer to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement.

3. OBLIGATION TO ACT IN GOOD FAITH

3.1 FortisBC and the Municipality acknowledge and agree that they will act in good faith, in carrying out the terms and conditions of this Agreement and within reasonable time frames, carry out the obligations under this Agreement.

3.2 FortisBC and the Municipality will at all times carry out all work and operations with the due care and attention that is necessary to safeguard the interests of the public, their own employees, and the other party’s employees.

4. FORTISBC RIGHTS TO ACCESS & USE PUBLIC PLACES

4.1 Use of Public Places

The Municipality hereby acknowledges FortisBC's rights to:

- (a) develop, construct, install, maintain or remove Company Facilities on, over, in and under Public Places in the Municipality;
- (b) enter on Public Places from time to time as may be reasonably necessary for the purpose of maintaining, repairing, or operating Company Facilities; and
- (c) place pipeline identification markers within Public Places where a Transmission Pipeline or Distribution Pipeline crosses or is otherwise within a Public Place;

subject to terms and conditions defined in this Agreement.

4.2 Use of Parks

- (a) The Municipality may authorize Fortis BC to use Parks for the Company Facilities. The Municipality shall not unreasonably withhold permission in circumstances where Utilities owned by third parties are already placed within the Park and the Municipality does not consider that the use of the Park by Fortis BC will materially affect the public's use of the Park or existing Utilities. Where such permission has been granted to Fortis BC, the Municipality shall grant FortisBC:
 - (i) a right of way in registerable form; or
 - (ii) in the case of a dedicated Park or other Park for which there is no registered title, a license or permit;

allowing FortisBC to use the Park for the Company Facilities and Fortis BC shall pay to the Municipality compensation for the fair market value of the right-of-way, the license or permit as the case may be. Fair market value shall be as agreed by the Municipality and Fortis BC based on compensation by Fortis BC or other public utilities or other municipalities in the Province of British Columbia for similar rights-of-way, licenses or permits, as the case may be, granted with respect to similar public lands in other municipalities. Failing agreement between Fortis BC and the Municipality as to the fair market value of any right-of-way, license or permit, compensation shall be determined in accordance with the *Expropriation Act*, RSBC 1996. c125. as amended or replaced from time to time.

5. GRANDFATHERING FOR EXISTING USE OF PARKS

5.1 The Municipality acknowledges that Company Facilities may have been installed in Parks. Where FortisBC has existing Company Facilities in a Park, FortisBC may maintain, replace or remove such Company Facilities and enter such park from time to time as may be reasonably necessary for the same purposes, subject to the same terms and conditions defined in this Agreement with respect to FortisBC's use of Public Places, as reasonably applicable.

6. FORTISBC COMPLIANCE WITH STANDARDS FOR USE OF PUBLIC PLACES

6.1 Non-discriminatory Standards for FortisBC

In its use of Public Places, FortisBC shall comply with all Federal and Provincial laws, regulations and codes and shall comply with all Municipal bylaws, standards and policies except that FortisBC shall not have to comply with such Municipal bylaws, standards and policies that:

- (a) conflict with terms of this Agreement or limit any rights or concessions granted to FortisBC by the Municipality under this Agreement; or
- (b) conflict with other legislation governing FortisBC.

Further, where the Municipality has established requirements and standards for work in Public Places, the Municipality shall apply them in a fair, reasonable and non-discriminatory manner consistent with the manner that the Municipality establishes requirements on other Utilities.

6.2 Depth of Cover

Subject to Section 6.1 above, FortisBC shall comply with Municipal standards that establish a minimum depth of cover for the installation of Company Facilities to a maximum of 75cm depth of cover. Notwithstanding the foregoing, the Municipality may require a greater depth of cover for the installation of Company Facilities where such cover is required to accommodate Planned Facilities.

6.3 Provide emergency contacts.

FortisBC will provide the Municipality with a 24 hour emergency contact number which the Municipality will use to notify FortisBC of emergencies including; gas leaks, third party accidents around work sites, ruptures of gas lines, and other potentially hazardous situations.

6.4 Assist with facility locates

FortisBC will, at no cost to the Municipality, provide locations of its Company Facilities within a time frame as may be reasonably requested by the Municipality unless the reason for the request is the result of an emergency; in which case the information shall be

provided forthwith. FortisBC shall provide gas locations from FortisBC records. FortisBC shall perform on site facility locates in accordance with the *Safety Standards Act – Gas Safety Regulations*, section 39.

7. FORTISBC WORK OBLIGATIONS:

7.1 New Work

7.1.1. Application for New Work

For New Work, FortisBC shall submit an application to the Municipal Supervisor for a permit when it intends to perform New Work. The application shall include:

- (a) a plan and specifications showing:
 - (i) the size and dimensions of all New Works, their proposed depth below the surface of the ground and their proposed locations related to property lines;
 - (ii) profiles for gas applications for gas mains 114 mm or greater that may impact Planned Facilities, if requested by the Municipality;
 - (iii) the edge of hard surfaces of affected roads, streets or highways or other Public Places;
 - (iv) the proposed location and/or clearances of the New Works where the New Works cross existing Utilities provided that all such locations and elevations are made available to FortisBC by the Municipality or the owner of such Utilities; and
 - (v) boundaries and legal descriptions of any private lands affected or within 1.5 meters of the proposed centre line of the New Work;
- (b) FortisBC's plans for the restoration of the Public Place affected by the New Work if FortisBC's restoration plans are different from those set out in Section 7.6.4 of this Agreement;
- (c) the name of a FortisBC representative who may be contacted for more information;
- (d) projected commencement and completion dates; and
- (e) such other information relevant to the New Work as the Municipality may reasonably require from time to time.

7.1.2. Exception for Emergency

Where FortisBC is required to carry out Emergency Work, FortisBC shall not be required to give prior notice but shall do so as soon as possible thereafter.

7.1.3. Municipal Permits for New Work

The Municipality shall use its best efforts to issue a permit for New Work within fifteen (15) days of receipt by the Municipality of an application containing all the information required under Section 7.1.1, or a time extension if large and complex. The Municipality may refuse to issue a permit for the New Work on the following grounds:

- (a) the proposed location of the New Work conflicts with existing Municipal Facilities, existing third party facilities or Planned Facilities, trees, wetlands, water bodies or other areas of special environmental sensitivity, or areas that are of archeological significance, including areas designated by the Province of British Columbia or by the Municipality as heritage sites; or
- (b) the proposed location or design of the New Work is likely to compromise public safety or does not conform with Municipal bylaws, standards or policies; or
- (c) in instances where FortisBC can delay the New Work without compromising the supply, capacity or safety of its Gas Distribution System or its customers' need for gas service and the Municipality intends within the next three (3) months to undertake work in the same location and wishes to co-ordinate both work; or
- (d) FortisBC has not provided the Municipality with the information required by Section 7.1.1;

and shall provide FortisBC with grounds for its refusal to grant the permit, provided such grounds are reasonable, no more than fifteen (15) days after receiving FortisBC's permit application for New Work, except that in the case of work that is large or complex, the Municipality may extend the time for response by a maximum of ten (10) additional days.

7.1.4. Conditions of Permit

Notwithstanding Section 7.1.3 above, the Municipality may include conditions in its permit for the New Work to address the matters set out in Subsections 7.1.3(a) and 7.1.3(b). In addition, the Municipality may require FortisBC to provide the public with notice of the New Work. Any additional terms or conditions contained in a permit for the New Work shall be of no force and effect except to the extent that such terms or conditions are consistent with the terms of this Operating Agreement.

7.1.5. Work Not to Proceed

If the Municipality

- (a) fails to provide FortisBC with a permit within fifteen (15) days of FortisBC's application of New Work or, in the case of large and complex New Work, within such extended time as may be set out in the Municipality's notice to FortisBC; or
- (b) notifies FortisBC of its objections to the New Work;

FortisBC may refer the matter to dispute resolution in accordance with Section 18. FortisBC shall not proceed with the New Work until the Municipality provides FortisBC with a permit for such work including a permit issued as a result of the resolution of a dispute by the parties.

7.2 Impact Service Work

7.2.1. Application for Impact Service Work

For Impact Service Work, FortisBC shall submit an application to the Municipal Supervisor for a permit when it intends to perform Impact Service Work. The application shall be in the form attached as Schedule A to this Agreement and shall include a sketch showing:

- (a) property lines and street addresses;
- (b) existing gas main and proposed service location offset to property;
- (c) all hard surfaces, trees, archeological or environmental areas impacted by the new service installation; and
- (d) buried utilities identified in the planning stages to be impacted by the proposed service.

7.2.2. Municipal Permits for Impact Service Work

The Municipality shall use its best efforts to issue a permit for Impact Service Work within five (5) days of receipt by the Municipality of an application containing all the information required under Section 7.2.1. The Municipality may refuse to issue a permit for the Impact Service Work on the following grounds:

- (a) the proposed location of the Impact Service Work conflicts with existing Municipal Facilities, existing third party facilities or Planned Facilities, trees, wetlands, water bodies or other areas of special environmental sensitivity, or areas that are of archaeological significance, including areas designated by the Province of British Columbia or by the Municipality as heritage sites; or
- (b) FortisBC has not provided the Municipality with the information required by Section 7.2.1;

and shall provide FortisBC with the grounds for its refusal to grant the permit, provided such grounds are reasonable, no more than ten (10) days after receiving FortisBC's permit application for Impact Service Work.

7.2.3. Conditions of Permit

Notwithstanding Section 7.2.2 above, the Municipality may include conditions in its permit for the Impact Service Work to address the matters set out in Subsection 7.2.1(a). Any additional terms or conditions contained in a permit for the Impact Service Work shall be of no force and effect except to the extent that such terms or conditions are consistent with the terms of this Operating Agreement.

7.2.4. Work Not to Proceed

If the Municipality

- (a) fails to provide FortisBC with a permit within ten (10) days of FortisBC's application of Impact Service Work; or
- (b) notifies FortisBC of its objections to the Impact Service Work;

FortisBC may refer the matter to dispute resolution in accordance with Section 18. FortisBC shall not proceed with the Impact Service Work until the Municipality provides FortisBC with a permit for such work including a permit issued as a result of a resolution of a dispute between the Parties.

7.3 Notices of Service Line Work

7.3.1 Notice

FortisBC shall provide the Municipality with notice of its intent to undertake Service Line Work. When it intends to undertake Service Line Work, FortisBC shall provide such notice in the form attached as Schedule A to this Agreement.

7.3.2 Objections

The Municipality may object to Service Line Work on the grounds set out in Subsections 7.2.2(a) and (b) above, by providing FortisBC with notice of its objections within five (5) days of receiving FortisBC's notice. If the Municipality does not provide such notice of its objections to FortisBC within five (5) days of receiving FortisBC's notice, the Municipality shall be deemed to have granted its approval of the Service Line Work.

7.3.3 Resolving Objections

If the Municipality has objections to the planned Service Line Work and if the Municipality and FortisBC are unable to agree on a resolution, then either party may refer the matter to dispute resolution in accordance with Section 18. The Municipality shall not otherwise withhold or delay its approval.

7.4 Expiry of Permit or Approval After Twelve Months

A permit or deemed approval will expire in the event that FortisBC does not carry out New Work, or Service Line Work within twelve months of the date of the permit or deemed approval.

7.5 FortisBC to Obtain Locate Information

Prior to conducting any New Work, FortisBC shall locate other Utilities and satisfy itself that it is clear to proceed.

7.6 Work Standards

7.6.1. Engineering Practices

All work carried out by FortisBC shall be carried out in accordance with sound engineering practices.

7.6.2. Specific Work Requirements to Remove Materials

FortisBC shall keep its work sites clean and tidy. FortisBC shall remove all rubbish and surplus material from Public Places upon completion of its work.

7.6.3. No Nuisance

Fortis BC shall not leave any part of its gas system in such a state as to constitute a nuisance or a danger to the public through neglect, non-use and want or repair.

7.6.4. Restore Surface and Subsurface

Where FortisBC has performed any operations, Service Line Work or New Work in a Public Place, FortisBC shall restore without unreasonable delay and return such Public Place, as much as reasonably practical, to the condition and use which existed prior to such activity. The restoration will be in accordance with the specifications set out by the Municipality. Such specifications may include the degree and nature of compaction, subsurface structure, surface finish and landscaping required.

Where FortisBC is required to cut pavement on a Public Place such cuts and restoration will be limited to less than 1.5 meters in width unless at the discretion of FortisBC a larger excavation is warranted due to the depth or size of the pipe or requirements of the Workers' Compensation Board or other relevant Provincial or Federal regulations. FortisBC will be responsible for any repairs and maintenance of the surface repair for a period of five (5) years. However, where pavement restoration has been conducted by the Municipality, whether or not such work was undertaken to repair cuts on FortisBC's behalf, FortisBC shall not be responsible for the repairs or maintenance of the surface repair.

7.6.5. Repair Damage to Municipal Facilities

To the extent that any of the work being done by FortisBC results in damage to Municipal Facilities or Public Places, other than the usual physical disruption to Public Places caused by the installation of Company Facilities that FortisBC shall restore in accordance with Section 7.6.4 above, FortisBC will, as soon as reasonably possible, report such damage and reimburse the Municipality for its Costs arising from such damage calculated in accordance with Section 15.1 below. Where such damage results directly from inaccurate or incomplete information supplied by Municipality, and FortisBC has complied with all applicable laws and regulations, and with instructions supplied by the Municipality, then the cost of repairing damaged Municipal Facilities or Public Places will be at the expense of the Municipality.

7.6.6. Restoration Audit

FortisBC may retain a third party, at FortisBC's expense, to carry out audits of FortisBC's repairs or restoration of Municipal Facilities, and the number and frequency of such audits shall be determined in consultation with, and with the agreement of the Municipality. The audit shall take into account different road classification, the results of previous audits and other criteria agreed upon by FortisBC and the Municipality. Notwithstanding the foregoing, the extent and the frequency of the audits will be results based and therefore, the results of any audits will determine whether the frequency and the extent of any audits should be increased or decreased. This system of audits shall replace any testing required by the Municipality under its bylaws.

7.7 Conformity Requirement

The New Work and Service Line Work must be carried out in conformity with Municipal Permits or approved notices for New Work or Service Line Work, as the case may be, except that FortisBC may make in-field design changes when carrying out the New Work or Service Line Work to accommodate field conditions which could not have been reasonably foreseen by FortisBC. If such in-field conditions materially impact FortisBC's plans for restoration or materially change the impact of FortisBC's work on Municipal Facilities, other than in respect of projected commencement and completion dates, FortisBC shall notify the Municipality of the changes and the reasons for them prior to continuing the work.

7.8 Non-Compliance

If Company Facilities located in Public Places are later found not to be located in compliance with FortisBC's notice of New Work or Service Line Work provided in accordance with Sections 7.1 and 7.3, then any alteration or upgrading required to bring them into compliance with such notice will be at the expense of FortisBC provided that the work has not been altered, damaged or modified by the Municipality or a third party.

7.9 Prime Contractor

Where FortisBC performs any work in a Public Place, FortisBC shall act as the prime contractor or designate in writing its contractor to act as the prime contractor, within the meaning of Section 118 of the Workers Compensation Act (British Columbia) unless otherwise designated in writing by the Municipality or a third party working in such Public Place.

8. CLOSURE OR EXPROPRIATION OF PUBLIC PLACES

8.1 Closure of Public Places

Before any Public Places containing Company Facilities may be legally closed or alienated by the Municipality, the Municipality shall as soon as reasonably possible notify FortisBC of its intent to close or alienate such Public Places and either:

- (a) grant FortisBC a registered statutory right of way in a form satisfactory to FortisBC so as to maintain FortisBC's right to use the land; or
- (b) request FortisBC to remove and (if possible and practicable) relocate those Company Facilities affected by such closure or alienation at the sole cost of the Municipality.

8.2 Expropriation of Public Places

If the Public Places are expropriated by an expropriating authority and FortisBC is required to remove the Company Facilities then the Municipality shall as soon as reasonably possible notify FortisBC of the expropriation. This Section 8.2 is applicable when the Municipality receives official notice of expropriation or otherwise becomes aware of expropriation through communications with the expropriating authority.

9. FACILITY CHANGES REQUIRED

9.1 By FortisBC

FortisBC may provide Notice to the Municipality that it requires Municipal Facilities to be altered, changed or relocated to accommodate its requirements. The Municipality will comply with FortisBC's requests to the extent it is reasonably able to do so and with reasonable speed and dispatch after receipt of written request. FortisBC agrees to pay for all of the Costs for changes to the affected Municipal Facilities. The Municipality shall provide estimates and invoices to FortisBC in respect of such work in accordance with Section 15 of this Agreement.

9.2 By the Municipality

The Municipality may provide Notice to FortisBC that it requires Company Facilities to be altered, changed, temporarily shut-down, temporarily by-passed, or relocated to accommodate its requirements. FortisBC will comply with the Municipality's requests to

the extent it is reasonably able to do so and with reasonable speed and dispatch after receipt of written request. The Municipality agrees to pay for all of the Costs for changes to the affected Company Facilities except where such Company Facilities were not installed in conformity with Section 7.7 of this Agreement. FortisBC shall provide estimates and invoices to the Municipality in respect of such work in accordance with Section 15 of this Agreement.

This Section 9.2 is an agreement between the Municipality and FortisBC for the purpose of section 76(1)(c) of the *Oil and Gas Activities Act*.

10. JOINT PLANNING, COOPERATION AND COORDINATION

10.1 Conduct of Construction and Maintenance Activities

The Municipality and FortisBC agree to use reasonable efforts in carrying out their construction and maintenance activities in a manner that is responsive to the effect that it may have on the other party, as well as other users of Public Places. Such reasonable efforts include attending the planning meetings described in Section 10.2 below and reducing as much as is practical, the obstruction of access to Public Places, and interference with the facilities and activities of others in Public Places.

10.2 Communication and Coordination Activities

At the initiation of the Municipality, representatives of the Municipality, FortisBC and other affected Utilities and third parties will meet each year, prior to the construction season, to discuss the parties' anticipated construction activities for that year and to review Planned Facilities. Such discussions will include

- (a) safe working practices;
- (b) the use of common trenching, common utility access facilities and such other common facilities as may be commercially reasonable and comply with operating and safety standards; and
- (c) the consolidation of planned New Work, Impact Service Work and maintenance work especially where pavement must be cut in order to avoid multiple excavations.

10.3 Municipal Planning Lead

During such annual planning meetings, the Municipality shall lead the planning process for all Utilities and third parties with Planned Facilities in Public Places.

10.4 Mapping Information

10.4.1. Municipal Information

The Municipality shall supply to FortisBC at no cost all record drawings and information it has for Municipal Facilities.

10.4.2. FortisBC Information

FortisBC shall supply to the Municipality at no cost all record drawings and information it has for Company Facilities within the Municipality, including abandoned mains.

10.4.3. Co-Operation

FortisBC and the Municipality shall co-operate to improve their mapping systems so they are compatible, provide the necessary information and are easily accessible to both parties.

11. MUTUAL INDEMNITY

11.1 Indemnity by FortisBC

11.1.1. FortisBC indemnifies and protects and saves the Municipality harmless from and against all claims by third parties in respect to loss of life, personal injury (including, in all cases, personal discomfort and illness), loss or damage to property caused by FortisBC in:

- (a) placing, constructing, renewing, altering, repairing, maintaining, removing, extending, operating or using the Company's Facilities on or under any Public Places; and
- (b) any breach of this Agreement by FortisBC;

except to the extent contributed by negligence or default of the Municipality or the Municipal Employees.

11.1.2. This indemnity expressly extends to all acts and omissions of FortisBC Employees.

11.2 Indemnity by the Municipality

11.2.1. The Municipality indemnifies and protects and saves FortisBC harmless from and against all claims by third parties in respect to loss of life, personal injury (including, in all cases, personal discomfort and illness), loss or damage to property to the extent caused by the Municipality in:

- (a) placing, constructing, renewing, altering, repairing, maintaining, removing, extending, operating or using the Municipal Facilities on or under any Public Places;
- (b) any breach of this Agreement by the Municipality;

except to the extent contributed by the negligence or default of FortisBC or FortisBC Employees.

11.2.2. This indemnity expressly extends to all acts and omissions of Municipal Employees.

11.3 Limitations on Municipality's Liability

All property of FortisBC kept or stored on the Public Places will be kept or stored at the risk of FortisBC. For further certainty, FortisBC acknowledges that the Municipality has made no representations or warranties as to the state of repair or the suitability of the Public Places for any business, activity or purpose whatsoever. FortisBC accepts its use of Public Places on an "as is" basis.

11.4 No Liability for Approval of Drawings and Plans

The Municipality shall not be liable to FortisBC as a result only of the Municipality's approval of drawings and plans in connection with notices or applications for permits provided by FortisBC to the Municipality pursuant to this Agreement.

12. OPERATING FEE

12.1 Fee Calculation

12.1.1. FortisBC agrees to pay to the Municipality a fee of three percent (3%) (the "Operating Fee") of the gross revenues (excluding taxes) received by FortisBC for provision and distribution of all gas consumed within the Boundary Limits of the Municipality, other than gas consumed by customers from whom the BCUC has not allowed FortisBC to collect the Operating Fee, provided that the Municipality is permitted by law to charge such a fee. Such amount will not include any amount received by FortisBC for gas supplied or sold for resale.

12.1.2. The Municipality will provide FortisBC with thirty (30) days prior written notice of any boundary expansion so that existing and new customers in the expanded area can be included as a part of the annual payment fee.

12.1.3. FortisBC will be responsible for adding those existing and new customers within the new Municipal boundary upon receipt of such notice from the Municipality and the revised calculation of the fee will commence effective the date that is the later of the date of actual boundary change or thirty (30) days after the notification under section 12.1.2.

12.2 Payment Date and Period

Payments by FortisBC to the Municipality will be made on the first day of March of each year of the Agreement in respect of the amount received by FortisBC during that portion of the term of this Agreement which is in the immediately preceding calendar year. By way of example only, payment made on March 1, 2015 will be the amount received during the 2014 calendar year.

12.3 BCUC Decision or Provincial Legislation

In the event that a decision by the BCUC, other than periodic rate changes as a result of commodity, delivery or margin increases or decreases, or new legislation by the Provincial Government, impacts the operating fee being paid to the Municipality so as to increase it or decrease it by more than 5% annually at the time of the decision or in subsequent years, the parties shall negotiate a new operating fee formula which best reflects the revenue stream received by the Municipality under this Agreement. For greater certainty, the parties acknowledge that a change to the BCUC's decision that FortisBC shall provide the agency billing and collections service for marketers on a mandatory basis, as set out in the "Business Rules for Commodity Unbundling", dated June 5, 2003 as set out in Appendix A to Letter No. L-25-03, may impact the operating fee being paid to the Municipality.

13. OTHER APPROVALS, PERMITS OR LICENSES

Except as specifically provided in this Agreement, the Municipality will not require FortisBC to seek or obtain approvals, permits or licenses related to FortisBC's use of the Public Places as contemplated in this Agreement. The Municipality will not charge or levy against FortisBC any approval, license, inspection or permit fee, or charge of any other type, that in any manner is related to or associated with FortisBC constructing, installing, renewing, altering, repairing, maintaining or operating Company Facilities on any Public Places or in any manner related to or associated with FortisBC exercising the powers and rights granted to it by this Agreement (other than for repair of damage to the Municipal Facilities or Public Places in accordance with Section 15).

If the Municipality does charge or levy fees or costs against FortisBC (other than for repair of damage to the Municipal Facilities or Public Places in accordance with Section 15) then FortisBC may reduce the annual operating fee payable to the Municipality under Section 12 by an amount equal to such charges, fees or costs or in the event no annual operating fee is payable, FortisBC will not be required to pay such charges or fees or costs.

14. MUNICIPAL OBLIGATIONS

14.1 Municipal Work

14.1.1. Before the Municipality undertakes routine maintenance and repair that is likely to affect Company Facilities, it must give FortisBC as much notice as it can but not less than fifteen (15) days before commencing such construction or maintenance activity.

14.1.2. Where the Municipality is required to carry out Emergency Work, the Municipality shall not be required to give prior notice but shall do so as soon as possible thereafter.

- 14.1.3.** FortisBC will be entitled to appoint at its cost a representative to inspect any construction or maintenance activity undertaken by the Municipality. The provisions of this section do not relieve the Municipality of its responsibilities under the *Gas Safety Act*, *Oil and Gas Activities Act*, and successor legislation, regulations thereunder, or the requirements of the BC Workers' Compensation Board.
- 14.1.4.** In addition, the Municipality shall provide Notice to FortisBC of any work planned that will be adjacent to, across, over or under a Transmission Pipeline or within a right-of-way for a Transmission Pipeline. To the extent that FortisBC requires that permit be issued for construction or other activities within a Transmission Pipeline right-of-way, the Municipality will submit an application for such a permit in sufficient time for the application to be reviewed and approved by FortisBC prior to the commencement of the construction or other activity.
- 14.1.5.** The Municipality shall assist FortisBC in FortisBC's efforts to reduce instances of residences being built over gas lines and other similarly unsafe building practices by third parties.
- 14.1.6.** The Municipality shall not interfere with Transmission Pipeline markers.
- 14.1.7.** The Municipality shall provide notice to FortisBC of any damage caused by the Municipality to Company Facilities or Transmission Pipeline Markers as soon as reasonably possible. To the extent that any of the work being done by the Municipality results in damage to the Company Facilities, the Municipality will report such damage and pay FortisBC its Costs arising from such damage in accordance with Section 15.1 below. Where such damage results directly from inaccurate or incomplete information supplied by FortisBC, and the Municipality has complied with all applicable laws and regulations, and with instructions supplied by FortisBC, then the cost of repairing the damaged Company Facilities will be at the expense of FortisBC.
- 14.1.8.** The Municipality shall notify FortisBC of any new bylaws, standards or policies adopted or passed by the Municipality that are likely to affect FortisBC's operations in Public Places.

15. COSTS AND PAYMENT PROCEDURES

15.1 Definition of Costs

Wherever one party is required to pay the other party Costs as a result of damage caused by one party to the other's property or for facility changes required in accordance with Section 9 of this Agreement, the Costs shall be:

- (a) all direct expenses and disbursements incurred to restore such property to as good a state of repair as had existed prior to the damage;

- (b) reasonable administration and overhead charges on labour, equipment and materials;
- (c) such taxes as may be required in the appropriate jurisdiction;
- (d) the cost of the lost commodity as determined by the claiming party;
- (e) the cost for additional work related to the damage (for example, gas relights, flushing water mains); and
- (f) cost of supplying alternate or temporary service until the repair of the property is made.

15.2 Cost Claim Procedures

15.2.1. Wherever one party is claiming Costs of the other party in regard to any work or issue arising under this Agreement the claiming party shall:

- (a) Notify the other party of the loss no later than two (2) months after incurring costs and provide an invoice to the other party no later than one year after incurring Costs;
- (b) provide detailed descriptions of the cost items, provided that claiming party may require the other party to keep sensitive business information, including third party information, confidential;
- (c) provide the time period the invoice covers;
- (d) provide a minimum of twenty-one (21) day terms for payment of the invoice; and
- (e) provide for late payment interest at the rate consistent with the party's policy for charging for late payments, which rate must be reasonable.

15.2.2. The party claiming Costs shall have no right of set off for these invoices against any amounts otherwise payable to the other party, except to the extent so approved in writing by the other party.

15.3 Cost Verification Procedures

15.3.1. Wherever either party is the recipient of or is claiming Costs and or fees that party may at its own discretion request from the other party:

- (a) Certification by an officer or designated representative verifying the calculations and computations of the Costs and or fees; or
- (b) An internal review or audit of the calculations and computations of the Costs and or fees, with the internal review or audit to be carried

out by a person appointed by the party being asked to provide the review; or

- (c) An independent external audit of the calculations and computations of the costs and fees, with the independent external auditor being a Chartered or a Certified General Accountant in British Columbia appointed by the party requesting the external audit.

15.3.2. The costs of this cost verification process shall be borne by the party who is required to supply the information except as otherwise specified providing the frequency of such requests does not exceed once per calendar year. For all future cases which occur in that calendar year, the costs of such further verifications shall be at the expense of the requester.

Where the independent external audit finds and establishes errors representing a variance greater than two (2%) percent of the originally calculated value in favour of the party claiming Costs, the costs shall be at the expense of the party supplying the information. Once an error has been verified, payment or refund of the amount found to be in error will be made within twenty-one (21) days.

16. START, TERMINATION AND CONTINUITY

16.1 Municipal Authority to Enter into Agreement

Prior to entering into this Agreement the Municipality will complete all procedures, obtain all consents and enact and bring into force all resolutions required under the *Community Charter*, and amendments thereto, and all other applicable legislation, to approve and authorize this Agreement.

16.2 Agreement Not Binding Until Conditions Met

This Agreement will not come into effect and does not bind the parties until:

- (a) FortisBC has obtained such approvals of this Agreement, or its terms, as may be required under the *Utilities Commission Act*; and
- (b) The Municipality has obtained authority permitting it to charge the operating fee set out in Section 12.1 this Agreement.

Upon executing this Agreement FortisBC shall make reasonable efforts to fulfill the condition under paragraph (a) and the Municipality shall make reasonable efforts to fulfill the condition under paragraph (b). If these conditions is not fulfilled or waived within one (1) year of the date of execution of this Agreement, then the obligation on FortisBC or the Municipality, as the case may be, to make reasonable efforts to fulfill the condition will terminate, and neither party will have any further obligation to the other under this Agreement.

16.3 Termination of Franchise Agreement

If not already terminated or expired, any franchise and operating agreement between the Municipality and FortisBC is terminated upon the effective date of this Agreement as referred to in Section 16.2 of this Agreement.

16.4 Term of Agreement

This Agreement will have a term of twenty (20) years from the date that it comes into effect and after the initial term shall continue indefinitely unless terminated in accordance with Section 16.5 below.

16.5 Termination of Agreement

16.5.1. This Agreement may be terminated by the Municipality upon the occurrence of any of the following events:

- (a) FortisBC admits its inability to pay its debts generally as they become due or otherwise acknowledges its insolvency;
- (b) FortisBC starts proceedings or takes any action to commence or executes an agreement to authorize its participation in any proceeding:
 - (i) seeking to adjudicate it bankrupt or insolvent;
 - (ii) seeking liquidation, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws; or
 - (iii) seeking the appointment of a receiver, trustee, agent, custodian or other similar official for it or for any substantial part of its assets or if a creditor seeks the appointment of a receiver, trustee, agent, custodian or other similar official for any substantial part of its assets; and such proceeding is not dismissed, discharged, stayed or restrained within twenty (20) days of the Municipality becoming aware of it.

16.5.2. Either party may terminate if other breaches any term, provision, obligation hereunder and such breach, is a material major breach, and has not been cured within sixty (60) days of receipt of Notice of such breach. A Party will not be considered to be in default if such matter is in dispute or has been referred to commercial arbitration, the outcome of which is pending, or is being resolved in good faith compliance with the dispute resolution and arbitration processes of this Agreement.

16.5.3. After the initial twenty (20) year term of this Agreement, either party may terminate this Agreement by giving the other not less than one (1) year's notice of termination.

16.6 Amendments and Waivers

This Agreement may be amended only by an agreement in writing signed by the parties. No waiver of any provision nor consent to any exception to the terms of this Agreement shall be effective unless in writing and signed by the parties to be bound, and then only to the specific purpose, extent and instance so provided. No waiver, delay or failure to exercise any rights under this Agreement shall be construed as a continuing waiver of such right or as a waiver of any other right under this Agreement.

The parties agree to meet to discuss the operations of the Agreement within thirty (30) days of either party making the request. Such a meeting will determine whether any amendments are required to this Agreement and the parties shall discuss any proposed amendments with a view to maximizing the benefit of the relationship.

16.7 Negotiations on Termination or Expiry of this Agreement

Upon one party giving Notice to the other of termination of this Agreement, the parties shall negotiate in good faith to enter into a new agreement with respect to the terms and conditions under which FortisBC may use the Public Places. In the event that such negotiations break down and in the opinion of one or other of the parties acting in good faith that settlement is unlikely, either party may give Notice to the other of its intention to apply to the BCUC to seek resolution of the terms and conditions applicable to FortisBC's continued operations and construction activities within the Municipality.

16.8 Continuity In The Event No Agreement Is Settled

Upon the expiry or termination of this Agreement, if a new agreement has not been ratified or if the BCUC has not imposed the terms and conditions under which FortisBC may use the Public Places, the following provisions will apply:

- (a) The Company Facilities within the boundary limits of the Municipality both before and after the date of this Agreement shall remain FortisBC's property and shall remain in the Public Places.
- (b) The Company Facilities may continue to be used by FortisBC for the purposes of its business, or removed from Public Places in whole or in part at FortisBC's sole discretion.
- (c) FortisBC may continue to use Public Places within the Municipality for the purposes of its business. FortisBC's employees, may enter upon all the Public Places within the Boundary Limits of the Municipality to maintain, operate, install, construct, renew, alter, or place Company Facilities; provided that FortisBC continues to operate in a manner consistent with the terms and conditions of this Agreement as if the term had been extended except with respect to the payment of the operating fee.

- (d) FortisBC will with the support of the Municipality take such steps necessary to seek BCUC approvals of the extension of terms and conditions including payment of the operating fee under the terminated agreement during negotiations of a new agreement.
- (e) Should FortisBC no longer be authorized or required to pay the operating fee under this or any other Agreement between it and the Municipality or by any order of the BCUC, the Municipality shall be free to apply such approval, permit and licence fees, charges and levies it is legally entitled to collect.

17. ACCOMMODATION OF FUTURE CHANGES

17.1 Outsourcing of Infrastructure Management

In the event that the Municipality assigns the task of infrastructure management to a third party:

- (a) the Municipality will ensure that its contracts for such infrastructure management contain provisions that will allow the Municipality to meet its obligations under and to comply with the terms and conditions of, this Agreement; and
- (b) FortisBC will accept the appointment of such third party as the Municipality's agent or subcontractor to enable such third party to deal directly with FortisBC so as to enable the Municipality to comply with the terms, obligations and conditions of this Agreement.

17.2 Changes to the Community Charter

In the event that the provisions of the *Community Charter* or other legislation affecting the rights and powers of municipalities change in such a way as to materially, in the opinion of the Municipality, affect municipal powers in respect to matters dealt with in this Agreement,

- (a) the Municipality may within one year of the change coming into effect propose new agreement terms with respect to only those specific changes and FortisBC agrees to negotiate such terms; and
- (b) failing satisfactory resolution of the terms of the Agreement either of the parties may seek resolution through the Dispute Resolution Process, Section 18.

17.3 Changes to the Utilities Commission Act

In the event that the provisions of the *Utilities Commission Act* or other legislation affecting the rights and powers of regulated Utilities change in such a way as to

materially, in FortisBC's opinion, affect FortisBC's powers in respect to matters dealt with in this Agreement,

- (a) FortisBC may within one year of the change coming into effect propose new agreement terms with respect to only those specific changes and the Municipality agrees to negotiate such terms; and
- (b) failing satisfactory resolution either of the parties will seek resolution through the Dispute Resolution Process, Section 18.

18. DISPUTE RESOLUTION

18.1 Mediation

Where any dispute arises out of or in connection with this Agreement, including failure of the parties to reach agreement on any matter arising in connection with this Agreement, the parties agree to try to resolve the dispute by participating in a structured mediation conference with a mediator under the Rules of Procedure for Commercial Mediation of The Canadian Foundation for Dispute Resolution.

18.2 Referral to the BCUC or Arbitration

If the parties fail to resolve the dispute through mediation, the unresolved dispute shall be referred to the BCUC if within its jurisdiction. If the matter is not within the jurisdiction of the BCUC, such unresolved dispute shall be referred to, and finally resolved or determined by arbitration under the Rules of Procedure for Commercial Arbitration of The Canadian Foundation for Dispute Resolution. Unless the parties agree otherwise the arbitration will be conducted by a single arbitrator.

18.3 Additional Rules of Arbitration

The arbitrator shall issue a written award that sets forth the essential findings and conclusions on which the award is based. The arbitrator will allow discovery as required by the *Arbitration Act* of British Columbia in arbitration proceedings.

18.4 Appointment of Arbitrator

If the arbitrator fails to render a decision within thirty (30) days following the final hearing of the arbitration, any party to the arbitration may terminate the appointment of the arbitrator and a new arbitrator shall be appointed in accordance with these provisions. If the parties are unable to agree on an arbitrator or if the appointment of an arbitrator is terminated in the manner provided for above, then any party to Agreement shall be entitled to apply to a judge of the British Columbia Supreme Court to appoint an arbitrator and the arbitrator so appointed shall proceed to determine the matter *mutatis mutandis* in accordance with the provisions of this Section.

18.5 Award of Arbitrator

The arbitrator shall have the authority to award:

- (a) money damages;
- (b) interest on unpaid amounts from the date due;
- (c) specific performance; and
- (d) permanent relief.

18.6 Cost of Arbitration

The costs and expenses of the arbitration, but not those incurred by the parties, shall be shared equally, unless the arbitrator determines that a specific party prevailed. In such a case, the non-prevailing party shall pay all costs and expenses of the arbitration, but not those of the prevailing party.

18.7 Continuation of Obligations

The parties will continue to fulfill their respective obligations pursuant to this Agreement during the resolution of any dispute in accordance with this Section 18, provided that, neither party shall proceed with any work or activity or take any further action which is the subject matter of the dispute.

18.8 Matters Not subject to Arbitration

For certainty the conditions precedent referred to in Section 16.2 shall not be subject to arbitration.

19. GENERAL TERMS & CONDITIONS

19.1 No Liens

FortisBC will do its best to not allow, suffer or permit any liens to be registered against the Company Facilities located in Public Places as a result of the conduct of FortisBC. If any such liens are registered, FortisBC will start action to clear any lien so registered to the Public Place within ten (10) days of being made aware such lien has been registered. FortisBC will keep the Municipality advised as to the status of the lien on a regular basis. In the event that such liens are not removed within ninety (90) days of the registration of such lien, FortisBC will pay them in full or post sufficient security to ensure they are discharged from title.

19.2 Corporate Authority

FortisBC now warrants, represents and acknowledges that:

- (a) it has the full right, power and authority to enter into this Agreement; and

- (b) it is a corporation, duly organized, legally existing and in good standing under the laws of its jurisdiction of incorporation or continuance and is lawfully registered and licensed to do business in British Columbia.

19.3 Representations

Nothing in this Agreement shall be deemed in any way or for any purpose to constitute either party as the legal representative, agent, partner or joint venturer of the other, nor shall either party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against, in the name of, or on behalf of the other party.

19.4 Assignments and Enurement

This Agreement and any rights or obligations under it are not assignable by either party, without the prior written consent of the other party hereto, such consent not to be unreasonably withheld. This Agreement shall be binding upon, enure to the benefit of, and be enforceable by, the successors and permitted assigns of the parties hereto.

19.5 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.

19.6 General

This Agreement is subject to the laws of Province of British Columbia and the applicable laws of Canada, and nothing in this Agreement will be deemed to exclude the application of the provisions of such laws, or regulations thereunder.

19.7 Entire Agreement

This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter herein contained and supersedes all prior agreements and undertakings with respect thereto.

19.8 Severability

If any provision of this Agreement is held invalid by any court, governmental agency or regulatory body, the other provisions to the extent permitted by law shall remain in full force and effect. To the extent permitted by applicable law, the parties hereby waive any provision of law that renders any provision hereof prohibitive or unenforceable in any respect.

19.9 Force Majeure

Neither party shall be liable to the other for temporary failure to perform hereunder, if such failure is caused by reason of an Act of God, labour dispute, strike, temporary breakdown of facilities, fire, flood, government order or regulations, civil disturbance,

non-delivery by program suppliers or others, or any other cause beyond the parties' respective control.

19.10 Notice

Any notice or other written communication required, or permitted to be made or given pursuant to this Agreement (the "Notice") shall be in writing and shall be deemed to have been validly given if delivered in person or transmitted electronically and acknowledged by the respective parties as follows:

(A) If to the Municipality:

(B) If to FortisBC:

FORTISBC ENERGY (VANCOUVER ISLAND) INC.
16705 Fraser Highway
Surrey, B.C. V4N 0E8
Attention: Director, Regulatory Affairs

CITY OF _____
by its authorized signatories

Authorized Signatory

Authorized Signatory

FORTISBC ENERGY (VANCOUVER ISLAND) INC.
by its authorized signatories

Authorized Signatory

Authorized Signatory

**Gas Service Line Work
Permit Request
Vancouver Island Municipalities**

SCHEDULE A



To Municipality:	Fax/email:	Date (Yr/ Mth/ Day) / /
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FortisBC Energy (Vancouver Island) Inc. hereby gives notice of its intention to perform work on a natural gas service to the following listed addresses, and that excavations within a public place will occur at each location

Project number	Fortis Contact	Address	Service location	Impacts involved	Permit#

Instructions:

- Email is preferred
- Describe service location relative to facing front of property. i.e. Front/Left, Centre or Right: Back/Right Centre or Right
- Brief description of impact;

Impacts are:

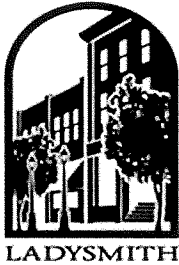
- Public pavement
- Public trees, wetlands or other such environmentally sensitive areas
- Archeologically significant areas
- Existing municipal or third party facilities

General Conditions:

As contained in the operating agreement between the Municipality and FortisBC Energy (Vancouver Island) Inc.

Reply to:

Pre-Requisite Desk
FortisBC Energy (Vancouver Island) Inc.
16705 Fraser Highway, Surrey, BC V4N 0E8
E-mail: Pre-RequisiteDesk@FortisBC.com
Toll free tel: 1-866-771-7337
Toll free fax: 1-877-413-1152



Town of Ladysmith
STAFF REPORT

To: Ruth Malli, City Manager
From: John Manson, Director of Infrastructure Services
Date: September 29, 2014
File No:

Re: Watershed Study – Adjustment of Project Budget

RECOMMENDATION(S):

That Council authorize an increase in the Watershed Study project by \$17,000 to a total of \$52,000 with the funding to be reallocated from the Water Main Replacement Project, and amend the 2014-2018 Financial Plan.

PURPOSE:

To provide for additional technical work to be completed by the Town's consultants, EBA Engineering and Koers Engineering to facilitate licensing discussions with the CVRD and the Province.

INTRODUCTION/BACKGROUND:

\$35,000 was authorized by Council in 2014 for the completion of an updated watershed study. This work was undertaken by EBA Consultants and Koers Engineering in 2014, and was recently completed and presented to Council.

One of the significant recommendations of the study was the evaluation of the Town's existing water licenses, including discussions with the Province to potentially apply for and/or amend the licenses for Stocking Lake (Storage) and Holland Creek (Diversion).

Staff will be recommending that discussion take place fairly soon, as we recognise that water licences typically take some time (often years) to be processed and considered by the Province, and as such, we wish to continue our ongoing dialogue with CVRD and the Province this fall.

The additional budget will allow for technical advice as required, as well as additional refinements to the modelling work (some of which has been already completed by the Consultant) to proceed in a timely manner.

SCOPE OF WORK:

Provides for additional technical evaluation and model runs to support applications and or amendments to existing water licenses, including consultant attendance at meetings as required with CVRD and the Province.

ALTERNATIVES:

This work could be undertaken at a later date. However, this could eventually impact the

FINANCIAL IMPLICATIONS:

The original project cost of \$35,000 was included in the 2014 budget. The additional \$17,000 budget would be taken from the Water Main replacement project. This will leave the Water Main Replacement Project at \$18,000.

LEGAL IMPLICATIONS:

N/A

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

This project has received significant public review recently, and will form the basis of further discussions with the Public and the CVRD as the project progresses.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

N/A

RESOURCE IMPLICATIONS:

This project is within the scope of our current year work plan.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

Aligns with Sustainability Vision of protecting environment.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Aligns with Wise Financial Management, Responsible Stewardship of the Environment

SUMMARY:

Results from the recently completed Watershed Modelling project indicate the need to amend or add to the Town's existing water licenses. It is recommended that additional funding in the amount of \$17,000 be allocated to EBA Engineering and Koers Consultants to provide for additional technical support to support this initiative, with the funding to come from the Water Main replacement project.

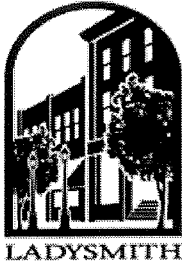
I concur with the recommendation.

Ruth Malli

Ruth Malli, City Manager

ATTACHMENTS:

None



Town of Ladysmith

STAFF REPORT

To: Ruth Malli, City Manager
From: John Manson, Director of Infrastructure Services
Date: September 29, 2014
File No:

Re: Replacement of Storm Sewer Line 100 Block First Avenue

RECOMMENDATION(S):

That Council authorize the replacement of the storm water line located at the 100 block of First Avenue commonly known as the (Flume Line) at a budget of \$103,000 and that the 2014-2018 Financial Plan be amended accordingly;

PURPOSE:

To provide Council with information on the current condition of the storm sewer line located at the 100 block of First Avenue known as the flume line, and authorize the replacement of this section.

INTRODUCTION/BACKGROUND:

Last September 2013 a property located at 101 First Avenue sustained water damage during a thunderstorm. Investigation by Town staff determined that while the actual cause of the backup was a lodged piece of wood in the storm sewer, it was noted that the CSP (corrugated steel pipe) sewer was rusted through in various places. Staff noted this, and placed the replacement of this section of sewer on our capital replacement plan.

Although this section of storm sewer was subsequently scheduled for replacement in the 2014 budget, it did not make the final priority as there was another storm sewer project located on Oyster Cove Road between Trans-Canada highway and Oyster Bay Drive that was deemed to be a higher priority. The Oyster Cove storm sewer replacement project was approved by Council for 2014, and was recently completed.

On September 22, 2014 Town staff were notified that the property located at 101 First Avenue was again receiving storm water and that it was entering into a lower suite at the Lions Villa from a significant rainfall that occurred on that date.

Staff would normally be re-considering the flume line replacement for the 2015 budget deliberations. However, this report provides Council with an opportunity to consider this project this winter, in advance of the 2015 budget process.

SCOPE OF WORK:

Approximately 65 meters of 600 mm storm sewer line will need to be replaced; this will involve the replacement of the storm line, four additional catch basins, two new manholes for maintenance and inspection and the replacement of the effected asphalt in the lane way and on First Avenue. In addition, storm sewer leads coming from catch basins located on First Ave and the Lions Villa entrance will require upgrading from 150 mm CSP to 200 mm PVC to ensure that storm water is being collected effectively.

It should be noted that this project entails the replacement of the existing storm sewer between First Ave and the open channel flume line – it does not envision replacement of the existing open channel upstream of the ditch inlet structure. This may be considered as a separate project, but at a significantly higher cost.

ALTERNATIVES:

In some cases, storm sewers can be relined instead of replaced. However, this line is not a candidate for relining. The fact that there have been two storm water events causing property damage over the past year makes a case to proceed with replacement of this line immediately.

FINANCIAL IMPLICATIONS:

The cost of the storm sewer line replacement is estimated to be \$ 103,000. There are not sufficient funds in the 2014 budget to cover this project at this time. Council may wish to consider using reserves or other funding should Council wish to complete this project in the short term (i.e. in advance of the 2015 budget).

LEGAL IMPLICATIONS:

Future storm water events can result in insurance claims to the Town.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

This project will reduce or eliminate the number of property flooding claims in the area downstream of First Ave.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

N/A

RESOURCE IMPLICATIONS:

Internal resources will be allocated to this project.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

Aligns with Sustainability Vision of protecting environment.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Aligns with Wise Financial Management, Responsible Stewardship of the Environment

SUMMARY:

Recent rainfall events in 2013 and 2014 have caused property damage to 101 First Avenue (Lions Villa) and the gradual deterioration of the existing CSP storm Sewer between First Ave and the flume line upstream of First Ave requires immediate repair. Staff has been aware of this issue, but other priorities have delayed the replacement of this section of storm sewer. Staff will be recommending this storm sewer replacement project in 2015; however, Council may wish to consider proceeding this winter with the project using reserves or other funding.

I concur with the recommendation.



Ruth Malli, City Manager

ATTACHMENTS:

None

TOWN OF LADYSMITH

BYLAW NO. 1867

A bylaw to exempt from taxation certain lands and buildings for the year 2015.

WHEREAS Section 224 and 225 of the *Community Charter* permits Council, by by-law, to exempt from taxation certain buildings, the lands on which the buildings stand and the lands surrounding certain buildings;

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

Part 1 – Church Properties Tax Exemption

All church halls and lands within the legal boundaries of those properties listed under Part 1 of Schedule ‘A’ are hereby exempted from taxation for the year 2015.

Part 2 – Charitable, Not-for Profit and Recreational Tax Exemption

All lands and improvements within the legal boundaries of those properties listed under and to the extent described Part 2 of Schedule ‘A’ are hereby exempted from taxation for the year 2015.

Part 3 – Partnering Exemption Authority

All lands and improvements within the legal boundaries of those properties listed under and to the extent described in Part 3 of Schedule ‘A’ are hereby exempted from taxation for the year 2015.

Schedules A through G, inclusive, which are attached hereto, form a part of this bylaw.

This bylaw may be cited as "Permissive Tax Exemption Bylaw 2014, No. 1867."

READ A FIRST TIME on the 15th day of September, 2014

READ A SECOND TIME on the 15th day of September, 2014

READ A THIRD TIME on the 15th day of September, 2014

ADOPTED on the _____ day of _____

Mayor (R. Hutchins)

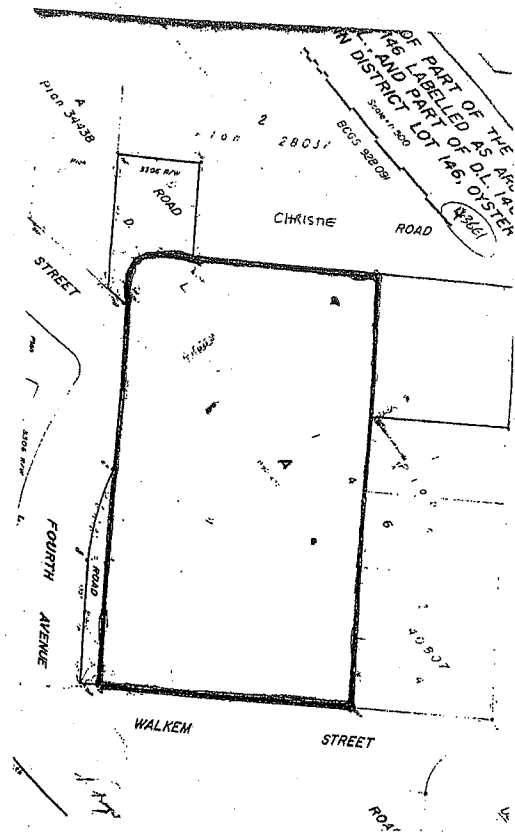
Corporate Officer (S. Bowden)

Schedule "A" attached to and forming part of
Permissive Tax Exemption Bylaw 2014, No.1867

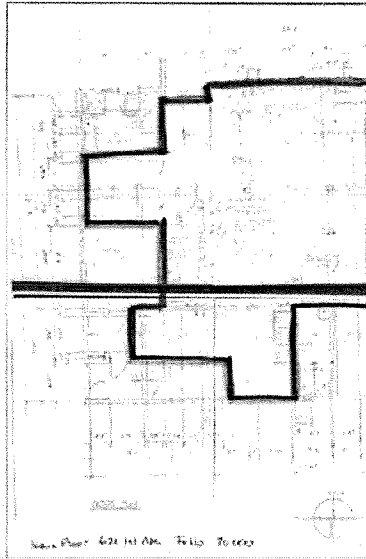
PROPERTY DESCRIPTION	
Part 1	
St. Mary's Catholic Church <i>224.2(f) Buildings for Public Worship</i>	1135 4th Ave Remainder of DL 145, LD43 Oyster Land District except Plans 33231 & VIP72186 (Specifically the area of land and buildings outlined in bold on Schedule 'B') Folio 1448.000
Pentecostal Assemblies of Canada <i>224.2(f) Buildings for Public Worship</i>	1149 4th Ave Lot A, Plan 46331, DL43, Oyster District (Specifically the area of land and buildings outlined in red on Schedule 'C') Folio 1449.080
United Church of Canada <i>224.2(f) Buildings for Public Worship</i>	232 High Street Lot A, Plan VIP63119, DL56 Oyster Land District Folio 327.010
Ladysmith Fellowship Baptist Church <i>224.2(f) Buildings for Public Worship</i>	381 Davis Rd Lot 1, Plan 43316, DL 43, LD43 Folio 1041.500
Anglican Synod Diocese of BC <i>224.2(f) Buildings for Public Worship</i>	314 Buller St Lot A, Blk 76, LD 43 Plan 703A Folio 494.000
Part 2	
Ladysmith Senior Citizens Housing Society <i>224.2(a) Non-Profit</i>	101 1st Ave Lot 1, DL56, LD43, Plan 31443 Folio 1338.000
Ladysmith Senior Citizens Housing Society <i>224.2(a) Non-Profit</i>	207 Jamison Rd Lot 1, DL 56, LD 43, Plan 21490 (Specifically the area of land surrounding the building footprint as shown on Schedule D) Folio 1322.300
Ladysmith Historical Society (Museum) <i>224.2(a) Non-Profit</i>	721 1st Ave Lot 11, Blk 7, LD43, Plan 703 Folio 0055.000
Alcoholics Anonymous <i>224.2(a) Non-Profit</i>	12 Buller St Lot 14, Blk 7, LD43, Plan 703 Folio 0058.000
Ladysmith Maritime Society <i>224.2(a) Non-Profit</i>	611 Oyster Bay Dr Blk C, DL2016, LD 43. Foreshore lease for marina Lease/Permit #106431 As shown in Schedule 'G' including the insert for the Visitors Centre Folio 1602.100 AND
Ladysmith Maritime Society <i>224.2(a) Non-Profit</i>	Unit C, I & M - 610 Oyster Bay Dr Lot 4, Plan 45800 Folio 1109.317 AND
Ladysmith Maritime Society <i>224.2(a) Non-Profit</i>	616 Oyster Bay Dr Car Shop, Lot 4, Plan 45800 Parent parcel 1109.316, folio 1109.316
Ladysmith Golf Club Society <i>224.2(i) Recreational</i>	380 Davis Rd DL43, LD43, except Plans 2478, 4670, 5873, 7527, 8922, 12027, 14051, 15693, 835R, 34197, 48247 & VIP57353. exc E&N R/W Pcl A (DD24404N) Pcl C (DD344431), VIP65242 Folio 1017.005

Ladysmith Festival of Lights 224.2(a) <i>Non-Profit</i>	1163 4th Ave Lot A, DL146, LD43, Plan 34438 Folio 1449.200
Arts Council of Ladysmith & District 224.2(a) <i>Non-Profit</i>	Units J, K & L - 610 Oyster Bay Rd Lot 4, 45800 Folio 1109.328
Eco-Tourism Building (mechanical room and public storage only) 224.2(a) <i>Non-Profit</i>	Transfer Beach Lot 2, Plan 36262 (Specifically the area of land and buildings outlined in bold on Schedule 'E') Folio 1110.110
Ladysmith Health Care Auxiliary 224.2(a) <i>Non-Profit</i>	910 1st Ave (Thrift Shop) Lot 1, Blk 30, Plan 703A Folio 263.000
Canadian Legion Branch #171 224.2(a) <i>Non-Profit</i>	621 1st Ave Lot A, Blk 8, Plan 703 (except the section outlined in Schedule "F") Folio 70.000
Part 3	
St John's Masonic Temple Assoc (Leased by Town for parking lot) 225.2(a) <i>Partnering Agreement</i>	26 Gatacre St Lot 9, Blk 9, LD43, Plan 703 Folio 85.000
Ladysmith & District Historical Society <i>archives</i> 225.2(a) <i>Partnering Agreement</i>	1115A - 1st Ave (under Tim Horton's) Lot 1, VIS5873, DL118, LD43 Folio 1373.010
Municipal Parking lot 225.2(a) <i>Partnering Agreement</i>	17 & 25 Roberts St Lots 8 & 9, Blk 11, Plan 703A Folios 123.000 & 125.000

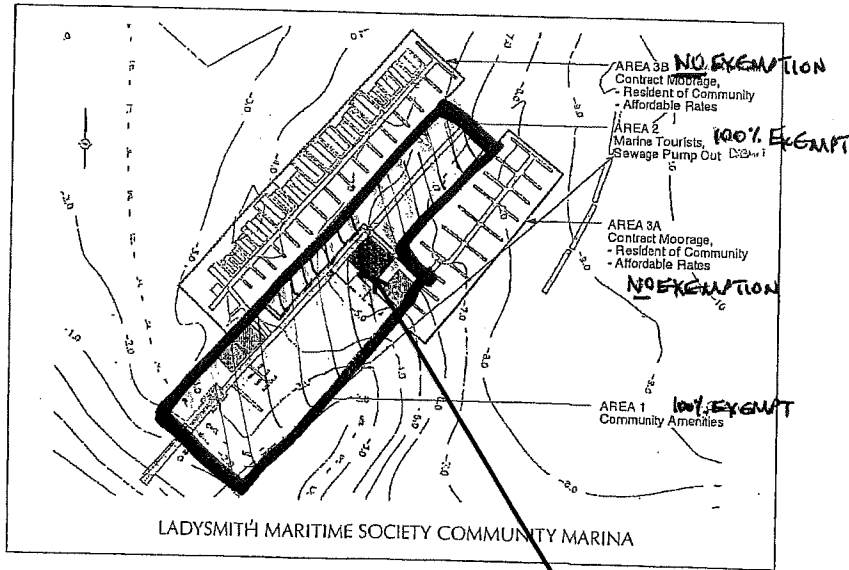
This is Schedule "C" attached to and forming part of
Tax Exemption Bylaw 2014, No.1867



This is Schedule "F" attached to and forming part of
Tax Exemption Bylaw 2014, No.1867

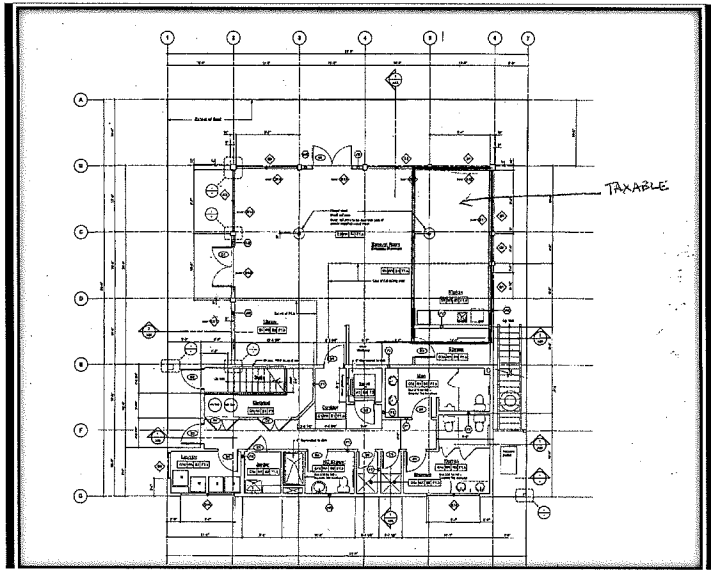


This is Schedule "G" attached to and forming part of
Tax Exemption Bylaw 2014, No.1867



See insert below

Insert:





Reference: 208247

SEP 17 2014



His Worship Mayor Hutchins
and Councillors
Town of Ladysmith
410 Esplanade
PO Box 220
Ladysmith BC V9G 1A2

Dear Mayor Hutchins and Council:

Thank you for your letter of June 25, 2014, regarding the Town of Ladysmith's ongoing concerns about subsurface contamination along Forward Road and eastwards of the property at 201 Dogwood Drive in Ladysmith (Ministry of Environment Site #9349). I understand that this contamination is a matter of concern for some members of your community.

I note that ministry staff have corresponded with the Town of Ladysmith over the years in regard to this property, most recently in a letter of February 14, 2014, which I have enclosed for your reference. As noted in my previous letter, the priority-setting approach used by the ministry, to ensure resources and efforts are focused on the remediation of high-risk contaminated sites across the province, is outlined in *Protocol 12 for Contaminated Sites: Site Risk Classification, Reclassification and Reporting*. Ministry staff have reviewed the investigation data provided to date by the Town relative to the requirements outlined in the Protocol and have concluded that it is insufficient to classify this site as high risk; as such, the ministry does not presently consider this site a high priority.

In your letter you query the potential for ministry funding. In the past, the Province provided some funding for site investigation purposes through the BC Brownfield Renewal Strategy (<http://www.brownfieldrenewal.gov.bc.ca/>). Under the Brownfield Strategy the Province committed \$10 million in funding for 5 years (2008-2013) to facilitate the investigations at sites where market forces did not yet support redevelopment and where it is possible to achieve triple-bottom-line outcomes that have social, economic and environmental benefits. At present, there is no funding available under the Brownfield Strategy.

Please note that the Town may pursue the legal remedies available. In particular, you may consider the liability provisions set out in Section 47 of the *Environmental Management Act*.

...2

Should you have any further concerns or questions, please contact Mr. Colm Condon, Manager, Risk Assessment and Remediation, at Colm.Condon@gov.bc.ca, or Mr. Alan McCammon, Manager, Remediation Assurance and Brownfields, at Alan.McCammon@gov.bc.ca, or another member of the Land Remediation Section (see <http://www.env.gov.bc.ca/epd/remediation/contact.htm> for additional contact information).

Thank you again for writing.

Sincerely,

A handwritten signature in cursive script that reads "Mary Polak".

Mary Polak
Minister

Enclosure (1)



Reference: 199910

FEB 14 2014

His Worship Mayor Rob Hutchins
and Councillors
Town of Ladysmith
410 Esplanade
PO Box 220
Ladysmith BC V9G 1A2



Dear Mayor Hutchins and Council:

Thank you for your letter of November 26, 2013, regarding the Town of Ladysmith's ongoing concerns about subsurface contamination along Forward Road at and eastwards of the property at 201 Dogwood Drive in Ladysmith (Ministry of Environment Site #9349). I apologize for the delay in responding.

As you are aware, ministry staff have corresponded with the Town of Ladysmith over the years and most recently in an email dated July 12, 2013, authored by Mr. Colm Condon, Manager, Risk Assessment and Remediation. In those communications, ministry staff identified the priority-setting approach used by the ministry to ensure remediation of high-risk contaminated sites. What may not have been referenced to date, however, is the tool that is used to differentiate between high-risk sites and non-high-risk sites; it is known as *Protocol 12 for Contaminated Sites: Site Risk Classification, Reclassification and Reporting* and a copy has been enclosed for your review.

Sites that demonstrate high-risk conditions as defined in *Protocol 12* may be formally classified as "high risk". High-risk sites require high standards of care and responsiveness in investigation and remediation and warrant involvement of the ministry to ensure that appropriate and timely action takes place. Absence of evidence indicating high-risk conditions at a contaminated site does not mean that the site should not be fully investigated and remediated; however, the ministry is typically less directly involved for non-high-risk sites, leaving the dialogue and any investigative/remedial action to take place between the property owners themselves. The regulatory framework in the *Environmental Management Act*, including the Contaminated Sites Regulation applies to all contaminated sites, regardless of risk level.

In short, the ministry will follow up directly with property owners if evidence of high-risk site conditions are identified using *Protocol 12*. In addition, the ministry will continue to routinely verify compliance with any applicable requirements of the *Environmental Management Act* and Contaminated Sites Regulation for all sites and situations. ...2

Ministry of
Environment

Office of the
Minister

Mailing Address:
Parliament Buildings
Victoria BC V8V 1X4

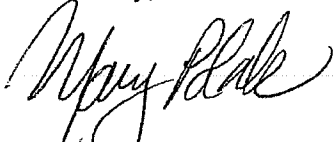
Telephone: 250 387-1187
Facsimile: 250 387-1356

Please note that persons affected by migration of contamination may, pursuant to the *Environmental Management Act*, seek compensation from responsible persons for the costs of remediating their properties. For more information, please see the enclosed Ministry of Environment factsheet "Remediation Liability Overview".

Should you have any further concerns or questions, please do not hesitate to contact Mr. Condon at 250 953-3855 or by email at Colm.Condon@gov.bc.ca or Mr. Alan McCammon, Manager of Brownfields and Remediation Assurance, at 604 582-5280 or by email at Alan.McCammon@gov.bc.ca.

Thank you again for writing.

Sincerely,



Mary Polak
Minister

Enclosures (2): Protocol 12 for Contaminated Sites: Site Risk Classification, Reclassification
and Reporting
Facts on Contaminated Sites: Remediation Liability Overview

cc: Colm Condon, Manager, Risk Assessment and Remediation, Ministry of Environment
Alan McCammon, Manager, Brownfields and Remediation Assurance, Ministry of
Environment

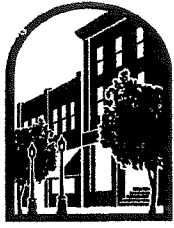
Parker, Michele ENV:EX

From: Minister, ENV ENV:EX
Sent: Wednesday, December 4, 2013 9:46 AM
To: Correspondence Unit ENV:EX
Subject: FW: Hydrocarbon Contamination of Former Gas Station Site (201 Dogwood Drive, Ladysmith BC)
Attachments: 2013.11.26 ltr to Minister Polak re Hydrocarbon Contaminaiton of 201 Dogwood Dr.pdf
Follow Up Flag: Follow up
Flag Status: Flagged
Categories: Adriana

From: Sue Bouma [<mailto:sbouma@ladysmith.ca>]
Sent: Wednesday, December 4, 2013 8:53 AM
To: Minister, ENV ENV:EX
Subject: Hydrocarbon Contamination of Former Gas Station Site (201 Dogwood Drive, Ladysmith BC)

Please find attached a letter from Mayor Rob Hutchins regarding the hydrocarbon contamination issue at a former gas station in Ladysmith.

Sincerely,
Sue Bouma



LADYSMITH

TOWN OF LADYSMITH

410 Esplanade, P.O. Box 220, Ladysmith, B.C. V9G 1A2
Municipal Hall (250) 245-6400 • Fax (250) 245-6411 • info@ladysmith.ca • www.ladysmith.ca

MINISTRY OF ENVIRONMENT
CORRESPONDENCE UNIT
DEC 09 2013
RECEIVED

MINISTER'S OFFICE - RECEIVED
MINISTRY OF ENVIRONMENT

DEC 06 2013

Min Reply Reply Direct Div Reply Info/File
 Send Interim Redirect to _____
 cc _____
CLIFF# 199910

E-mail: env.minister@gov.bc.ca

November 26, 2013

Honourable Mary Polak, M.
Minister of Environment
PO BOX 9047 STN PROV GOVT
Victoria, BC V8W 9E2

E-MAILED

Dear Minister Polak:

Re: Hydrocarbon Contamination of Former Gas Station Site (201 Dogwood Drive, Ladysmith, BC)

The Town of Ladysmith would like to draw your attention to a hydrocarbon contamination issue at a former gas station site located at 201 Dogwood Drive in Ladysmith.

In 2005 the Town advised the Provincial Government of this issue. In response the Ministry of Water, Land and Air Protection advised the Town that although engineer testing indicated there was the presence of hydrocarbons on the site, Ministry staff did not consider the site a priority at the time. The Town has made several attempts to resolve this issue over the years; however the neighbours are still complaining about the smell of hydrocarbons in the area. The owner of the property has not responded to the Town's repeated requests to clean up the site. Additional testing has been done as recently as August of this year. The consulting engineers note that the analytical results for the two groundwater samples confirm that the hydrocarbon groundwater contamination previously identified at the two monitoring wells during the November 2009 investigation is still present at these locations.

A summary of the previous environmental works commencing in February of 2005 to investigate the potential presence of hydrocarbon impacted soil and groundwater at and near Forward Road is provided below.

Test Pit Investigation - February 2005

Local residents adjacent to Forward Road reported to the Town of Ladysmith observations of strong hydrocarbon odours and visible hydrocarbon sheen in storm sewer drains along Forward Road after heavy rainfall events. Additionally, the Town of Ladysmith was informed that during trenching conducted by Terasen Gas in 2004, hydrocarbon impacted soils were encountered along the southern edge of Forward Road. As a result of the complaints by local residents and contractors, an engineering firm was retained by the Town of Ladysmith to investigate the potential presence of sub-surface hydrocarbon contamination along Forward Road. The test pit investigation consisted of the excavation of two trenches on Forward

Road. One trench was excavated across Forward Road, adjacent to the northeast corner of 201 Dogwood Road, and the second trench was excavated 14 m south of the first trench, adjacent to the northern boundary of 126 Forward Road. Testing of soils during the test pit investigation was limited to soil vapour readings within the observed soils. Based on olfactory observations and soil vapour readings, the engineers concluded that hydrocarbon impacted soils were present within both trenches to a depth of approximately 2 m. The engineers also concluded that the hydrocarbon contaminants had likely migrated from a commercial property located at 201 Dogwood Road. Information received by the engineers from the operator of Dalby's Service Ltd., the occupant of 201 Dogwood Road, indicated that the business had operated as an automotive repair facility since approximately 1950 and that gasoline pumps and underground fuel storage tanks were previously located on the property, but were decommissioned and removed circa 1985.

Soil Hydrocarbon Vapour Assessment - December 2005

Following the test pit investigation, a Soil Vapour Assessment was conducted to test for elevated hydrocarbon vapour concentrations within the properties and landscaped areas adjacent to Forward Road. During the soil vapour assessment, a total of 67 soil vapour probes were installed within the Forward Road right-of-way and on private properties adjacent to Forward Road. All soil vapour probes and 23 other vapour pathways (including surface drains, storm sewers, utility access chambers, and utility boxes) were monitored for hydrocarbon vapours over four monitoring events during November 2005. Monitoring results identified high hydrocarbon vapour concentrations (greater than 2000 parts per million) within two soil vapour probes installed on the Forward Road right-of-way, adjacent to northern boundary of 201 Dogwood Road.

Soil and Groundwater Investigation - July 2006

In May 2006, the engineers conducted a soil and groundwater investigation along the Forward Road right-of-way. During the investigation, six boreholes were advanced on Forward Road with three of the boreholes completed as groundwater monitoring wells. Laboratory results of soil and groundwater samples collected during the investigation identified soil with hydrocarbon concentrations greater than the BC Ministry of Environment, Contaminated Sites Regulation (CSR) standards for commercial and residential land use within three boreholes located north of 201 Dogwood Drive. Hydrocarbon concentrations in groundwater exceeding the CSR groundwater standards protective of marine aquatic life were also identified.

Groundwater and Vapour Monitoring Report - November 2009

The engineers assessed groundwater quality at existing monitoring wells and monitor vapour concentrations within monitoring wells, catch basins. The purpose of this groundwater and vapour monitoring event was to assess current groundwater quality and vapour levels at the property prior to finalizing the proposed management measures. The engineers concluded that elevated hydrocarbon vapours were not identified within the storm water sewer system during the monitoring event and hydrocarbon groundwater contamination previously identified at the two monitoring wells during the July 2006 investigation, is still present at these locations. Based on the results of all environmental investigations conducted to date, it was recommended that management measures be implemented to reduce the risk of

hydrocarbon contamination identified beneath Forward Road migrating to the nearby residential properties and indoor air sampling be conducted in the residences surrounding 201 Dogwood Drive to assess the potential human health risk to the nearby residents from the identified hydrocarbon contamination beneath Forward Road. No follow-up environmental investigations at the property have been conducted.

Groundwater Monitoring – August 2013

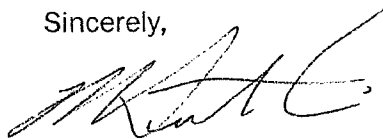
Groundwater samples were collected from two monitoring wells located on Forward Road on August 16, 2013 and the samples were submitted for laboratory testing for potential contaminants of concern associated with past activities conducted at 201 Dogwood Drive. The analytical results for the two groundwater samples confirmed that the hydrocarbon groundwater contamination previously identified at the two monitoring wells during the November 2009 investigation is still present at these locations. The engineers therefore recommended a Phase II ESA be conducted at the property.

We have also attempted to secure Provincial funding to help resolve this matter; however we are advised that the only source of Provincial financial assistance available is the Brownfield Program and that the future of this program is unknown at this time.

The Town respectfully requests Provincial assistance with this environmental neighbourhood issue. The area residents are concerned about the potential health risks associated with hydrocarbon contamination and would like the problem addressed. The Town is unable to provide the assistance required given the significant financial implications. We are seeking your assistance in resolving the matter. Are there other sources of financial assistance available to a local government to address such matters? Is the Ministry willing to consider this issue a high priority and assist with its resolve?

We appreciate any advice and assistance you and your Ministry can provide the Town of Ladysmith in resolving this neighbourhood issue. Please contact the undersigned at 250-245-6403 or rhutchins@ladysmith.ca if you wish to discuss this matter.

Sincerely,



Rob Hutchins
Mayor



Vancouver Island Regional Library

Administration
Box 3333 | 6250 Hammond Bay Road
Nanaimo, BC Canada V9R 5N3
t: 250.758.4697 f: 250.758.2482
e: info@virl.bc.ca w: www.virl.bc.ca

September 17, 2014

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



Dear Mayor Hutchins and Council,

Re: 2015 – 2019 Adopted Financial Plan

On behalf of the Board of Trustees of Vancouver Island Regional Library, please find enclosed information regarding the recently adopted **2015 – 2019 Financial Plan**. This information can also be found on the VIRL website: www.virl.bc.ca/about-us/reports-and-plans. As dictated by provincial legislation, we have adopted a balanced budget for 2015. The Financial Plan and supporting information (which includes an "At a Glance" sheet and informative video) provides you with the necessary details to address questions that may arise in your community.

The Vancouver Island Regional Library Board has adopted a balanced operating budget of \$23,570,802. Municipal and rural levies will contribute \$19,653,784 to the library budget, an average increase of 5.22% or a per capita increase of \$2.36. The weighted vote for the budget was 98% in favour of the budget.

The focus of the 2015 budget is to move towards financial sustainability in an effort to balance the needs and aspirations of the present, while allocating resources to achieve the Board's mission and vision, without compromising the ability to meet the needs of our communities in the future. The 2015 budget supports the Board's Strategic Plan, continues to resolve long-standing issues and facilitate principles within the Consolidated Facilities Master Plan, and provides orderly development of funding as previously approved by the Board.

It is our goal to balance the pressures of maintaining existing services and evolving business to meet the expectations of our communities with available funding and resources to undertake and manage operations and system requirements. The Board's commitment to financial sustainability and quality service delivery for our Regional Library participants is underscored in the **2015-2019 Financial Plan**.

Sincerely,

Bruce Jolliffe
Chair, Vancouver Island Regional Library Board of Trustees

Cc: Steve Arnett, VIRL Trustee, Town of Ladysmith

Strong Libraries ■ Strong Communities

Bella Coola Bowser Campbell River Chemainus Comox Cortes Island Courtenay Cowichan Cowichan Lake Cumberland Gabriola Island Gold River Hornby Island Ladysmith Masset Nanaimo Harbourfront Nanaimo North Nanaimo Wellington Parksville Port Alberni Port Alice Port Clements Port Hardy Port McNeill Port Renfrew Quadra Island Qualicum Beach Queen Charlotte Sandspit Sayward Sidney/North Saanich Sointula **81**ike South Cowichan Tahsis Tofino Ucluelet Union Bay Woss



2015 BUDGET

2015 BUDGET: "MOVING TOWARDS SUSTAINABILITY"

- The Budget is firmly grounded in the deliverables designated by the Board and follows the direction provided by and supported by the Board's [5-year strategic plan](#);
- With 39 branches and a large geographic service area, the Board has adopted a forward thinking [Facilities Master Plan](#) that addresses deferred maintenance issues, Health and Safety issues and community needs;
- The approved 10 year [Facilities Master Plan](#) policy prevents volatility and spikes in member levies from year to year while meeting the needs of the communities it serves;
- The 2015 Budget continues its policy of closing the funding gap for infrastructure maintenance and moving VIRL in the direction of [sustainable operations](#) while ensuring commitment to affordability and level of service expected by users of the library;
- The Board of Trustees takes the management and stewardship of public funds very seriously and continues to demonstrate financial leadership, ensuring value for the tax dollar spent. This year's and future years' budgets will continue to build on core values and business practices and with consensus and cooperation, move the [Strategic Plan](#) forward.

ABOUT THE BOARD OF TRUSTEES

- Governs the library system in accordance with BC's Library Act, and is made up of appointed representatives from 28 member municipalities and 10 regional districts;
- An [autonomous board](#) guides and supports the operation of all public library services in VIRL's service area. In addition to governance, two primary functions are lobbying and advocacy to ensure that resources are available to fulfill the Mission, Vision and Values of Vancouver Island Regional Library.

ABOUT VANCOUVER ISLAND REGIONAL LIBRARY

- Serves over 428,000 people in 39 branch libraries, a virtual branch, and a books-by-mail service;
- The fourth largest library system in British Columbia circulating over one-million items including books, magazines, CD's and DVD's and employing over 370 people;
- With a [cooperative spirit](#), VIRL participates in the provincial interlibrary loan program which creates extraordinary value for money spent.

2015 BUDGET

AT A GLANCE: LEVY INCREASE

NET OPERATIONS

2.53%

NEW BUDGET REQUESTS

0.44%

FACILITIES MASTER PLAN

2.25%

TOTAL AVERAGE INCREASE

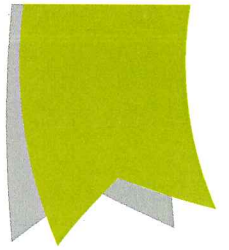
5.22%



BUDGET BREAKDOWN

2015 BUDGET

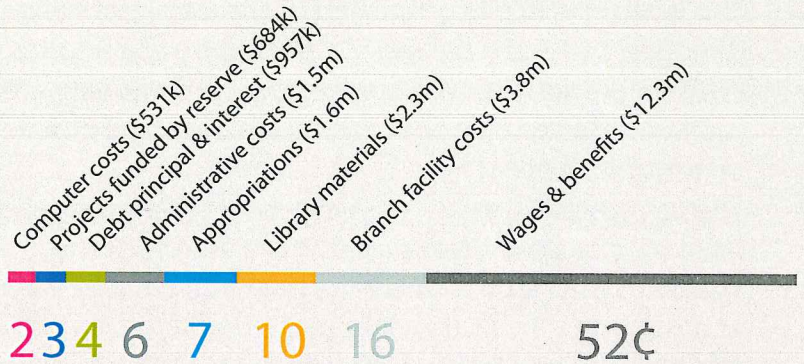
- 1 AVERAGE PER CAPITA CHANGE
- 2 HOW YOUR \$1 IS SPENT
- 3 CHANGES AT A GLANCE



1 AVERAGE PER CAPITA CHANGE
\$2.36



2 HOW YOUR \$1 IS SPENT



3 CHANGES AT A GLANCE

2.25%
FACILITIES MASTER PLAN



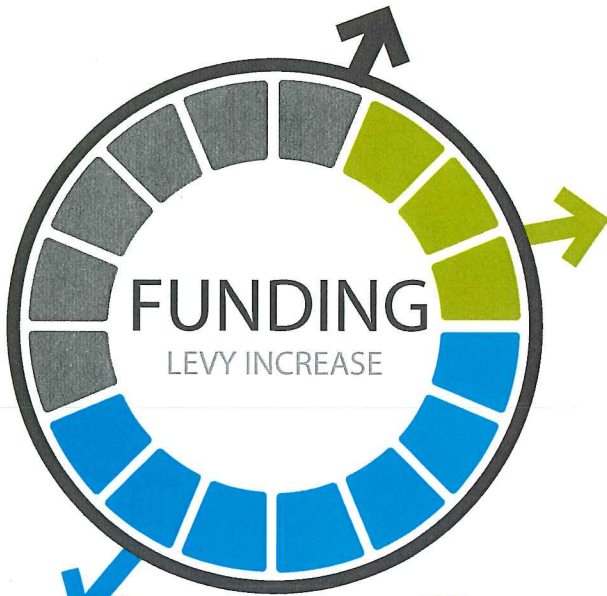
- \$0.56 Facilities maintenance
- \$0.45 FF&E

MASTER FACILITIES PLAN: PROGRESS



TOTAL VISITORS TO BRANCHES IN 2014

1.3 million



0.44%
NEW BUDGET REQUESTS

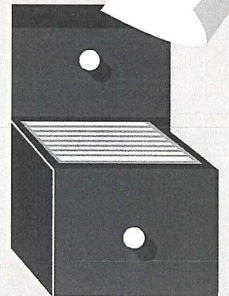


- \$0.06 Port Clements improved hours
- \$0.06 Strategic planning consultant
- \$0.05 Read down your fines
- \$0.01 Mobile media kits
- \$0.01 Collective agreement bargaining
- \$0.01 Remote site safety inspections

2.53%
NET OPERATIONS



- \$0.72 Wages benefits & provisions
- \$0.19 Maintenance, contracts, office supplies, rent
- \$0.16 Library materials
- \$0.07 Debt servicing





**VANCOUVER ISLAND
REGIONAL LIBRARY**



News Release

Library Board Adopts Balanced 2015 Operating Budget

NANAIMO, September 13, 2014 – The Vancouver Island Regional Library Board of Trustees has adopted a balanced operating budget of \$23,570,802 for 2015.

Under the Library Act, public libraries are required to adopt a balanced budget for the following year prior to December 31.

Municipal and rural levies will contribute \$19,653,784 to the library budget, which represents an average increase of 5.22% or \$2.36 per capita. This includes facilities and maintenance, technology infrastructure and basic operational expenditures. The 2015 budget supports the Board's Strategic Plan, continues to resolve long-standing issues and facilitate principles within the Consolidated Facilities Master Plan, and provides orderly development of funding as previously approved by the Board.

In June of 2010, the Board approved a 10-year plan to deal with the more than \$2.4 million in deferred maintenance issues of VIRL's branch libraries. Now in year five, this year's budget balances the redevelopment and maintenance of branch facilities while continuing to provide funding for future developments in an effort to meet the unique needs of each community it serves.

"It is the Board's mandate to provide the public with services that meets community expectations while operating within a balanced budget. We believe that we've accomplished this," says Vancouver Island Regional Library Board Chair, Bruce Jolliffe.

The remainder of the budgeted revenues come from overdue fines and other fees, investment income, government grants, and transfers from reserves.

"It is our goal to balance the pressures of maintaining existing services and evolving business to meet the expectations of our communities with available funding and resources to undertake and manage operations and system requirements. The Board's commitment to financial sustainability and quality service delivery for our Regional Library participants is underscored in the 2015-2019 Financial Plan," comments Adrian Maas, Director of Finance, Vancouver Island Regional Library.

Vancouver Island Regional Library (VIRL) is the fourth largest library system in British Columbia. Serving 430,000 people on Vancouver Island, Haida Gwaii, and Bella Coola on the Central Coast, Vancouver Island Regional Library includes 39 branch libraries, a virtual branch, and a books-by-mail service. VIRL's holdings number one-million and include books, magazines, CD's and DVD's. Administrative offices are located in Nanaimo.

- 30 -

For more information contact:

Natasha Bartlett

Marketing and Communications Officer, VIRL | Phone: 250.753.1154 x 249 | email: nbartlett@virl.bc.ca

From: Kendra Thomas <kthomas@cwav.org>
Sent: September 26, 2014 3:07 PM
To: 'Duck'; Town of Ladysmith
Subject: RE: Festival of Lights

Hi Duck and Rob!

It's that time of year again! (already???) Just wanted to check in to see if the Town of Ladysmith and the FOL intends to support CWAVS again this year by lighting up a Purple Lights tree? I have a lead with Shaw "Go-Island" who is interested in covering this story, so I'm checking in to see what our Purple Light Nights campaign is going to look like this year ☺

A little (not-so-little) FYI... the RCMP recently informed us that the Cowichan Valley has the highest rates of domestic violence per capita in our province ☹ CWAVS social action efforts are our way of trying to engage our community on this ever-concerning issue.

Hope you and your families are well, and we thank you for your support, as always.

Kendra Thomas
Community-based Victim Services
Cowichan Women Against Violence Society
103-255 Ingram St. Duncan, BC V9L-1P3
250-748-7000 ext. 224



From: Duck [mailto:duckwon@shaw.ca]
Sent: November-05-13 12:07 PM
To: kthomas@cwav.org
Subject: Festival of Lights

Good Afternoon..

Mayor Rob forwarded your email to me, as a member of the Festival of Lights, in regards to the Purple Night Lights.

Festival along with council has dedicated the tree on the south-east corner of Roberts & First Ave as the Purple Tree in support of the Cowichan Women Against Violence.

It was actually all of Ladysmith Council members (I am also a councillor) who contributed to the lights and we have asked the Festival committee for their cooperation which they agreed to.

The only "glitch" is that our light up is not until Thurs, Nov. 28 at which time ALL the town is lit up and stays lit up until Jan. 19. We are getting a sign that will be posted at the designated tree to inform people of the significance of the tree and we will also be announcing it on Light Up Night.

We hope that our small (both council and the FOL committee) efforts will help take your cause further and eliminate the violence against women.

If you have any questions please contact me at any time.

Have a great day.

Duck Paterson



Ladysmith Festival of Lights

duckwon@shaw.ca

cell: 250-246-0637

home: 250-245-2263

The Human Race is only one race...then why is there racism?



175 Ingram Street
Duncan, BC V9L 1N8
www.cvrld.bc.ca

Office: 250.746.2500
Fax: 250.746.2513
Toll Free: 1.800.665.3955

July 17, 2014



Town of Ladysmith
PO Box 220
LADYSMITH BC V9G 1A2

Dear Mayor and Council:

Re: **Proposed CVRD Annual Financial Contribution Services – Cowichan Sportsplex**

At the July 9, 2014, regular meeting, the Board of Directors of the Cowichan Valley Regional District, passed the following resolution:

That the Board create Annual Financial Contribution Services for each of the Nine Electoral Areas with a maximum annual requisition limit for each service area to be a rate equal to the rate that would have been set if the whole of the CVRD were in a single service area with a maximum of \$200,000, to assist the Chesterfield Sports Society with costs associated with the operation and maintenance of the Cowichan Sportsplex

The Board further resolved that public approval to establish the services be obtained by referenda to run in conjunction with the 2014 General Local Election this Fall, and that Member Municipalities be informed of the Board's intention.

The Regional Board will consider granting first three readings to service establishment bylaws for nine separate participants at the July 30, 2014 regular meeting. If granted, and following provincial approval, the bylaws will be presented for elector assent this Fall.

Nine bylaws have been drafted with tax rates and requisition limits that are unique to each electoral area while still reflecting a scenario of 13 participants with a maximum annual requisition limit of \$200,000 or \$0.01583 per \$1,000 of net taxable value of land and improvements. In this scenario, costs to residential property owners within the whole of the Regional District with property assessed at \$100,000 would be \$1.32 annually, as shown in the table below.

.../2

Annual Financial Contribution Services – Cowichan Sportsplex

Electoral Area / Municipal Jurisdiction	Tax Rate per \$1000 (Based on Regional Service)	Maximum Annual Requisition	Maximum Annual Cost Per \$100,000 Assessed Value (Residential Property Owners)
Area A	\$0.1583	\$12,840	\$1.32
Area B	\$0.1583	\$21,550	\$1.32
Area C	\$0.1583	\$12,460	\$1.32
Area D	\$0.1583	\$7,900	\$1.32
Area E	\$0.1583	\$9,360	\$1.32
Area F	\$0.1583	\$7,960	\$1.32
Area G	\$0.1583	\$8,340	\$1.32
Area H	\$0.1583	\$9,860	\$1.32
Area I	\$0.1583	\$8,000	\$1.32
North Cowichan	\$0.1583	\$69,343	\$1.32
City of Duncan	\$0.1583	\$10,539	\$1.32
Town of Ladysmith	\$0.1583	\$16,701	\$1.32
Town of Lake Cowichan	\$0.1583	\$5,204	\$1.32

The Regional District has no legislative authority to impose this funding model or public process outside of the proposed service area boundaries, however, the Board of Directors resolved at the July 9, 2014 regular Board meeting:

"That member municipalities be notified that the Board intends to create annual financial contribution service areas to assist in funding the Cowichan Sportsplex and request that member municipalities do the same".

If you require clarification on the financial implications of this model, please contact Mr. Mark Kueber, General Manager, CVRD Corporate Services at 250-746-2500 or via e-mail at mkueber@cprd.bc.ca.

Yours truly,


Kathleen Harrison, CMC
Deputy Corporate Secretary

pc: Mark Kueber, General Manager, CVRD Corporate Services