

A REGULAR MEETING OF THE
COUNCIL OF THE TOWN OF LADYSMITH
AGENDA
7:00 P.M.

Monday, June 17, 2019
Council Chambers, City Hall

Pages

1. **CALL TO ORDER (6:00 p.m.)**

Call to Order at 6:00 p.m. in Open Session, in order to retire immediately into Closed Session.

Members of the public are welcome to attend all Open Meetings of Council, but may not attend Closed Meetings.

2. **CLOSED SESSION**

In accordance with section 90 of the Community Charter, this section of the meeting will be held *In Camera* to consider the following matters, for the reasons as noted:

- Litigation or potential litigation affecting the municipality - section 90(1)(g)

Recommendation

That, in accordance with section 90(1) of the *Community Charter*, Council retire into closed session in order to consider items related to the following:

- Litigation or potential litigation affecting the municipality - section 90(1)(g)

3. **REGULAR MEETING (7:00 p.m.)**

4. **AGENDA APPROVAL**

Recommendation

That Council approve the agenda for this Regular Meeting of Council for June 17, 2019.

5. **RISE AND REPORT- Items from Closed Session**

6. MINUTES

6.1 Minutes of the Public Hearing and Regular Meeting of Council held June 3, 2019

7

Recommendation

That Council approve the minutes of the Public Hearing and Regular Meeting of Council held June 3, 2019.

6.2 Minutes of the Special Meeting of Council held June 10, 2019

18

Recommendation

That Council approve the minutes of the Special Meeting of Council held June 10, 2019.

7. DEVELOPMENT APPLICATIONS

7.1 Zoning Amendment Application – 1134 Trans Canada Hwy.

20

Recommendation

That Council:

1. Consider the application (3360-19-05) to amend the Zoning Bylaw to allow a licenced childcare facility, as a principal use, to be located at 1134 Trans Canada Hwy.
2. Direct staff to:
 - a. Refer application 3360-19-05 to the Community Planning Advisory Committee.
 - b. Commence the preparation of a Zoning Amendment Bylaw for application 3360-19-05.

7.2 Development Permit Application -Thrift Store–J. Anderson

24

Recommendation

That Council:

1. Issue Development Permit (DP) 3060-18-22 for the form and character of site and building improvements at Parcel B (being a consolidation of Lots 1 and 2, see CA7428266) Block 30, District Lot 24, Oyster District, Plan 703A (910 First Ave.);

subject to the property owner:

- i. submitting a landscape bond of \$4500 to ensure landscape installation;
- ii. registering a right-of-way on the certificate of title for the turnaround space off the lane;

- iii. obtaining a development variance permit (DVP) for a reduction of the rear parcel line setback for the building addition and garbage enclosure; and
- iv. obtaining a DVP for a reduction of the off-street parking space requirements.

And that the Mayor and Corporate Officer be authorized to sign the Development Permit once the subject conditions have been met.

- 1. Direct staff to:
 - a. assign an on-street public 15 minute parking space on French Street, near the Thrift Store customer entrance, to allow for donation drop-off and loading; and
 - b. formalize the on-street public parking space for persons with disabilities on French Street.

8. REPORTS

8.1 Fire Truck Disposal 38

Recommendation

That Council:

- 1. Waive the purchasing policy for the disposal of the surplus 1990 Custom Pierce Dash Pumper truck (Unit 7)
- 2. Accept the offer from the Village of Port Alice to purchase the surplus 1990 Custom Pierce Dash Pumper truck (Unit 7) for a total purchase price of \$10,000.

8.2 Fire Sprinkler System Bylaw No. 1940 41

Recommendation

That Council determine whether it wishes to maintain or repeal “Town of Ladysmith Building Fire Sprinkler System Bylaw 2017, No. 1940.”

8.3 Statement of Financial Information Report 57

Recommendation

That Council approve the Statement of Financial Information for the Town of Ladysmith for the fiscal year ended December 31, 2018.

8.4 Baden Powell Street Watermain Replacement (Phase 1) 111

Recommendation

That Council:

- 1. Award the Contract A for the Baden Powell Street Watermain

Replacement (Phase 1) to David Stalker Excavating Ltd. for \$301,220.80 plus applicable taxes;

2. Increase the water capital budget for the project titled Baden Powell Street Watermain Replacement (Phase 1) by \$90,000 to a total project cost of \$356,000, with the additional funds to come from the Warren Street project and 2019 projected water surplus; and

3. Direct staff to amend the 2019-2023 Financial Plan accordingly

8.5 Solid Waste Collection Service Request For Proposal

114

Recommendation

That Council direct staff to:

1. Amend Town of Ladysmith Garbage, Recycling and Organics Collection Waste Bylaw No. 1588 to allow solid waste collection from all units in a multi-family property if requested, where the property meets the following criteria:
 - Each unit must have its own street-level entry and collection containers.
 - The multi-family property must be serviceable by the contracted collection trucks (who may be entering private roads to provide the service).
2. Continue with a manual collection system for the upcoming five-year collection contract.
3. Implement the Contamination Reduction Plan as presented in Appendix B, pages 4-8 of this report with the funds to come from the Town's MMBC (Recycle BC) Solid Waste reserve.
4. Issue a Request for Proposals (RFP) for the provision of solid waste collection services, to incorporate all direction received from Council in response to this report.
5. In the Request for Proposals, seek optional pricing for the Large Item Collection (Spring Clean-up) service and defer the decision to continue with the service until actual costs have been determined.
6. In the Request for Proposals, seek optional pricing for a "consistent day" collection service and defer the decision about implementation until actual costs have been determined.

9. CORRESPONDENCE

9.1 Ladysmith Celebrations Society Request for Trolley Rental 136

Recommendation

That Council consider whether it wishes to waive the fees for the use of the Town Trolley and driver for the three days during the 2019 Ladysmith Days celebration August 3 - 5, as requested by the Ladysmith Celebrations Society in their correspondence dated June 7, 2019.

10. NEW BUSINESS

10.1 Vancouver Island Economic Alliance Annual Conference October 23-24, 2019 137

Recommendation

That Council consider whether it wishes to authorize Councillor Johnson to attend the Vancouver Island Economic Alliance conference in Nanaimo, October 23-24, 2019, for a cost of \$399, plus expenses.

10.2 Council Self-Evaluation 139

Councillor McKay has asked that the attached information be brought forward for Council's consideration. In keeping with Council's pursuit of excellence in governance, regular self-evaluation and assessment will provide an opportunity for Council, individually and collectively, to reflect on their performance, celebrate strengths and identify opportunities for growth.

10.3 Victoria City Council Resolution to the Union of British Columbia Municipalities Requesting Restored Provincial Support for Libraries 156

Recommendation

That Council endorse the Victoria City Council Resolution to the Union of British Columbia Municipalities requesting that Provincial support for libraries be restored.

11. UNFINISHED BUSINESS

12. 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.

13. ADJOURNMENT



**MINUTES OF A PUBLIC HEARING &
REGULAR MEETING OF COUNCIL**

**Monday, June 3, 2019
7:00 P.M.
Ladysmith Eagles Hall
921 1st Avenue**

Council Members Present:

Mayor Aaron Stone
Councillor Duck Paterson
Councillor Amanda Jacobson
Councillor Rob Johnson

Councillor Tricia McKay
Councillor Marsh Stevens
Councillor Jeff Virtanen

Staff Present:

Guillermo Ferrero
Felicity Adams
Erin Anderson
Geoff Goodall

Clayton Postings
Joanna Winter
Sue Bouma
Mike Gregory

1. CALL TO ORDER

Mayor Stone called this Regular Meeting of Council to order at 5:05 p.m. in order to retire immediately into closed session.

2. CLOSED SESSION

CS 2019-195

That, in accordance with section 90(1) of the *Community Charter*, Council retire into closed session in order to consider items related to the following:

- Negotiations - section 90(1)(i) and (j)
- Committee Appointments - section 90(1)(a)

Motion Carried

3. OPEN MEETING AGENDA APPROVAL (Eagles Hall)

Mayor Stone called this Public Hearing and Regular Meeting of Council to order at 7:01 p.m., recognizing the traditional territory of the Stz'uminus People

CS 2019-196

That Council approve the agenda for this Public Hearing and Regular Meeting of Council for June 3, 2019 as amended to include the following:

- Item 13.2., "Nutsumaat Syaays Project - Welcoming Figure Unveiling at Ladysmith Secondary School"

Motion Carried

4. PUBLIC HEARING AND REGULAR MEETING

Mayor Stone outlined the Public Hearing process.

He stated that the public would have the opportunity to provide their comments to Council about the content of Bylaws 2011 and 2012, and first staff would introduce the Bylaws and review the statutory requirements.

Mayor Stone advised the public that everyone who wished to speak to Council would have the opportunity to be heard, and that the content of their submissions would be made public and form a part of the public record for this hearing.

Mayor Stone stated that it is not appropriate in a public hearing for members of Council to engage in debate with speakers, but they might ask clarifying questions after a citizen has spoken. He reminded the public that following the close of the Public Hearing, no further submissions or comments from the public or interested persons could be accepted by members of Council verbally, electronically or in writing.

4.1 Official Community Plan Bylaw Amendment and Zoning Bylaw Amendment: Bylaws 2011 and 2012

Members of the public present: 11

4.1.1 Introduction of Bylaws and Statutory Requirements - Director of Development Services

Felicity Adams, Director of Development Services, introduced the following bylaws as the subject of the Public Hearing:

- Bylaw 2011, cited as "Town of Ladysmith Official Community Plan Bylaw 2003, No. 1488, Amendment Bylaw (No. 58) 2019, No. 2011"; and

- Bylaw 2012, cited as “Town of Ladysmith Zoning Bylaw 2014, No. 1860, Amendment Bylaw (No. 25) 2019, No. 2012”

Ms. Adams noted that the following properties were the subject of the Bylaw amendment:

Legally described as Lot 4, District Lots 8G, 11G, 24 and 56, Oyster District, Plan 45800, except part in Plans VIP64405, VIP71943 and VIP72131.

Civic addresses: 610,612,614, and 616 Oyster Bay Drive

She stated that the purpose of Bylaw No. 2011 is to amend the Official Community Plan by amending the Institutional policies in Schedule B: Waterfront Area Plan to add one policy to support commercial and mixed-use businesses and activities that contribute to the vibrancy of the Arts and Heritage Hub area.

Bylaw 2011 was referred to Stz’uminus First Nation and no concerns were identified.

Ms. Adams advised the public that the purpose of Bylaw No. 2012 is to amend the Zoning Bylaw by adding additional uses to Sub-Area B of the Comprehensive Development 4 Zone to permit artifact and boat restoration; brewery, distillery, bottling and distribution; coffee shop; micro-brewery; restaurant; and retail sales. She noted that regulations about retail sales and building height and size in the CD-4 Zone, and cottage industry generally are also amended.

- The Public Hearing Notice was printed in the Ladysmith Chronicle newspaper on May 23 and May 30, 2019 and posted on community notice boards through-out Town, as well as on the Town’s website. The Notice was mailed and delivered to the subject properties and all properties located within 60 metres of the subject property.

A copy of the Notice, the proposed Bylaws and background information considered by Council was made available at the Front Counter of City Hall for the Notice period. Staff in the Development Services office was available to respond to questions prior to the public hearing.

No written submissions regarding Bylaws 2011 and 2012 were received regarding the proposed bylaws.

4.1.2 Call for Submissions to Council (Three Times) - Mayor Stone

Mayor Stone called for submissions to Council.

Mayor Stone called for submissions to Council a second time.

Mayor Stone called for submissions about Bylaws 2011 and 2012 a third and final time.

4.1.3 Declaration that the Public Hearing for Bylaws 2011 and 2012 is Closed - Mayor Stone

Hearing no comments and receiving no submissions, Mayor Stone called the Public Hearing for Bylaws 2011 and 2012 closed and stated that no further submissions or comments from the public or interested persons could be accepted by members of Council.

5. BYLAWS (SUBJECT OF THE PUBLIC HEARING)

5.1 Town of Ladysmith Official Community Plan Bylaw 2003, No. 1488, Amendment Bylaw (No. 58) 2019, No. 2011 and Town of Ladysmith Zoning Bylaw 2014, No. 1860, Amendment Bylaw (No. 25) 2019, No. 2012 – Arts and Heritage Hub

CS 2019-197

That Council:

1. Proceed with third reading and final adoption of Bylaw 2011, cited as “Town of Ladysmith Official Community Plan Bylaw 2003, No. 1488, Amendment Bylaw (No. 58) 2019, No. 2011.”
2. Proceed with third reading of Bylaw 2012, cited as “Town of Ladysmith Zoning Bylaw 2014, No. 1860, Amendment Bylaw (No. 25) 2019, No. 2012.”
3. Direct staff to refer Bylaw 2012 to the Ministry of Transportation and Infrastructure pursuant to the Transportation Act.

Motion Carried

6. RISE AND REPORT- Items from Closed Session

Council rose from Closed Session at 6:44 p.m. with report on the following:

- Resolution CE 2019-062

That Council appoint Councillor McKay to serve as liaison, and Councillor Jacobson to serve as alternate to the Community Planning Advisory Committee for 2019.

- Resolution CE 2019-063

That Council appoint the following seven members to the Community Planning Advisory Committee for a two-year term ending June 30, 2021:

- Tony Becket
- Brian Childs
- Jennifer Sibbald
- Lacey McRae Williams
- Jason Harrison
- Tamara Hutchinson
- Stephen (Steve) Frankel

7. MINUTES

7.1 Minutes of the Regular Meeting of Council held December 3, 2018

CS 2019-198

That Council adopt the minutes of the Regular Meeting of Council, held December 3, 2018, as amended to include the following missed resolution:

- CS 2018-500

That Council direct staff to provide information as available on the number of vehicles jumping the curb on 1st Avenue in the last four years, including the location of these incidents.

Motion Carried

7.2 Minutes of the Special Meeting of Council held May 13, 2019

CS 2019-199

That Council approve the minutes of the Special Meeting of Council held May 13, 2019.

Motion Carried

8. PROCLAMATIONS

8.1 Built Green Day

Mayor Stone proclaimed June 5, 2019 as “Built Green Day” in the Town of Ladysmith, reflecting the Town’s dedication to encouraging sustainable development.

9. BYLAWS- OFFICIAL COMMUNITY PLANNING AND ZONING

9.1 OCP & Zoning Amendment Application – 422 First Ave. (Traveller's Hotel)

CS 2019-200

That Council:

1. Proceed with first and second reading of Bylaw 1989, cited as “Official Community Plan Bylaw 2003, No. 1488, Amendment Bylaw (No. 56) 2019, No. 1989”.
 2. Proceed with first and second reading of Bylaw 1990, cited as “Town of Ladysmith Zoning Bylaw 2014, No. 1860, Amendment Bylaw (No.23) 2019, No. 1990”.
 3. Direct that prior to consideration of final approval of Bylaws 1989 and 1990, a contribution of \$30,000 be collected for the Municipal Parking Fund.
 4. Receive the Conservation Plan (CDH Design Ltd.) for the Traveller’s building and require that the Conservation Plan form part of the Development Permit for 422 First Avenue, in place of a Heritage Revitalization Agreement.
 5. Direct staff to assign a public 15 minute parking space adjacent to the lane at 422 First Avenue, at time of Occupancy Permit issuance for 422 First Avenue.
 6. Refer Bylaw 1989 and Bylaw 1990 to public hearing.
- Motion Carried*

10. REPORTS

10.1 2019 Q1 Water Adjustments

CS 2019-201

That Council direct staff to adjust the water billing account #07340000 for up to \$5,715 due to a water leak.

Motion Carried

10.2 Revitalization Tax Exemption – Economic

CS 2019-202

That Council:

1. Wishes to amend the “Town of Ladysmith Revitalization Tax Exemption – Economic Revitalization Bylaw 2012, No. 1807”; and
2. Refer the matter to an upcoming Municipal Services Committee meeting.

Motion Carried

10.3 Lot 108 Updated Site Plan

CS 2019-203

That Council:

1. Direct staff to include in the 2019-2023 Financial Plan a new 2019 project titled “Lot 108 Site Plan Concept Plan Update” for \$20,000, with the funds to come from the Parks Appropriated Equity Reserve; and
2. Amend the 2019-2023 Financial Plan accordingly; and
3. Waive the purchasing policy and award the contract as presented for the updated Lot 108 Site Plan to Lees and Associates Landscape Architects for up to \$20,000.

Motion Carried

10.4 4th Avenue Crossing at Rocky Creek Tender Award

CS 2019-204

That Council:

1. Award the contract for construction of the 4th Avenue Crossing at Rocky Creek to Milestone Equipment Contracting Inc., for a total cost of \$789,831.00 excluding GST;

2. Confirm that the unbudgeted funds of \$560,000 for this project will come from the Infrastructure Reserve, Gas Tax funds, and reallocation of budgets for other projects; and
 3. Direct staff to amend the 2019 to 2023 Financial Plan accordingly.
- Motion Carried*

10.5 1st Avenue Bollards Initiative -- Update

CS 2019-205

That Council receive for information the report, dated May 28, 2019 and prepared by the Director of Infrastructure Services and the Manager of Legislative Services, on the 1st Avenue Bollards Initiative.

Motion Carried

10.6 Frank Jameson Community Centre 2019 Capital Plan Update

CS 2019-206

That Council:

1. Direct Staff to amend the 2019-2023 Financial Plan by including the Frank Jameson Community Centre Main Pool Basin Tile Repair for \$40,000, with the funding to come from the deferral of the Frank Jameson Community Centre Change Room upgrade project for \$30,000 and the adjustment to the Frank Jameson Community Centre Domestic Water Lines project for \$10,000; and
2. Waive the purchasing policy and direct award the Frank Jameson Community Centre Main Pool Basin tile repair and grouting to Cornerstone Tile for \$38,560.00 + taxes.

Motion Carried

10.7 Machine Shop Restoration Project Construction Management

CS 2019-207

That Council waive the purchasing policy and award the contract for Machine Shop Restoration Project Construction Management Services directly to Windley Contracting Ltd., in accordance with their proposal, for up to \$81,500.00 + taxes.

Motion Carried

11. BYLAWS

11.1 Ladysmith Development Procedures Bylaw 2008, No. 1667, Amendment Bylaw 2019, No. 2009

CS 2019-208

That Council adopt "Ladysmith Development Procedures Bylaw 2008, No. 1667, Amendment Bylaw 2019, No. 2009"

Motion Carried

11.2 Ladysmith Sign and Canopy Bylaw 1995, No. 1176, Amendment Bylaw 2019, No. 2010

CS 2019-209

That Council adopt "Ladysmith Sign and Canopy Bylaw 1995, No. 1176, Amendment Bylaw 2019, No. 2010".

Motion Carried

12. CORRESPONDENCE

12.1 Jack Anderson, Agent for Ladysmith Health Care Auxiliary - Request to Exempt Consolidated Parcel (910 and 920 1st Avenue) from Sprinkler Requirement Bylaw No. 1940

CS 2019-210

That Council refer to staff the request by Jack Anderson, Agent of the Ladysmith Health Care Auxiliary, in his correspondence dated May 15, 2019 to exempt consolidated parcel 910 and 920 1st Avenue from the requirements of Town of Ladysmith Building Fire Sprinkler System Bylaw 2017, No. 1940.

Motion Carried

12.2 Allen McDermid, President, Ladysmith Search and Rescue - Requesting Land Lease to Construct a Facility for Ladysmith Search and Rescue Storage

CS 2019-211

That Council refer to staff the request from Allen McDermid, President of the Ladysmith Search and Rescue Society, in his correspondence dated April 30, 2019, to lease land in order to construct a storage facility for the society.

Motion Carried

12.3 Bill and Sheila Andreychuk - Requesting Russell Road Park to be Named "Oiva Rutti Park"

CS 2019-212

That Council refer to the Parks, Recreation & Culture Advisory Committee the request by Bill and Sheila Andreychuk, in their correspondence dated May 27, 2019, to name the Russell Road Park "Oiva Rutti Park".

Motion Carried

13. NEW BUSINESS

13.1 Dogwood Tree Provided by the Ladysmith and District Credit Union

CS 2019-213

That Council:

1. Accept with gratitude the donation of a dogwood tree by the Ladysmith and District Credit Union to mark 75 years of serving the community; and
2. Direct staff to schedule a tree planting ceremony with Directors and officials of the Ladysmith and District Credit Union, and Town of Ladysmith Council.

Motion Carried

13.2 Nutsumaat Syaays Project - Welcoming Figure Unveiling at Ladysmith Secondary School

Councillor Paterson announced that the Stz'uminus First Nation Welcoming Figure Unveiling would take place at Ladysmith Secondary School on June 20th at 10:00 a.m. He reminded Council that in 2018 Council had been unable to fully fund the request for \$2000 for the unveiling ceremony, and had only provided the school with \$1800.

CS 2019-214

That Council direct staff to provide funding to the Ladysmith Secondary School in the amount of \$200 for the Welcoming Figure unveiling, with the funds to come from the Grant in Aid budget.

Motion Carried

14. QUESTION PERIOD

A member of the public thanked Council for their consideration of temporary speed bumps on the 4th Avenue Crossing at Rocky Creek Road and enquired about the use of the TimberWest logging road for heavy vehicle traffic. Other members of the public enquired about response timelines regarding the Ladysmith Health Care Auxiliary's request for exemption from the Sprinkler Requirement Bylaw, as well as the Island Corridor Foundation's policy regarding train station use.

15. ADJOURNMENT

CS 2019-215

That this Regular Meeting of Council adjourn at 8:20 p.m.

Motion Carried

Mayor (A. Stone)

Corporate Officer (J. Winter)



MINUTES OF A SPECIAL MEETING OF COUNCIL

Monday, June 10, 2019

5:00 P.M.

Council Chambers, City Hall

Council Members Present:

Mayor Aaron Stone
Councillor Duck Paterson
Councillor Amanda Jacobson
Councillor Rob Johnson

Councillor Tricia McKay
Councillor Marsh Stevens
Councillor Jeff Virtanen

Staff Present:

Guillermo Ferrero
Felicity Adams
Erin Anderson

Geoff Goodall
Joanna Winter
Sue Bouma

1. CALL TO ORDER

Mayor Stone called this Special Meeting of Council to order at 5:01 p.m. in order to retire immediately into closed session.

2. CLOSED SESSION

CS 2019-216

That, in accordance with section 90(1) of the *Community Charter*, Council retire into closed session at 5:02 p.m. in order to consider items related to the following:

- Human Resources Matter - section 90(1)(c)
- Negotiations - section 90(1)(l) and (j)

Motion Carried

3. RISE AND REPORT- Items from Closed Session

Council rose at 6:17 p.m. without report.

4. ADJOURNMENT

CS 2019-217

That this Special Meeting of Council adjourn at 6:19 p.m.

Motion Carried

Mayor (A. Stone)

Corporate Officer (J. Winter)

Subject to Adoption

STAFF REPORT TO COUNCIL**Report Prepared By:** Lisa Brinkman, Senior Planner**Date:** June 10, 2019**Report Reviewed By:** Felicity Adams, Director of Development Services**Meeting Date:** June 17, 2018**File No:** 3360-19-05**RE:** Zoning Amendment Application – 1134 Trans Canada Hwy.
(Hastings)**RECOMMENDATION:**

That Council:

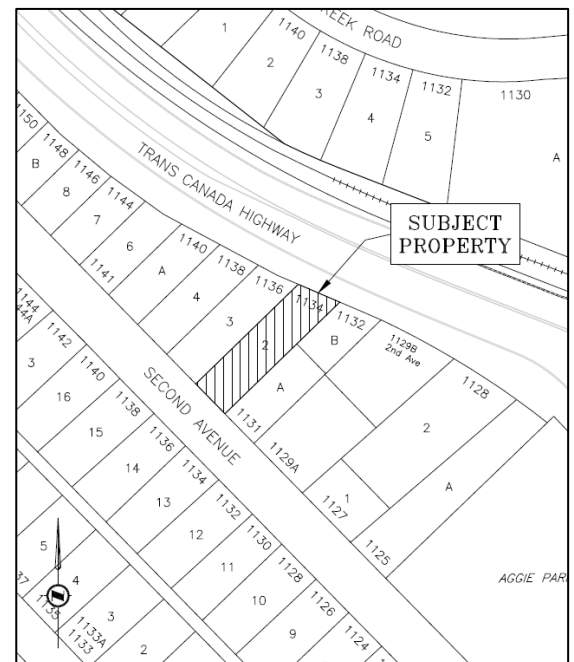
1. Consider the application (3360-19-05) to amend the Zoning Bylaw to allow a licenced childcare facility, as a principal use, to be located at 1134 Trans Canada Hwy.
2. Direct staff to:
 - a) Refer application 3360-19-05 to the Community Planning Advisory Committee.
 - b) Commence the preparation of a Zoning Amendment Bylaw for application 3360-19-05.

PURPOSE:

The purpose of this staff report is to introduce an application to amend the Zoning Bylaw for the property at 1134 Trans Canada Hwy. and to seek direction from Council regarding consultation and next steps.

PREVIOUS COUNCIL DIRECTION: none**INTRODUCTION/BACKGROUND:**

An application has been received from Lorne and Verna Hastings to amend the Zoning Bylaw to allow a licenced childcare facility, as a principle use, to be located at 1134 Trans Canada Highway. The property is 1,380m² (14,854ft²) in size and is currently accessed from both Second Avenue and the Trans Canada Highway. The property contains two level parking areas, and one vacant building that was recently updated with exterior and interior improvements.

DISCUSSION:

The Official Community Plan (OCP) designates the subject property as ‘Multi-Family Residential’, indicating that in the long term a multi-family use is preferred for the property. Several properties in the area, between Second Avenue and the Trans Canada Highway, are designated ‘Multi-Family Residential’, and have been re-developed with townhouses. The OCP also supports multi-family units being located adjacent to services such as schools and daycares. The applicant is proposing to utilize the existing building on the property for a child care facility.

The property is zoned ‘Old Town Residential’ (R-2). The R-2 zone allows for single unit and two unit dwellings. The applicant is requesting a site specific amendment to the R-2 zone to add ‘licenced child care facility’ as a permitted principle use at 1134 Trans Canada Hwy. The facility would provide child care for infants, toddlers, preschool children, as well as before and after school care. The child care facility is expected to operate Monday to Friday, 7am to 6pm. The multi-age program would have 8 children each day. The before and after school care program would have 15-20 children each day. Three to four employees would be onsite each day.



Photo 1: Existing building on the subject property at 1134 Trans Canada Highway.

It is expected that improvements to the building and the site would be required to address the *Child Care Licensing Regulation* requirements. Childcare facilities are regulated by the Provincial *Child Care Licensing Regulation*, which includes requirements for:

- the maximum number of children permitted in each age group;
- minimum areas for outdoor play spaces for each age group;
- safety standards (including fire safety); and
- washroom facilities.

Currently there is space for at least eight parking spaces onsite, which would meet the minimum Zoning Bylaw parking requirements. If the child care facility use is supported, it is recommended that no subdivision of the property be permitted while it is used as a child care facility; and that the child care facility use be limited to one building. Also, the proposed Zoning Amendment has been referred to the Ministry of Transportation and Infrastructure to review the existing highway driveway access.

Table 1: Application Summary (3360-19-05) 1134 Trans Canada Hwy.

	Current	Proposed
Official Community Plan	Multi-Family Residential	Multi-Family Residential
Development Permit Area	Multi-Unit Residential (DPA 4)	Multi-Unit Residential (DPA 4)
Zoning Bylaw	Old Town Residential (R-2)	Old Town Residential (R-2) with a site specific amendment to permit a licenced child care facility as a principal use.

ALTERNATIVES:

Council can choose to not proceed with rezoning application 3360-19-05.

FINANCIAL IMPLICATIONS:

None.

LEGAL IMPLICATIONS:

The subject property is within 800 metres of a controlled access highway, thus must be referred to the Ministry of Transportation and Infrastructure for approval following third reading of a zoning amendment bylaw. Council could consider waiving of the public hearing if an amending bylaw is presented to Council.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

It is recommended that Council refer the application to the Community Planning Advisory Committee to receive their feedback on the proposal.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

The Director of Parks Recreation and Culture has been involved in a regional study to review child care spaces. While the results of the study are not yet available, it is clear that there is a need for new child care spaces in the community.

The application has been referred to the Infrastructure Services Department and Building Inspector for review.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Complete Community Land Use | <input type="checkbox"/> Low Impact Transportation |
| <input type="checkbox"/> Green Buildings | <input type="checkbox"/> Multi-Use Landscapes |
| <input type="checkbox"/> Innovative Infrastructure | <input type="checkbox"/> Local Food Systems |
| <input type="checkbox"/> Healthy Community | <input type="checkbox"/> Local, Diverse Economy |
| <input type="checkbox"/> Not Applicable | |

ALIGNMENT WITH STRATEGIC PRIORITIES:

- | | |
|---|---|
| <input type="checkbox"/> Employment & Tax Diversity | <input type="checkbox"/> Natural & Built Infrastructure |
|---|---|

- ☐ Watershed Protection & Water Management
- ☐ Communications & Engagement

- ☐ Partnerships
- ☒ Not Applicable

SUMMARY:

An application has been received to amend the Zoning Bylaw to permit a licenced child care facility as a principle use at 1134 Trans Canada Highway. Recommendations are provided for the next steps in the application process.

I approve the report and recommendation(s).

Guillermo Ferrero, Chief Administrative Officer

ATTACHMENT(S):

none

STAFF REPORT TO COUNCIL**Report Prepared By:** Lisa Brinkman, Senior Planner**Date:** June 7, 2019**Report Reviewed By:** Felicity Adams, Director of Development Services**Meeting Date:** June 17, 2019**File No:** 3060-18-22**RE:** Development Permit Application -Thrift Store–J. Anderson
910 First Avenue**RECOMMENDATION:**

That Council:

1. Issue Development Permit (DP) 3060-18-22 for the form and character of site and building improvements at Parcel B (being a consolidation of Lots 1 and 2, see CA7428266) Block 30, District Lot 24, Oyster District, Plan 703A (910 First Ave.); subject to the property owner:
 - i. submitting a landscape bond of \$4500 to ensure landscape installation;
 - ii. registering a right-of-way on the certificate of title for the turnaround space off the lane;
 - iii. obtaining a development variance permit (DVP) for a reduction of the rear parcel line setback for the building addition and garbage enclosure; and
 - iv. obtaining a DVP for a reduction of the off-street parking space requirements.
2. Authorize the Mayor and Corporate Officer to sign the Development Permit once the subject conditions have been met.
3. Direct staff to:
 - a) assign an on-street public 15 minute parking space on French Street, near the Thrift Store customer entrance, to allow for donation drop-off and loading; and
 - b) formalize the on-street public parking space for persons with disabilities on French Street.

PURPOSE:

The purpose of this staff report is to present for Council's consideration Development Permit 3060-18-22 for a proposed addition to the Thrift Store located on First Avenue and related building and site improvements.

PREVIOUS COUNCIL DIRECTION

Council Meeting Date & Resolution No.	Subject
--	---------

December 17, 2018
CS 2018-512

Council gave final reading to Bylaw 1976 which amended the Zoning Bylaw to zone 920 First Avenue to 'Downtown Commercial' (C-2).

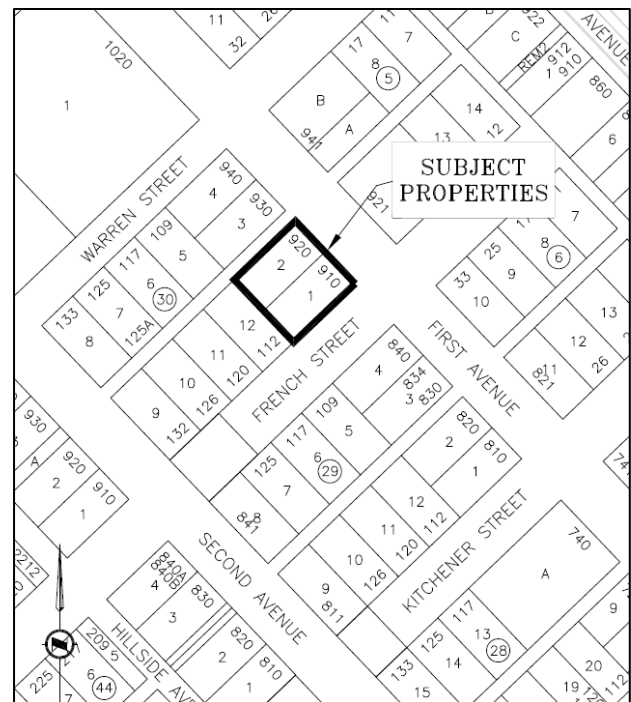
INTRODUCTION/BACKGROUND:

The applicant, Jack Anderson, (on behalf of the Ladysmith Health Care Auxiliary) has submitted a Development Permit application for a proposed addition to the Thrift Store and related building and site improvements. The two parcels have recently been consolidated to one parcel. The Thrift Store is located at 910 First Avenue. The proposal is to remove the dwelling and accessory building at 920 First Avenue so that the proposed addition can be sited at this location. The address of the Thrift Store building with the proposed addition would continue to be 910 First Avenue.

The existing Thrift store building is 474m² (5102 ft²) in size and the addition is proposed to be 297m² (3196 ft²). Thus the total floor area of the building with the addition would be 771m² (8300 ft²). The building with the addition would be one storey, 6m (20ft) in height. The total parcel area is 1,338m² (14,400ft²).

The subject property is zoned 'Downtown Commercial' (C-2) and falls within the Downtown Development Permit Area (DPA 2). The DPA 2 guidelines state that individual sites within the downtown can make a positive contribution to the revitalization of the area, and to the greater whole of the Ladysmith experience. The proposed building and site improvements have been reviewed in relation to the DPA 2 guidelines and the Zoning Bylaw.

When the rezoning was presented to Council in August 2018, a complete review of the parking, setbacks, and design of the development was to be undertaken at the Development Permit stage.



DISCUSSION

DPA 2 Guidelines Review

Building Design, Siting, Massing, Roof Form

- A simple building form is proposed for the addition which respects the existing building. Also, the massing of the proposed addition respects the existing building and surrounding buildings.
- A flat roof is proposed with triangular false fronts proposed to the existing building and the addition to articulate the roof line.
- The roof of the addition is proposed to contain a raised section with windows to allow light into the interior of the space. (See DP Figure 4).

- The guidelines encourage buildings on First Avenue to be built to the front parcel line, however the addition is proposed to be setback 6 metres to meet the floor elevation of the existing building.
- See attached DP 3060-18-22 for the proposed site plan and building elevations.

Building Frontage, Windows and Doors

- The primary customer entrance to the store would continue to be the entry at French Street, with the concrete ramp for accessibility. This entrance is proposed to be improved by replacing the awning with a covered entry and false triangle front to accent the customer entrance.
- The entrance door to the addition is proposed to be accessed from the lane and would be used by the store volunteers/workers as a service entrance.
- Three larger windows facing First Avenue are proposed for the addition.
- Black vinyl windows are proposed, which will match the existing customer entrance door which is framed with black metal.

Materials, Colours, Signs, Canopies and Lighting, Outdoor Patio

- The exterior of the existing building and the addition is proposed to be finished with yellow horizontal and vertical Hardie board siding; accented with blue and red Hardie trim around windows, doors and building features.
- A continuous cornice feature is proposed to be added along the roofline of the existing building and the addition.
- A solid canopy is proposed for the French Street customer entrance and the service entrance to the addition. Lighting will be provided at these two entrances.
- An outdoor patio is proposed for staff by the proposed addition. (See DP Figure 3)
- Signage is not part of this DP. A separate sign permit application will be submitted.

Mechanical, Electrical & Security Equipment

- The existing building currently contains two rooftop mechanical boxes and the applicant has stated that the intention is to group the rooftop equipment into one area on the roof.

Vehicle & Bicycle Parking, Accessibility & Connectivity, Loading Facilities

- Seven off-street spaces are proposed to be accessed from the lane.
- Two hard-surface walkways are proposed to provide access to the addition entrance from the lane and on-site parking spaces.
- See Zoning Bylaw review below for proposed parking variances.

Landscape, Waste Management, Rainwater Management

- A new retaining wall would replace the wall at the front and side of 920 First Ave. and would match the retaining wall at 910 First Ave. (See DP Figure 1)
- The plantings proposed around the building addition would be a continuation of the existing landscaping including heather, rhodos, dogwood shrubs, evergreens, and Japanese Maple. See Schedule D: Landscape Plan of DP 3060-18-22.

- One garbage bin and one recycle bin is located onsite adjacent to Telford's and are visible from French Street. The bins are proposed to be partially screened with an enclosure as shown in Schedule D: Landscape Plan.

Public Realm and Crime Prevention

- The design of the proposed development respects best practices for crime prevention.

Zoning Bylaw Review

The proposed development has been reviewed in relation to the Zoning Bylaw. Variances to setbacks and parking requirements are proposed. The building addition is proposed to be sited 6 metres from the front parcel line (First Ave.), 7.5 metres from the lane side parcel line, and 2.3 metres from the rear parcel line. The existing building is also setback 2.3 metres from the rear parcel line. The required rear setback is 3 metres, thus a rear setback variance of 0.7 metres is proposed. Also, the required setback from the rear parcel line for the garbage enclosure structure is 1 metre. The applicant is proposing to place the enclosure 0.25 metres from the rear parcel line, thus a variance of 0.75 metres is proposed. See Table 1.

Table 1: Setbacks from Parcel Lines – 910 First Avenue

	Existing Building	Proposed	Required Setback	Proposed Variance
Front Parcel line (First Ave.)	3.5 metres	6 metres	0 metres	None
Side Parcel line (French St.)	1 metre	n/a	0 metres	None
Side Parcel line (lane)	n/a	7.5 metres	0 metres	None
Rear Parcel line (adjacent to Telford's Funeral home)	2.3 metres	2.3 metres	3 metres	0.7 metres
Garbage Enclosure	n/a	0.25 metres from rear parcel line	1 metre from rear parcel line	0.75 metres

Table 2: Parking and Loading Variance Requests – 910 First Ave

	Required Off-street	Proposed Off-street	Proposed Variance
Regular spaces	26	7	19
Loading spaces	2	0	2
Spaces for persons with disabilities	2	0	2
Bicycle spaces	1 outdoor bike rack onsite 2 indoor bike spaces	1 outdoor bike rack onsite 0 indoor bike spaces	2 indoor bike spaces

- 26 off-street parking spaces are required for the proposed Thrift Store building as a whole. Seven new off-street parking spaces (5 regular and 2 small car) are proposed, thus a variance of 19 off-street parking spaces is requested. Currently the Thrift Store does not provide off-street parking, thus the proposed seven new spaces may assist with reducing the demand for street parking by volunteers.

- Two loading spaces are required onsite for a commercial building of this size and as none are proposed, a variance is requested. The Thrift Store wishes to continue using an on-street parking space on French Street for loading and drop-off of donations. It is recommended to direct staff to assign a public 15 minutes parking space near the Thrift Store's French Street customer entrance to acknowledge the need for drop-off and loading to the store.
- Two parking spaces for persons with disabilities are required onsite, and as none are proposed a variance is requested. One accessible parking space is available on French Street near the primary customer entrance. It is recommended that this space be formalized such that it will meet engineering standards for accessible parking spaces.
- A bikerack is proposed to be placed onsite near the entry to the building addition which will satisfy the outdoor bicycle parking requirement.
- The applicant will require a development variance permit for the proposed parking variances (see Table 2). The applicant could also choose to utilize the 'parking pay-in-lieu' option in Section 8.2(3) of the Zoning Bylaw, in which the property owner pays \$4000 per off-street parking space to the municipal parking fund in-lieu of the provision of the required off-street parking spaces. The parking pay in-lieu option may not be applied to more than 50 percent of the required off-street parking spaces. Thus if the parking pay in-lieu option was utilized, a variance would also be required for 6 parking spaces, as well as the other parking variances proposed in Table 2.

ALTERNATIVES:

Council can choose to not issue Development Permit 3060-18-22 where refusal is based upon a determination that the development permit application does not meet the development permit guidelines. If the Development Permit is refused then reasons must be given. The determination by Council must be in good faith and it must be reasonable, not arbitrary.

FINANCIAL IMPLICATIONS:

none

LEGAL IMPLICATIONS:

A development permit and development variance permit is required prior to issuance of a building permit for the proposed addition.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

Development Permit application 3060-18-22 was presented to a joint meeting of the HRAC, APC, and ADP on January 17, 2019, where the following motion was passed:

"It was moved, seconded and carried that the joint meeting of the Heritage Revitalization Advisory Commission, Advisory Planning Commission and Advisory Design Panel recommends to Council support for the proposal with the following comments:

- 1) Creating space for an interest piece on the blank wall of the existing building facing First Avenue;

- 2) Support for the proposed parking variance;
- 3) Support for the proposed rear setback; and
- 4) Investigate alternatives for rebuilding the existing retaining wall to relate better to First Avenue with possible seating options.”

The applicant has included a sign for the ‘blank space’ which will state the Thrift Store’s history and mission. This sign will be reviewed as part of a future sign permit application.

The applicant will replace the existing retaining wall at 920 First Avenue, to match the wall at 910 First Avenue. Due to long term maintenance and liability concerns staff does not recommend a public bench in this location, as there are two public benches already located in the vicinity of 910 First Avenue.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Staff in the Infrastructure Services Department have reviewed the proposed development and advise that infrastructure improvements will be required at the Building Permit stage, including a) the installation of a non-mountable curb along the French St. sidewalk for pedestrian safety; and b) paving of the lane for a ten metre section where the lane meets First Ave. to improve the appearance of First Ave. This is a modification of the engineering standard to pave half of the lane width for the full length of the property.

Also, it is recommended that a right-of-way be registered on the title of the property to ensure that the vehicle public turnaround space, adjacent to the lane, is used for that purpose for the long term and a sign installed to indicate it is not a parking space. Infrastructure Services supports one 15 minute parking space and one accessible parking space for persons with disabilities on French Street.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- | | |
|--|--|
| <input type="checkbox"/> Complete Community Land Use | <input type="checkbox"/> Low Impact Transportation |
| <input type="checkbox"/> Green Buildings | <input type="checkbox"/> Multi-Use Landscapes |
| <input type="checkbox"/> Innovative Infrastructure | <input type="checkbox"/> Local Food Systems |
| <input type="checkbox"/> Healthy Community | <input checked="" type="checkbox"/> Local, Diverse Economy |
| <input type="checkbox"/> Not Applicable | |

ALIGNMENT WITH STRATEGIC PRIORITIES:

- | | |
|--|---|
| <input type="checkbox"/> Employment & Tax Diversity | <input type="checkbox"/> Natural & Built Infrastructure |
| <input type="checkbox"/> Watershed Protection & Water Management | <input type="checkbox"/> Partnerships |
| <input type="checkbox"/> Communications & Engagement | <input checked="" type="checkbox"/> Not Applicable |

SUMMARY:

A development permit application has been received for a proposed addition to the Thrift Store on First Avenue. The development has been reviewed in relation to the Zoning Bylaw and the

DPA 2 guidelines. It is recommended to support Development Permit 3060-18-22 subject to conditions.

I approve the report and recommendation(s).

Guillermo Ferrero, Chief Administrative Officer

ATTACHMENT:

DP 3060-18-22



TOWN OF LADYSMITH DEVELOPMENT PERMIT

(Section 489 *Local Government Act*)

FILE NO: 3060-18-22

DATE: June 3, 2019

Name of Owners of Land (Permittee): Ladysmith Health Care Auxiliary, Inc. No. S-0025730

Applicant: Jack Anderson (Anderson Greenplan Ltd.)

Subject Property (Civic Address): 910 First Avenue

1. This Development Permit is subject to compliance with all of the bylaws of the Town of Ladysmith applicable thereto, except as specifically varied by this Permit.
2. This 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:

Parcel B (Being a Consolidation of Lots 1 and 2, See CA7428266)
Block 30
District Lot 24
Oyster District
Plan 703A
PID# 030-754-453
(referred to as the "Land")

3. This Permit has the effect of authorizing:
 - (a) the issuance of a building permit for an addition to and alteration of a building on the Land in accordance with the plans and specifications attached to this Permit, and subject to all applicable laws except as varied by this Permit; and
 - (b) the alteration of land, building and structures on land designated in the Official Community Plan under section 488(1)(d).

Subject to the conditions, requirements and standards imposed and agreed to in section 6 of this Permit.

4. With respect to the Land the Town of Ladysmith Zoning Bylaw 2014, No. 1860 is hereby varied as follows:
 - (a) Section 8.2(1) "Calculation of Off-Street Parking Spaces" is varied such that seven off-street parking spaces shall be required on the Land, two small car parking spaces and five standard parking spaces, as shown in **Schedule A: Site Plan**.

- (b) Section 11.2(5)(c) is varied such that no principal building shall be located closer than 2.3 metres to the rear parcel line, as shown in **Schedule A: Site Plan**.
 - (c) Section 11.2(5)(d) is varied such that the garbage and recycling enclosure may be located a minimum of 0.25 metres from the rear parcel line, as shown in **Schedule A: Site Plan**.
- 5. This Permit does not have the effect of varying the use or density of the Land specified in Town of Ladysmith Zoning Bylaw 2014, No. 1860.
- 6. The Permittee, as a condition of the issuance of this Permit, agrees to:
 - i. Develop the site as shown in **Schedule A: Site Plan**, including concrete or asphalt paving for the pedestrian walkways, the seven off-street parking spaces, and the vehicle public turn-around space.
 - ii. James Hardie siding and trim for the exterior building materials as shown in **Schedule B: Building Elevations I and Schedule C: Building Elevations II**.
 - iii. Benjamin Moore paint colours to be Hawthorne Yellow, Hastings Red and Mill Springs Blue generally as shown in **Schedule B and C**.
 - iv. Install landscaping, retaining wall and garbage/recycle enclosure on the Land as shown in **Schedule D: Landscape Plan**.
 - v. Install a sign in the vehicle public turn-around space stating “No Parking”.
- 7. This Permit is issued on the condition that the Permittee has provided to the Town of Ladysmith security in the form of an irrevocable Letter of Credit to guarantee the performance of the conditions in section 6(iv) of this Permit respecting landscaping. The Letter of Credit shall be for a period of two years, shall be automatically extended, and shall be in the amount of **\$4,500**.
- 8. Should the Permittee fail to satisfy the conditions referred to in section 6(iv) of this Permit, the Town of Ladysmith may undertake and complete the works required to satisfy the landscaping conditions at the cost of the Permittee, and may apply the security in payment of the cost of the work, with any excess to be returned to the Permittee.
- 9. Should there be no default as herein provided, or where a Permit lapses, the Town of Ladysmith shall return any security provided to the Permittee.
- 10. If the Permittee does not substantially start any construction permitted by this Permit within **two years** of the date of this Permit as established by the authorizing resolution date, this Permit shall lapse.
- 11. The plans and specifications attached to this Permit are an integral part of this Permit.
- 12. Notice of this Permit shall be filed in the Land Title Office at Victoria under s.503 of the *Local Government Act*, and upon such filing, the terms of this Permit (**3060-18-22**) or any amendment hereto shall be binding upon all persons who acquire an interest in the land affected by this Permit.
- 13. This Permit prevails over the provisions of the Bylaw in the event of conflict.

14. Despite issuance of this permit:
- i. Construction may not start without a Building Permit or other necessary permits; and
 - ii. Signage may not be installed without a Sign Permit.

**AUTHORIZING RESOLUTION PASSED BY THE COUNCIL OF THE TOWN OF LADYSMITH
ON THE ____ DAY OF _____ 2019.**

Mayor (A. Stone)

Corporate Officer (J. Winter)

I HEREBY CERTIFY that I have read the terms and conditions of the Development 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 **Jack Anderson (Anderson Greenplan Ltd.)** other than those contained in this permit.

Signed

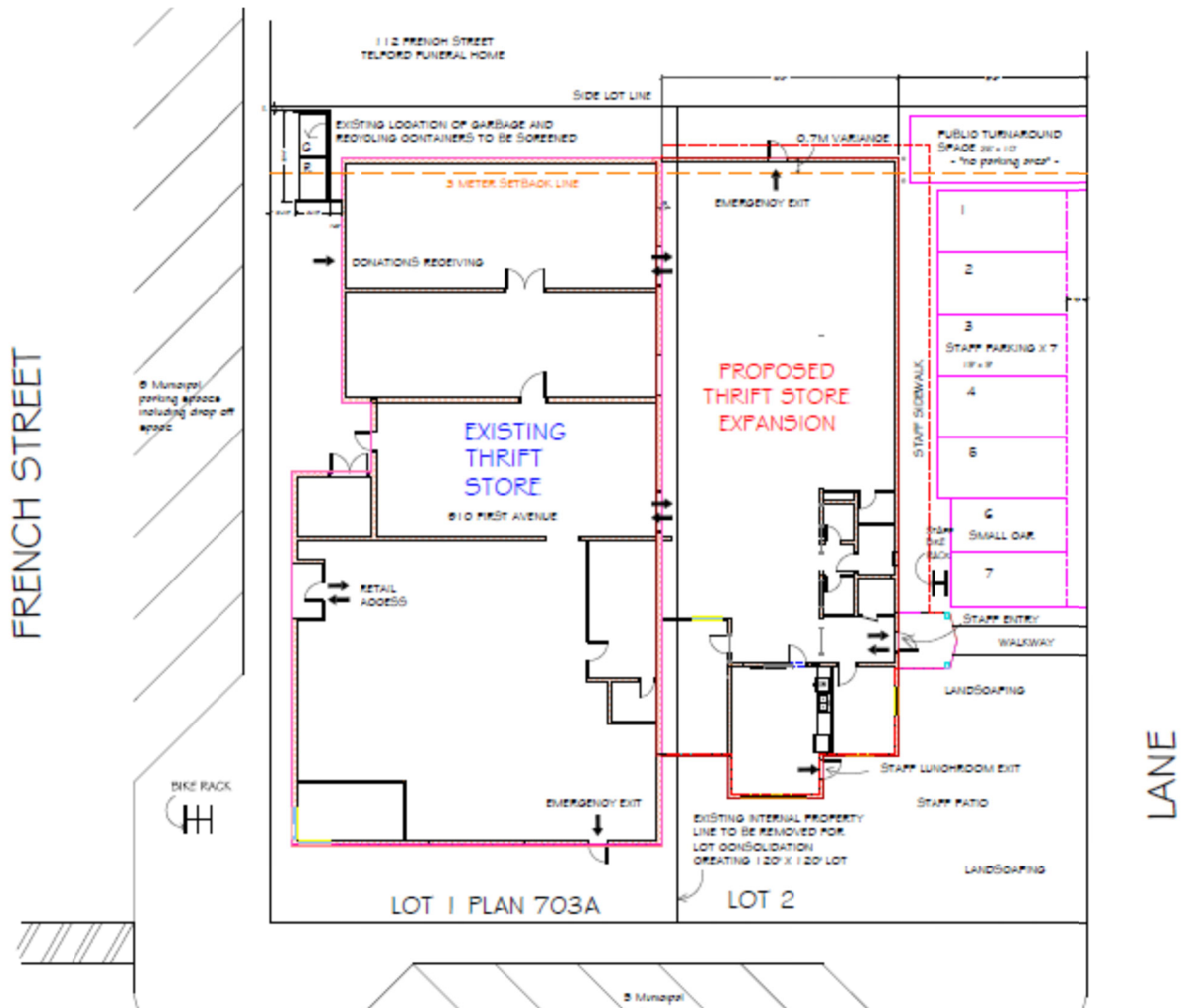
Witness

Title

Occupation

Date

Date



Schedule A: Site Plan 910 First Avenue

DP 3060-18-22

Jack Anderson (Anderson Greenplan Ltd.)

Ladysmith Health Care Auxiliary



Figure 1: Thrift Store - First Avenue Front Elevation – new addition and façade improvements to existing building

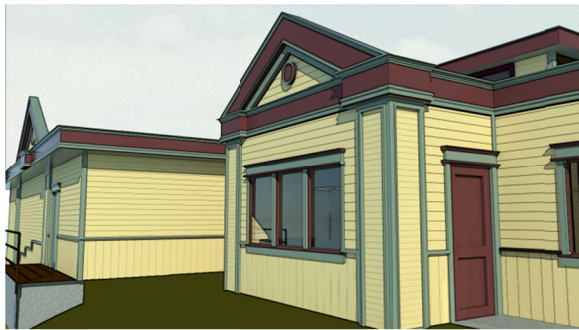


Figure 2: Thrift Store exterior finishing details for existing building and new addition.



Figure 3: Thrift Store - French Street Side Elevation – façade improvements to existing building



Figure 4: Thrift Store - Lane Side Elevation of new addition

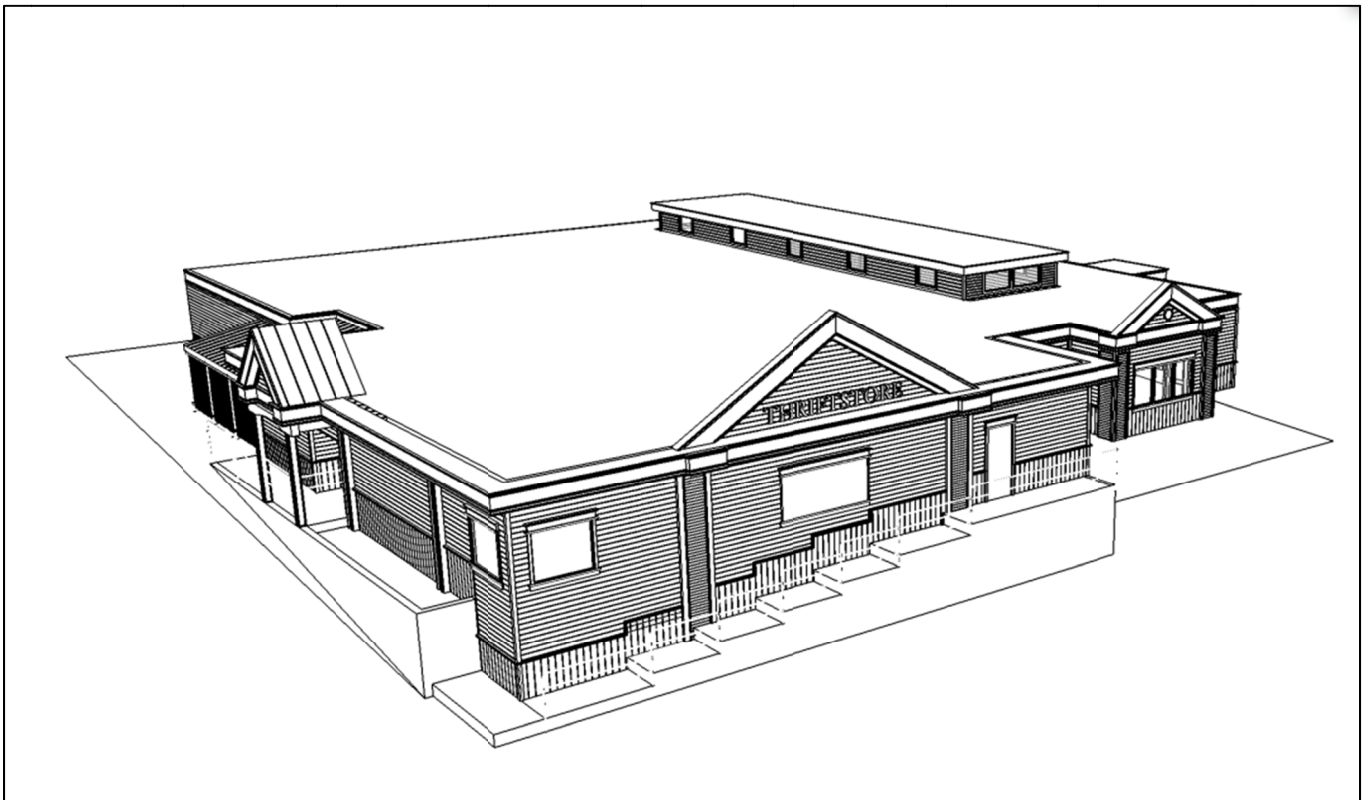
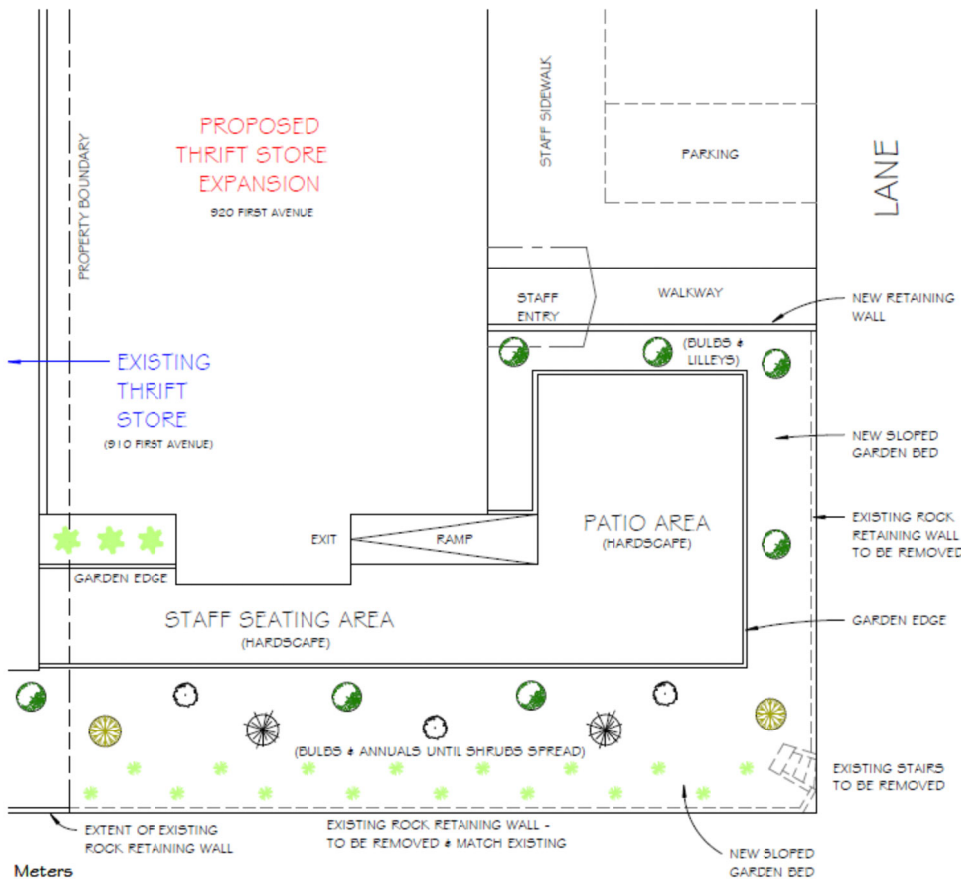


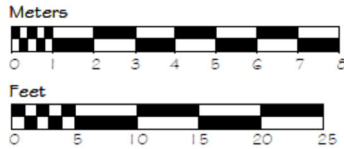
Figure 5: Thrift Store – Roof View – First Avenue and French Street Elevations

Schedule C: Building Elevations II
 DP 3060-18-22
 Jack Anderson (Anderson Greenplan Ltd.)
 Ladysmith Health Care Auxiliary

LOT 2 PLAN 703A
BLOCK 30, D.L. 24, OYSTER DIST.



Planting Legend		
PLANT NAME	POT SIZE	QTY
FERNS	#1	x 3
HEATHER - ERICA DARLEYENIS 'KRAEMERS RED'	#1	x 14
DOGWOOD SHRUB - CORNUS STOLONIFERA 'RED TWIG VERIGATED'	#2	x 2
VIBRANUM DAVIDII - EVERGREEN	#2	x 7
RHODOS - LOW GROWING 'GOLDEN TORCH' CREAM/PINK FLOWER	#2	x 5
JAPANESE MAPLE - ACER PALMATUM DISSECTUM 'RED DRAGON'	#2	x 2



FIRST AVENUE

LANDSCAPING PLAN
SCALE 1/8" = 1'-0"



920 First Ave. retaining wall to be replaced to match 910 First Ave. wall as shown in photo above.



Garbage bin and recycle bin to be screened with an enclosure as shown in image above.

Schedule D: Landscape Plan
DP 3060-18-22
Jack Anderson (Anderson Greenplan Ltd.)
Ladysmith Health Care Auxiliary

STAFF REPORT TO COUNCIL

Report Prepared By: Director of Infrastructure Services

Date: May 30, 2018

Report Reviewed By:

Meeting Date: June 3, 2018

File No:

RE: Fire Truck Disposal

RECOMMENDATION:

That Council:

1. Waive the purchasing policy for the disposal of the surplus 1990 Custom Pierce Dash Pumper truck (Unit 7)
2. Accept the offer from the Village of Port Alice to purchase the surplus 1990 Custom Pierce Dash Pumper truck (Unit 7) for a total purchase price of \$10,000.

PURPOSE:

To seek Council's approval to sell the surplus 1990 Custom Pierce Dash Pumper truck (Unit 7) for a total purchase price of \$10,000.

PREVIOUS COUNCIL DIRECTION

N/A

INTRODUCTION/BACKGROUND:

Council recently purchased a new pumper truck for Ladysmith Fire/Rescue, which resulted in the surplus of the 1990 Custom Pierce Dash Pumper truck (unit 7). As per the Purchasing Policy, surplus units are to be disposed of utilizing a public system, such as BC Bid or auction.

Prior to the public listing of the vehicle, the Town was contacted by the Village of Port Alice about the possible purchase of the vehicle. No specific valuation of the vehicle has been completed and normally the sale of the vehicle would be through an auction type process that would publically determine value. The Fire Chief has done some review of existing trucks for sale and indicated that the purchase offer is reasonable given the age of the vehicle.

There are also some mitigating circumstances that Council may want to consider in its decision to waive the normal disposal process for this vehicle: Port Alice has undergone some significant

financial challenges over the last couple of years. The pulp mill, the major tax payer within the Village, has shut down leaving the property taxes unresolved. This shortfall has forced the village to curtail spending and some operations. Fire Services are an area that needs to be maintained and the purchase of this truck is important to maintain existing levels of service.

If Council were to accept the offer of purchase from Port Alice or provide an alternative arrangement, the ultimate agreement will require approval of the Port Alice Council.

ALTERNATIVES:

Council can choose to:

1. Offer to provide the surplus pumper truck to Port Alice at no cost or something less than the offered purchase price of \$10,000; or
2. Follow the purchasing policy and request bids for the surplus pumper truck.

FINANCIAL IMPLICATIONS:

There are no immediate direct tax implications for 2019 for the sale of the vehicle regardless of sale amount. Any value derived from the vehicle could be placed in the fire department reserve.

LEGAL IMPLICATIONS:

N/A

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

N/A

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

N/A

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- | | |
|--|--|
| <input type="checkbox"/> Complete Community Land Use | <input type="checkbox"/> Low Impact Transportation |
| <input type="checkbox"/> Green Buildings | <input type="checkbox"/> Multi-Use Landscapes |
| <input type="checkbox"/> Innovative Infrastructure | <input type="checkbox"/> Local Food Systems |
| <input type="checkbox"/> Healthy Community | <input type="checkbox"/> Local, Diverse Economy |
| <input checked="" type="checkbox"/> Not Applicable | |

ALIGNMENT WITH STRATEGIC PRIORITIES:

- | | |
|--|---|
| <input type="checkbox"/> Employment & Tax Diversity | <input type="checkbox"/> Natural & Built Infrastructure |
| <input type="checkbox"/> Watershed Protection & Water Management | <input type="checkbox"/> Partnerships |
| <input type="checkbox"/> Communications & Engagement | <input checked="" type="checkbox"/> Not Applicable |

SUMMARY:

The Village of Port Alice has undergone some significant financial challenges over the last couple of years. Closure of a local pulp Mill and non-payment of taxes has resulted in significant

spending and operational curtailments. Fire Services need to be maintained and the purchase of the Town's surplus 1990 Custom Pierce Dash Pumper truck (unit 7) will help maintain existing service levels. The Village of Port Alice has made an offer to purchase the surplus vehicle for \$10,000, which will require Council to waive the purchasing policy.

I approve the report and recommendation(s).

Guillermo Ferrero, Chief Administrative Officer

STAFF REPORT TO COUNCIL**Report Prepared By:** Geoff Goodall, Director of Infrastructure Services**Date:** June 6, 2019**Report Reviewed By:** Guillermo Ferrero, Chief Administrative Officer**Meeting Date:** June 17, 2019**File No:** 3760-03**RE:** FIRE SPINKLER SYSTEM BYLAW NO. 1940**RECOMMENDATION:**

That Council determine whether it wishes to maintain or repeal "Town of Ladysmith Building Fire Sprinkler System Bylaw 2017, No. 1940."

PURPOSE:

The purpose of this staff report is to provide Council with information about its authority under the Building Act with respect to Bylaw 1940 and the request from the Ladysmith Health Care Auxiliary to exempt the property from the Bylaw.

PREVIOUS COUNCIL DIRECTION

Resolution	Meeting Date	Resolution Details
CS 2019-210	2019-06-03	That Council refer to staff the request by Jack Anderson, Agent of the Ladysmith Health Care Auxiliary, in his correspondence dated May 15, 2019 to exempt consolidated parcel 910 and 920 1st Avenue from the requirements of Town of Ladysmith Building Fire Sprinkler System Bylaw 2017, No. 1940.
CS 2017-399	2017-12-04	That Council adopt Bylaw 1940, cited as "Town of Ladysmith Building Fire Sprinkler System Bylaw 2017, No. 1940".
CS 2017-357	2017-11-20	That Council give first, second and third reading to Bylaw 1940, cited as "Town of Ladysmith Building Fire Sprinkler System Bylaw 2017, No. 1940".

INTRODUCTION/BACKGROUND:

As a result of the enactment of the provincial Building Act, Council considered whether it wished to maintain the local fire sprinklers and fire sprinkler systems requirements in the Downtown. This requirement exceeds the requirements of the BC Building Code. The previous staff report on the matter is attached as background to the earlier discussion.

With respect to the request about the Ladysmith Health Care Auxiliary Thrift Store expansion project, the Senior Building Inspector has received the Building Code review report for the proposed Thrift Store project prepared by Will King, Architect AIBC, MRAIC, LEED AP, and concurs that the building is not required to be sprinklered through-out under the 2018 BC Building Code. The requirement is triggered by the Town's Bylaw 1940.

The Building Act General Regulation 131/2016 provided the authority for Council to enact Bylaw 1940 before December 15, 2017. This Regulation, however, **does not** permit Council to amend the Bylaw after that time. Council could choose to repeal Bylaw 1940 and rely solely on the 2018 BC Building Code, which is the policy direction preferred by the Province, or to maintain the Bylaw as-is.

ALTERNATIVES:

Council can choose to maintain the local requirement or repeal the bylaw. If Council chooses to repeal the bylaw, staff will bring forward a bylaw for that purpose.

FINANCIAL IMPLICATIONS:

None.

LEGAL IMPLICATIONS:

Subject to the authority under the Building Act and Regulation as presented earlier in this report.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

None.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

The Fire Chief comments that due to the size of the addition and the overall building size it would be in their best interest to sprinkler it. This is due to the fuel load inside and its occupancy being mercantile, etc. The Fire Department has seen mercantile fires before in Ladysmith such as the Field's Store at Coronation Mall, resulting in total loss. At the time of the Field's building fire, there were no fire protection sprinklers in place. If there were, the outcome would have been different. After that fire, the Mall installed sprinklers through-out the complex. Fire Sprinklers in buildings protect firefighters and property loss.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- | | |
|--|--|
| <input type="checkbox"/> Complete Community Land Use | <input type="checkbox"/> Low Impact Transportation |
| <input type="checkbox"/> Green Buildings | <input type="checkbox"/> Multi-Use Landscapes |
| <input type="checkbox"/> Innovative Infrastructure | <input type="checkbox"/> Local Food Systems |
| <input type="checkbox"/> Healthy Community | <input type="checkbox"/> Local, Diverse Economy |
| <input checked="" type="checkbox"/> Not Applicable | |

ALIGNMENT WITH STRATEGIC PRIORITIES:

- | | |
|--|---|
| <input type="checkbox"/> Employment & Tax Diversity | <input type="checkbox"/> Natural & Built Infrastructure |
| <input type="checkbox"/> Watershed Protection & Water Management | <input type="checkbox"/> Partnerships |
| <input type="checkbox"/> Communications & Engagement | <input checked="" type="checkbox"/> Not Applicable |

SUMMARY:

Council has received a request to amend Bylaw 1940 to remove a property from the local requirement to provide a fire sprinkler system. Through the advent of the Building Act, Council no longer has the authority to amend this bylaw. Council can maintain the bylaw or repeal the bylaw. The fire protection requirements of the Building Code in effect at the time of the project would continue to apply.

I approve the report and recommendation(s).

Guillermo Ferrero, Chief Administrative Officer

ATTACHMENT(S):

Staff Report dated November 20, 2017
Letter from Jack Anderson dated May 15, 2019
Bylaw 1940

STAFF REPORT TO COUNCIL

From: Felicity Adams, Director of Development Services
 Meeting Date: November 20, 2017
 File No: 3760-03
 RE: **FIRE SPRINKLERS AND FIRE SPRINKLER SYSTEMS – Bylaw 1940**

RECOMMENDATION:

That Council:

1. Proceed with first, second and third reading of Bylaw 1940 cited as "Town of Ladysmith Building Fire Sprinkler System Bylaw 2017, No. 1940" under the Bylaws portion of tonight's agenda.

PURPOSE:

The purpose of this staff report is to present a bylaw that would have the effect of maintaining the Town's current requirement for fire sprinklers and fire sprinkler systems in buildings in the downtown in certain circumstances beyond the requirements of the BC Building Code.

PREVIOUS COUNCIL DIRECTION:

FireSprinkler Bylaw	95-0411	07/10/95	Staff to prepare (or amend Bldg. Bylaw) by Aug. 15
Bylaw #1178	95-0564	09/05/95	Steve Szentveri permitted to address Council
Bylaw #1178	95-0565	09/05/95	Building and Plumbing Bylaw introduced, read 1st & 2nd time
Bylaw #1178	95-0598	09/18/95	Building and Plumbing Bylaw read a third time
Bylaw #1178	95-0621	10/02/95	Building and Plumbing Bylaw adopted.

Updating the Town's Building Bylaw given the new provincial *Building Act* is a Council strategic priority.

INTRODUCTION/BACKGROUND:

The Province has enacted the *Building Act* which has the effect of standardizing building regulations across the Province, except in Vancouver which has its own Building Code.

As a result of this legislation, a local building requirement has no effect unless prescribed by

regulation as an unrestricted matter. The Building Act General Regulation provides local authority jurisdiction over unrestricted matters (e.g. energy conservation) and certain time-limited unrestricted matters (e.g. fire sprinklers) which can be enacted up until December 15, 2017. The Town's Building and Plumbing Bylaw No. 1119 is subject to review and amendment as a current Council project. As a first step, it was reviewed to determine if there are any "time-limited" matters that need to be considered by Council prior to the December 15, 2017 date.

One such item has been identified which is the local requirement for fire sprinklers and fire sprinkler systems to be installed in certain circumstances within the downtown (regulation 6.2.2.8). In order to maintain this requirement, if Council wishes to do so, it is recommended that this section be established in a stand-alone bylaw prior to December 15th so that it is retained when the parent Bylaw 1119 is updated and potentially replaced by a new bylaw. After December 15th amendments to these time-limited restricted matters is not possible.

Staff has been advised that the Province still anticipates enacting an opt-in regulation with higher-than-Code requirements for fire sprinklers. Local authorities will have the option of signing onto the regulation. It is expected that it will be some time before the opt-in regulation is rolled out.

Bylaw 1940

Proposed Bylaw 1940 presented in this staff report does not change the current bylaw requirements. The amendment is to ensure that we meet the legislative timeline and ensure the retention of this requirement if Council wishes to do so.

The original requirement was enacted in October 1995. In March 2003, Council amended the Bylaw so that the requirement was limited to buildings in the Downtown. It is the understanding of staff that the policy basis for this requirement was to provide the potential for the protection of the heritage buildings in the downtown through the installation of fire sprinklers when building upgrades of a certain value were being done and when the Building Code would not otherwise require this improvement.

While there has been little take-up of this requirement over the past 20-years when buildings are being renovated, there have been other building improvements to buildings in the downtown that have resulted in enhanced fire separation within and between buildings. Three new buildings in the downtown were sprinklered as a result of this requirement.

Currently, the 2012 BC Building Code regulates when a building is required to have a fire protection sprinkler system, e.g. occupancy type, occupant load, building size, building height and type of construction. This Bylaw does not affect this requirement, but rather sets conditions where a fire sprinkler system may be required as a local building regulation, despite not being a requirement of the Building Code. A three-storey building with an assembly occupancy (e.g. restaurant) with mixed occupancy above (e.g. Traveller's Hotel) would be subject to the sprinkler requirements of the Building Code. There are some limited Code equivalencies available to sprinklered buildings on the Community Heritage Register.

Next Phase

The next stage of the Building Bylaw project will involve a review of the model building bylaw currently under preparation by the Municipal Insurance Association (MIA) and other recent local government bylaws for best practices. The model MIA building bylaw is expected to be available before the end of the year. As part of this review, staff will be looking at the bylaw requirements to determine which regulations are out-of-date and could be removed or should be clarified, as well as where there might be gaps. Through this process, staff intends to streamline the application and inspection process by clarifying the steps in the process and related requirements. The current Bylaw No. 1119 was enacted in 1994 and it has been amended 17 times.

ALTERNATIVES:

Council can choose to remove the fire sprinkler and fire sprinkler system requirements. If Council chooses to do so, there would be no need to take any action with respect to Bylaw 1940 at this time, as the current requirement would cease to have any affect after December 15th.

FINANCIAL IMPLICATIONS:

None.

LEGAL IMPLICATIONS:

Staff consulted with legal services to determine what changes, if any, would be needed to meet the requirements of the *Building Act* and General Regulation.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

No substantive changes have been proposed to the Bylaw which is proposed in order to meet the legislative timeline. If Council was to decide to no longer include this regulation there could be varied opinion of property owners and the general public.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

The Fire Chief recommends that Council keep the fire sprinkler bylaw because of the density (close proximity) of buildings in the downtown area. Adding fire prevention within the buildings in the downtown is important due to the residential occupancy above the commercial units and for limiting fire spread between buildings. Fire sprinklers protect the building by knocking down the fire and containing it. The 3-year threshold should be changed to catch more buildings when renovations are being done. The buildings that have been sprinklered as a result of this requirement include new builds only (132 Roberts Street, 16 High Street and 11 Buller Street); no building renovations have been captured.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Complete Community Land Use | <input type="checkbox"/> Low Impact Transportation |
| <input type="checkbox"/> Green Buildings | <input type="checkbox"/> Multi-Use Landscapes |
| <input type="checkbox"/> Innovative Infrastructure | <input type="checkbox"/> Local Food Systems |

- ☐ Healthy Community
☐ Not Applicable

- ☐ Local, Diverse Economy

ALIGNMENT WITH STRATEGIC PRIORITIES:

- | | |
|--|---|
| <input type="checkbox"/> Employment & Tax Diversity | <input type="checkbox"/> Natural & Built Infrastructure |
| <input type="checkbox"/> Watershed Protection & Water Management | <input type="checkbox"/> Partnerships |
| <input type="checkbox"/> Communications & Engagement | <input checked="" type="checkbox"/> Not Applicable |

SUMMARY:

The enactment of the provincial Building Act General Regulation provides a window for Council to enact certain matters that are outside of the Building Code. One such matter in the Town's Building Bylaw is fire sprinklers and fire sprinkler systems in the downtown. Staff recommends that if Council wishes to maintain this requirement, Bylaw 1940 be adopted by December 15, 2017. The provision could stay in the current bylaw; however, when this bylaw is amended, staff does not want to inadvertently affect this requirement if Council wishes to retain it.



Felicity Adams, Director of Development Services

November 14, 2017

I concur with the recommendation.



Guillermo Ferrero, City Manager

ATTACHMENTS:

None.

May 15, 2019

Town of Ladysmith
Mayor and Council



Ladysmith Health Care Auxiliary – Thrift Store Expansion
Bylaw No.1940 – Sprinkler Requirements

The Ladysmith Health Care Auxiliary would like to request that City of Ladysmith Council consider appropriate amendments to Town of Ladysmith Bylaw No. 1940 (adopted Dec. 2017), to exempt the recently consolidated parcel (910 and 920 First Avenue) from the Downtown Bylaw requirement area. This letter, and referenced attachments, are provided to assist Council in understanding the rationale to support this request.

The LHCA has operated the Thrift Store for many years within the community as a not for profit organization and the many volunteers are very proud of the ample financial donations they offer annually to support health and community care. While these volunteers very much would welcome the expansion of facilities to improve the currently confined working conditions, it was clearly noted at the project outset that they were not prepared to proceed if it dramatically limited their ability to continue making their significant annual donations. The professional consultants to this project feel responsible to make all efforts to minimize any unnecessary project development costs.

Project Architect, Will King of Waymark Architecture, has undergone an extensive Building Code Review of the existing building and implications for the proposed addition and has determined that the major building occupancy classification and the occupant load as per the BC Building Code would not require the existing building or addition to be sprinklered to meet life safety requirements. (Please see letter from Will King in Attachment 1). This code interpretation offered the potential for significant project development savings however, the Town of Ladysmith, Bylaw 1940 includes the subject properties within the boundaries of the Downtown Sprinkler Area and thereby the Bylaw overrides the Building Code to require a full sprinkler system and associated costs.

The internal sprinkler system for the old and new building is anticipated to add an additional \$60,000. These internal costs are then compounded by projected professional and construction fees to upgrade the service connection in First Avenue through to the building to provide the necessary water pressure for the sprinkler system to operate efficiently. Jim Buchanan of JE Anderson, Civil Engineers has provided calculations and a projected cost estimate of \$50,000 for the system upgrade requirements to adequately service the building for a sprinkler system. (See attachment 2). The projected total cost of having to provide a sprinkler system to a building will be approximately \$110,000, (\$60K + \$50K).

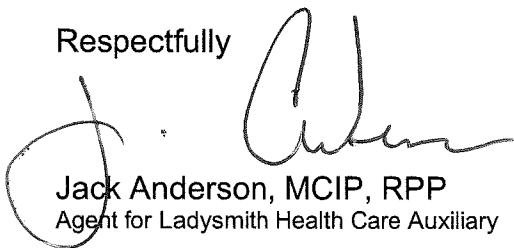
The significant expense of sprinkler system for the non-profit LHCA, combined with the realization that the Building Code doesn't require them for life safety, has provided the motivation to explore an exemption for our proposed building. It is also important that we examine the original intent for creating Bylaw 1940 in the first place to determine if a requested exemption would negate an important reason for its original implementation.

Review of Bylaw 1940 and the defined Downtown Sprinkler Bylaw area as noted in Schedule A, illustrates that the subject area is focused on First Avenue but includes the blocks to the west edge of Esplanade Avenue and the east edge of Second Avenue. The length of the area extends for Baden Powell Street to Simonds Street. This defined area is primarily focused around the historical buildings of nationally recognized First Avenue promenade that is central to the Ladysmith identity far and wide. This is highlighted by the economic opportunities this section of First Avenue has garnered for movie productions. To protect this asset, sprinkler systems are valued to limit the spread of fire within these historic facilities in advance of community firefighting bringing potential fires under control. It is also noted that many of these buildings are wood frame with brick facades which could burn quickly and spread to neighbouring buildings. The other critical feature of the buildings on First Avenue is that many are multi-story and thus have mixed uses including residential accommodation (or night time occupancy) on these upper floors. In this situation, (historic buildings, wood framed construction, multi-story structures and night time occupancy) sprinklers are certainly justified as there is great value in the sprinkler bylaw to address the protection of these community assets and life-safety.

In the circumstances of the existing Thrift Store, we recognize that the building is a one-story structure with external wall construction of non-combustible concrete block. The old building has limited historic value and is only occupied during business hours with no over-night occupancy. The proposed addition will again be only 1 story structure, utilizing non-combustible exterior siding, with no expectation of night time occupancy. Furthermore, as Will King notes in the Attachment 1, the building with addition is easily accessed on 3 sides for fire-fighting and we are receptive to working with the Fire Department and Building Inspection services to address alternate solutions to any concerns for fire-fighting or life safety.

In summary, we acknowledge and respect the importance of implementing a Sprinkler Bylaw for First Avenue properties however, the recognized rationale for its creation would not appear to apply to our subject property and proposed development. Furthermore, the cost of the installation is significant for the non-profit LHCA particularly when the BC Building Code analysis, confirms that for life safety of the proposed occupancy of this building, a sprinkler system is unnecessary. We thereby would appreciate Ladysmith Council's consideration to address Bylaw 1940 to exempt the subject property from the bylaw requirements.

Respectfully



Jack Anderson, MCIP, RPP
Agent for Ladysmith Health Care Auxiliary

Cc: LHCA c/o Pam Frazer
Waymark Architecture – Will King
JE Anderson – Jim Buchanan



Mayor and Council
Town of Ladysmith
410 Esplanade, PO Box 220
Ladysmith, British Columbia
V9G 1A2

RE: SPRINKLER REQUIREMENTS FOR THE LADYSMITH HEALTHCARE AUXILIARY THRIFT STORE

Mayor and Council Members,

During our initial review of the proposed project to expand the Ladysmith Thrift Store we completed a thorough life-safety and building code review of the existing building and the implications of adding a new addition. Our report can be made available to you in full if you wish to review it in detail. We have determined that the major occupancy classification will be a Mercantile Occupancy and that it will support an occupant load of approximately 105 patrons and 43 staff in the combined facility. The building size is small enough to allow the building to be classified as a building in Group E, up to 2 stories (described in the BC Building Code, section 3.2.2.68). This means that the building is not required to be sprinklered throughout.

We understand that the Town of Ladysmith has created its own By-law requiring buildings in the downtown area to be sprinklered regardless of the provincial requirements, however we believe that the risks to neighbouring building from uncontrolled fire in this case will be very limited. There are also fire hydrants directly in front of the store and fire trucks will have direct access to three sides of the building. Should the Town amend its By-law to allow provincial jurisdiction in the matter of sprinklers for this building, we will be happy to work with your fire department and building department to ensure that any and all concerns related to fire fighting and life safety of this building are resolved to your satisfaction.

Sincerely,

Will King, Architect AIBC, MRAIC. LEED AP



JEA File 89446

May 16, 2019

 GREENPLAN
 1655 Cedar Road
 Nanaimo, BC V9X 1L4

By email: jack@greenplan.ca

Attn: Jack Anderson

RE: Civil Engineering - Comments On Water Supply Related to Fire Sprinklers

Per discussions, we provide the following related to water supply for fire protection.

Town of Ladysmith Standards and Specifications requires that fire flows are per FUS. At the FUS flows, minimum residual pressure at the hydrant must be 20 psi.

See attached FUS Calculation sheet indicating a fire flow of 11,300 L/min required. Ladysmith may be able to supply this flow.

If the new building were non combustible, the C value would drop to 0.93, and the fire flow required would be 8,800 L/min which Ladysmith would more likely have available.

Cost Estimate for Providing Fire Water Service:

Assume 100mm service is required

Assume the existing service (assumed to be 19mm) is sufficient for the building

Assume Check Valve is required outside the building

100mm water service across 1 st Street	\$16,000
Single Detector Check Valve at PL (may now be double)	\$26,000
Domestic Service	\$ 2,000
Subtotal	\$44,000
Engineering and Contingency at +/-15%	\$ 6,000
Total	\$50,000

GST Additional

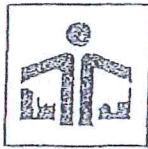
Ladysmith should take this into account when reviewing sprinkler requirements.

Please call me if you have any questions.

Yours truly,

JE Anderson & Associates


 Jim Buchanan, P. Eng.



FIRE UNDERWRITERS SURVEY

A SERVICE TO INSURERS AND MUNICIPALITIES

FIRE FLOW ESTIMATE

City LADYSMITH

Date MAY 16/19

Eng. JIM BUCHANAN

Previous Fire Flow No. _____

Fire Flow No. _____

LADYSMITH THRIFT STORE

Address (name of occupant if prominent) _____

Type Dist. _____

Fire Area Considered _____

465 ORDINARY (CONC, WOOD ROOF)
300 WOOD FRAME

Types of Construction: _____

$$C = (465 \times 1 + 300 \times 1.5) / 765 = 1.2$$

Ground Floor Area _____ No. of Stories 1

Total Floor Area (if needed) 765

Fire Flow From Table: $220 \times 1.2 \times \sqrt{765} = 7300$ gpm(a)

Occupancy: COMMERCIAL Add or Subtract 0 % 0

Sub Total 7300 gpm(b)

Automatic Sprinklers: _____ Subtract _____ % x b = 0

Sub Total 7,300

Exposures:	Distance	Exposure	
1. Front	<u>20-30</u>	<u>10%</u>	Add <u>10</u> %
2. Left	<u>20-30</u>	<u>10%</u>	<u>10</u> %
3. Rear	<u>3-10</u>	<u>20%</u>	<u>20</u> %
4. Right	<u>10-20</u>	<u>15%</u>	<u>15</u> %
Total			<u>55</u> %

Use 55 % x b = + 4000 l/min

Notes and/or Calculations: _____

Total 11,300 gpm

Fire Flow Required 11,300 gpm

Draw Sketch on other side if needed.

TOWN OF LADYSMITH

BYLAW NO. 1940

A bylaw to establish a local building requirement for Fire Sprinkler and Fire Sprinkler Systems

WHEREAS the Council of the Town of Ladysmith wishes to maintain a local building requirement for the installation of fire sprinklers and fire sprinkler systems pursuant to the Building Act General Regulation (BC Reg. 131/2016);

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

Definitions

1. In this Bylaw, unless the context otherwise requires, the following words have the following meanings:

"**Applicant**" means either the owner of a parcel or a person authorized in writing by the owner to apply for and obtain a *Building Permit*;

"**Building**" means any structure used or intended for supporting or sheltering any use or occupancy except those prescribed by regulation as exempted from the *Building Code*;

"**Building Code**" means the Code as defined in the Buildings and Other Structures Bylaws Regulation, BC Reg. 86/2004;

"**Building Bylaw**" means the Town of Ladysmith "Building and Plumbing Bylaw 1994, No. 1119" as amended or replaced from time to time;

"**Building Inspector**" means the building inspector of the *Municipality* from time to time;

"**Construction value**" means the value of construction provided by the applicant or a construction valuation calculation accepted as an equivalent by the Building Inspector;

"**Municipality**" means the Town of Ladysmith;

"**Permit**" means a *Permit* issued by the *Building Inspector* for the construction or alteration of a building, or the installation, alteration or replacement of plumbing pursuant to the *Building Bylaw*;

"**Professional Engineer**" means a person who is registered or licenced as a professional engineer under the Engineers and Geoscientists Act [RSBC 1996], c. 116.

Fire Sprinklers and Fire Sprinkler Systems

- 2.1 A person who constructs or causes to be constructed a *Building* within that part of the *Municipality* shown in heavy outline on Schedule A to this Bylaw must, as part of the construction of the *Building*, install an automatic sprinkler system throughout the entire building.
- 2.2 No *Permit* will be issued for a *Building* to which section 2.1 applies unless the applicant for the *Permit* has submitted a design drawing from a *Professional Engineer* in accordance with the *Building Code* showing the location of the fire sprinklers and associated water lines.
- 2.3 The automatic sprinkler system required under section 2.1 shall be installed in accordance with the *Building Code*.
- 2.4 The automatic sprinkler system required under section 2.1 shall be maintained in

accordance with the *Building Code* and the requirements of the National Fire Protection Association (NFPA) "Inspection, Testing and Maintenance of Water-Based Fire Protection Systems."

- 2.5 Section 2.1 does not apply where the construction will result in any of the following:
- 2.5.1 the creation and/or location of no more than a single residential unit on the parcel;
 - 2.5.2 the construction of a detached *Building* having a total gross floor area of less than 100 square metres (1076.4 square feet);
 - 2.5.3 an addition to an existing *Building* that will not exceed the lesser of 25% of the existing floor area of the *Building* or a maximum gross floor area of 200 square metres (2152.8 square feet);
 - 2.5.4 the construction of an unoccupied mechanical *Building* having a floor area not exceeding 300 square metres (3,229.2 square feet) or a non-combustible *Building* used only for a car wash having a floor area which does not exceed 300 square metres (3,229.2 square feet);
 - 2.5.5 the creation of non-combustible canopies over gasoline pumps or other areas where flammable liquids are handled;
 - 2.5.6 an application for a *Permit* for only plumbing fixtures and/or plumbing reconfiguration; or
 - 2.5.7 the alteration of an existing *Building* where the *Construction Value* will not exceed 50% of the assessed value of the *Building* as determined by the B.C. Assessment Authority in the assessment immediately preceding the *Permit* application.
- 2.6 For the purposes of section 2.5.7, any construction of or to a *Building* shall be deemed to include construction for which a *Permit* was issued within the thirty-six (36) months immediately preceding the application for a *Permit*.

Administrative Remedies

- 3.1 A *Building Inspector* may order the cessation of any work that is proceeding in contravention of the *Building Code* or this Bylaw, by posting a "Stop Work Order" on the parcel on which such work is undertaken.
- 3.2 An owner of property on which a "Stop Work Order" has been posted shall cease or cause the cessation of all further work on the *building* immediately and shall not do any work until all provisions of the *Building Code*, this Bylaw and the *Building Bylaw* have been fully complied with.

Repeal

4. "Building and Plumbing Bylaw 1994, No. 1119, Amendment Bylaw 1995, No. 1178" is hereby repealed.

Penalties and Enforcement

- 5.1 A person who violates a provision of this Bylaw is liable on summary conviction to a maximum penalty of Ten Thousand Dollars (\$10,000) and costs.
- 5.2 Each day that a violation occurs or is permitted to continue constitutes a separate offence.

Severability

6. If any section of this Bylaw is held invalid by a court, the invalid portion shall be severed from this Bylaw without affecting the validity of the remainder of the Bylaw.

Citation

7. This Bylaw may be cited for all purposes as the "Town of Ladysmith Building Fire Sprinkler System Bylaw 2017, No. 1940."

READ A FIRST TIME	on the 20 th	day of November,	2017
READ A SECOND TIME	on the 20 th	day of November,	2017
READ A THIRD TIME	on the 20 th	day of November,	2017
ADOPTED	on the 4 th	day of December,	2017


Mayor (A. Stone)

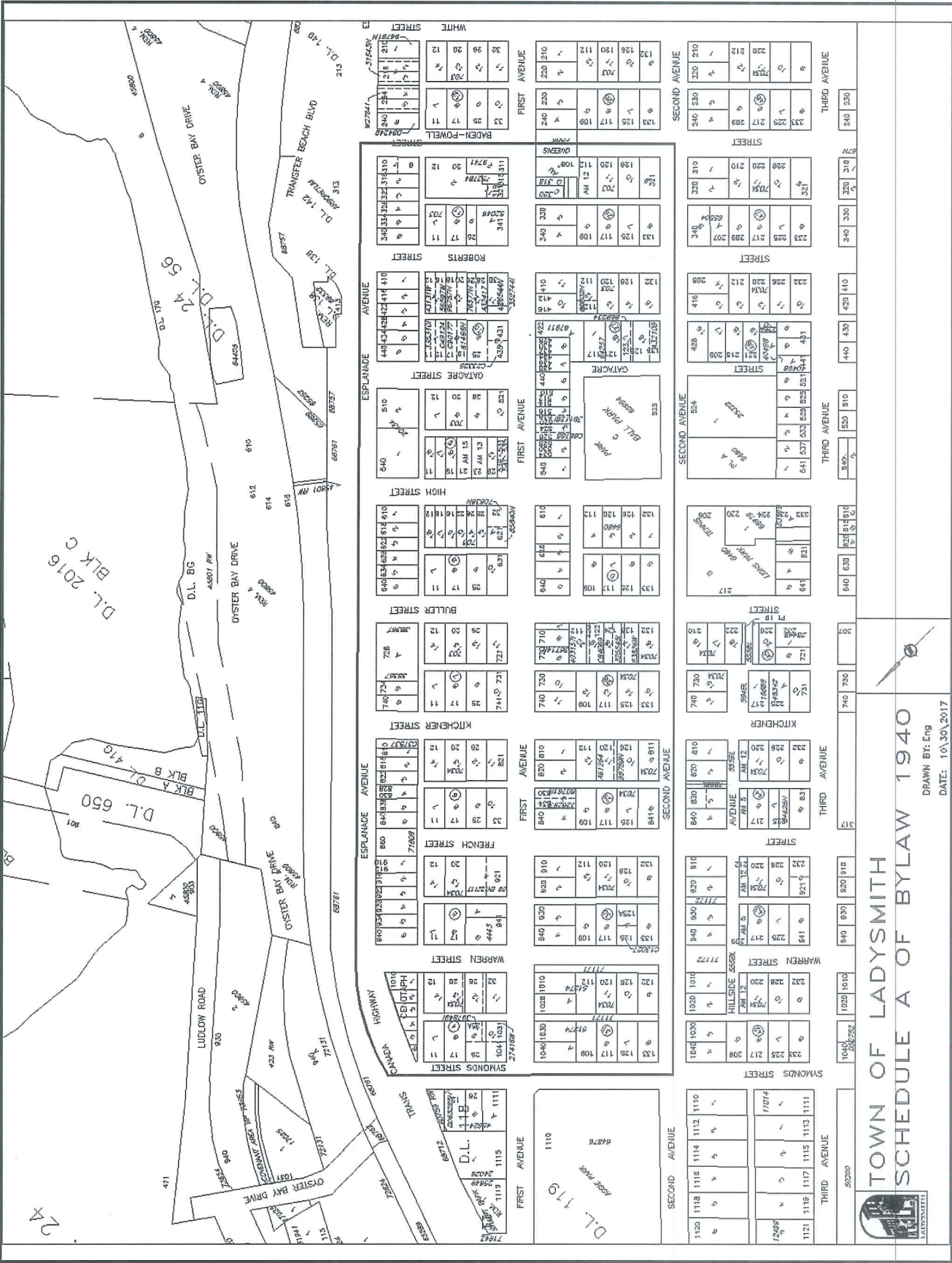

Corporate Officer (J. Winter)



Schedule "A"

TOWN OF LADYSMITH

Building Sprinkler System Bylaw 2017, No. 1940





TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2018



TOWN OF LADYSMITH
Financial Information Act
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2018

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- Statement of Assets and Liabilities
- Operational Statement
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Schedule of Guarantee and Indemnity Agreements

Schedule of Elected Official Remuneration and Expenses

Schedule of Employee Remuneration and Expenses

Statement of Severance Agreements

Schedule of Payments for Goods and Services

Statement of Financial Information Approval

Council Minutes Approving Financial Information



TOWN OF LADYSMITH
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018
AUDITED



INDEX TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

Management Report

Independent Auditor's Report

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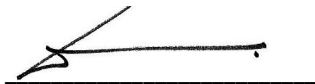
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STATEMENT OF MANAGEMENT'S RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Ladysmith and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting standards.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

MNP LLP as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian Auditing Standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian Public Sector Accounting Standards.



Guillermo Ferrero
Chief Administration Officer

Independent Auditor's Report

To the Mayor and Council of the Town of Ladysmith:

Opinion

We have audited the consolidated financial statements of the Town of Ladysmith (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2018, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nanaimo, British Columbia

April 15, 2019

MNP LLP

Chartered Professional Accountants

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u> (restated)
Financial Assets		
Cash and short-term deposits (Note 2)	\$ 22,025,702	\$ 20,440,472
Accounts receivable (Note 4)	<u>4,435,613</u>	<u>2,884,198</u>
	<u>26,461,315</u>	<u>23,324,670</u>
Liabilities		
Accounts payable and accrued liabilities (Note 5)	3,372,143	2,387,416
Post-employment benefits (Note 6)	232,400	234,100
Deferred revenue (Note 7)	563,199	537,531
Refundable deposits and other (Note 8)	878,031	560,987
Restricted reserves (Note 9)	442,190	434,856
Development cost charge reserve (Note 10)	3,163,671	2,672,844
Federal gas tax reserve (Note 11)	1,506,769	1,481,511
Equipment Financing (Note 12)	986,306	359,437
Short-term financing (Note 13)	952,700	-
Debenture debt (Note 14 & Schedule I)	<u>11,598,532</u>	<u>12,229,401</u>
	<u>23,695,941</u>	<u>20,898,083</u>
Net Financial Assets	<u>2,765,374</u>	<u>2,426,587</u>
Non-Financial Assets		
Tangible Capital Assets (Schedule VIII)	97,692,141	93,874,808
Prepays	89,387	71,453
Inventory	<u>74,232</u>	<u>66,390</u>
	<u>97,855,760</u>	<u>94,012,651</u>
Accumulated Surplus (Note 19)	<u>\$ 100,621,134</u>	<u>\$ 96,439,238</u>

Commitments and Contingencies (Note 15)



Director of Financial Services

See accompanying notes to the consolidated financial statements

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF OPERATIONS
AS AT DECEMBER 31, 2018

	2018	Budget 2018	2017
		(Note 20)	(restated)
Revenue			
Taxes (Schedule II)	\$ 10,691,844	\$ 10,684,515	\$ 10,146,910
Sale of Services (Schedule III)	3,731,971	3,624,582	3,344,924
Investment Income	263,939	138,000	183,209
Licence, Permits, Rentals & Penalties (Schedule IV)	965,424	736,827	849,864
Grants (Schedule VI)	3,658,040	10,756,080	1,917,069
Donations and contributed tangible capital assets	348,214	151,635	335,638
Loss on foreign exchange	(51,120)	-	(42,008)
Gain (loss) on disposal of tangible capital assets	(1,205)	-	1,641,274
Development fees	43,000	323,000	-
Gas tax funds utilized (Note 11)	398,071	1,142,972	230,053
	<u>20,048,178</u>	<u>27,557,611</u>	<u>18,606,933</u>
Expenses			
General government services	2,698,993	3,305,415	2,329,962
Protective services	1,742,911	1,974,995	1,802,436
Transportation services	2,338,580	2,355,251	2,145,021
Garbage services	511,805	508,761	488,715
Cemetery services	28,609	30,619	36,876
Development services	578,671	738,470	771,490
Recreation and cultural services	2,887,980	2,898,874	2,743,912
Parks operation services	930,872	976,642	912,806
Sewer	2,787,753	3,652,843	2,890,663
Water	1,360,108	1,963,164	1,289,564
	<u>15,866,282</u>	<u>18,405,034</u>	<u>15,411,445</u>
Annual Surplus	4,181,896	9,152,577	3,195,488
Accumulated Surplus, beginning of year	<u>96,439,238</u>	<u>96,439,238</u>	<u>93,243,750</u>
Accumulated Surplus - end of year	<u>\$ 100,621,134</u>	<u>\$ 105,591,815</u>	<u>\$ 96,439,238</u>

See accompanying notes to the consolidated financial statements

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u> (restated)
Operating Transactions		
Annual Surplus	\$ 4,181,896	\$ 3,195,488
Less non-cash items included in surplus:		
Amortization	3,336,032	3,256,082
Loss (gain) on disposal of tangible capital assets	1,205	(1,641,274)
Actuarial adjustments on debenture debt	(40,824)	(35,790)
Contributed tangible capital assets	<u>(269,830)</u>	<u>(319,473)</u>
	7,208,479	4,455,033
Accounts receivable	(1,551,415)	109,694
Prepaid expenses	(17,934)	40,900
Inventory	(7,842)	5,369
Accounts payable and accrued liabilities	984,727	(91,000)
Post employment benefits	(1,700)	(16,200)
Deferred revenues	25,668	51,474
Refundable deposits and other	317,044	105,840
Restricted reserves	7,334	9,546
Development cost charge reserve	490,827	701,441
Gas tax reserve	<u>25,258</u>	<u>171,237</u>
Cash provided by operating transactions	<u>7,480,446</u>	<u>5,543,334</u>
Capital Transactions		
Proceeds on sale of tangible capital assets	-	2,273,000
Cash used to acquire tangible capital assets	<u>(6,884,740)</u>	<u>(5,227,872)</u>
	<u>(6,884,740)</u>	<u>(2,954,872)</u>
Repayment of long-term debt and equipment financing		
Proceeds of long-term financing	952,700	-
Proceeds of equipment loans	626,869	-
Repayment of debt	<u>(590,045)</u>	<u>(1,319,178)</u>
Net (Decrease) Increase in cash from financing	<u>989,524</u>	<u>(1,319,178)</u>
Increase in Cash and Short-Term Deposits	1,585,230	1,269,284
Cash and Short-Term Deposits - Beginning of Year	20,440,472	19,171,188
Cash and Short-Term Deposits - End of Year	<u>\$ 22,025,702</u>	<u>\$ 20,440,472</u>

See accompanying notes to the consolidated financial statements

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
AS AT DECEMBER 31, 2018

	<u>2018</u>	<u>Budget 2018</u> (Note 20)	<u>2017</u> (restated)
Annual Surplus	\$ 4,181,896	\$ 9,152,577	\$ 3,195,488
Acquisition of tangible capital assets	(7,154,570)	(21,467,448)	(5,547,345)
Amortization of tangible capital assets	3,336,032	3,211,065	3,256,082
Loss (gain) on sale of tangible capital assets	1,205	-	(1,641,274)
Proceeds from sale of tangible capital assets	-	-	2,273,000
Decrease (Increase) in inventories	(7,842)	-	5,369
Decrease (Increase) in prepaids	(17,934)	-	40,900
Change in Net Financial Assets	<u>338,787</u>	<u>(9,103,806)</u>	<u>1,582,220</u>
Net Financial Assets, beginning of year	<u>2,426,587</u>		<u>844,367</u>
Net Financial Assets, end of year	<u>\$ 2,765,374</u>		<u>\$ 2,426,587</u>

See accompanying notes to the consolidated financial statements

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

The Town of Ladysmith (the Town) was incorporated in 1904 under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of local government services in the Town, as governed by the *Community Charter* and the *Local Government Act*.

Note 1 - Significant Accounting Policies

The notes to the consolidated financial statements are an integral part of these financial statements. They provide detailed information and explain the significant accounting and reporting policies and principles that form the basis of these statements. They also provide relevant supplementary information and explanations which cannot be expressed in the consolidated financial statements.

(a) Basis of Presentation

It is the Town's policy to follow Canadian public sector accounting standards for local governments and to apply such principles consistently. The financial resources and operations of the Town have been consolidated for financial statement purposes and include the accounts of all of the funds of the Town.

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

The consolidated financial statements reflect the assets, liabilities, revenues and expenses and changes in fund balances and financial position of the Town. These consolidated financial statements consolidate the following operations:

General Revenue Fund	General Capital Fund
Water Revenue Fund	Water Capital Fund
Sewer Revenue Fund	Sewer Capital Fund
Reserve Fund	

(b) Reporting Entity

The consolidated financial statements include the assets, liabilities, revenue and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Town. Control is defined as the power to govern the financial and reporting policies of another organization with the

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 1 - Significant Accounting Policies - (b) Reporting Entity (continued)

expected benefits or risk of loss to the Town. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Town. Interfund and intercompany balances and transactions have been eliminated. The controlled organizations include DL 2016 Holdings Corporation, a wholly owned subsidiary of the Town.

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The Town does not capitalize interest charges as part of the cost of its tangible capital assets.

Tangible capital assets are amortized over their estimated useful life, with a half-year's provision in the year of acquisition, on the straight-line method at the following annual rates:

General Tangible Capital Assets

Land	Indefinite
Land Improvements	15 to 75 years
Buildings	25 to 40 years
Equipment, Furniture and Vehicles	5 to 60 years

Engineering Structures

Roads and Sidewalks	20 to 75 years
Storm and Sewer	25 to 75 years
Water	20 to 80 years

Constructions in progress contain capital projects underway but not yet complete or put into use. Once put into use, the asset will be amortized based on the above annual rates for the applicable category of work performed.

Certain assets have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts that are not recognized as tangible capital assets

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 1 - Significant Accounting Policies – (c) Tangible Capital Assets (continued)

because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands and other natural resources are not recognized as tangible capital assets.

(d) Cash and Short-Term Deposits

Cash and short-term deposits have maturities of three months or less from the date of acquisition, reported in Canadian funds using the exchange rate of the prescribed bank as of December 31.

(e) Restricted Reserves and Deferred Revenues

Receipts which are restricted by the legislation of senior governments or by agreement with external parties are deferred and reported as restricted reserves. When qualifying expenses are incurred, restricted reserves are brought into revenue at equal amounts, in accordance with Revenue Recognition policy 1(i). These revenues are comprised of the amounts shown in Note 9, 10, and 11.

Revenues received from non-government sources in advance of expenses which will be incurred in a later period are deferred until the associated purchase or expense is incurred.

(f) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Significant areas requiring the use of management estimates relate to the collectability of accounts receivable, accrued liabilities, post-employment benefits, provisions for contingencies and amortization rates, useful lives and salvage values for determining tangible capital asset values. Actual results could differ from those estimates. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Town is responsible for. Adjustments, if any, will be reflected in operations in the period of settlement.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 1 - Significant Accounting Policies (continued)

(g) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(h) Service Agreements & Rental Payments

Rental payments under operating leases are expensed as incurred.

Service Agreements

	<u>2018</u>	<u>2017</u>
Ladysmith & District Historical Society	\$ 23,970	\$ 23,500
Ladysmith Resources Centre Association	41,310	40,500
Ladysmith Chamber of Commerce & Visitor Centre	<u>43,400</u>	<u>43,400</u>
	<u>\$ 108,680</u>	<u>\$ 107,400</u>

Rental Payments

	<u>2018</u>	<u>2017</u>
132c Roberts Street - office space	\$ 27,796	\$ 25,563
17 & 25 Roberts Street - parking lot	<u>8,100</u>	<u>7,500</u>
	<u>\$ 35,896</u>	<u>\$ 33,063</u>

(i) Revenue Recognition

Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Fees and charges revenue are recognized when the services are rendered. Investment income is accrued as earned. Gain (loss) on foreign exchange has been recognized in the Statement of Operations using the exchange rate in effect on December 31, 2018.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 1 - Significant Accounting Policies - (i) Revenue Recognition (continued)

Other revenues are recognized when earned in accordance with the terms of the agreement, when the amounts are measurable and when collection is reasonably assured.

The Town recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. Grants and donations are recognized in the financial statements in the period which the events giving rise to the transfer occur, eligibility criteria are met, and reasonable estimates of the amount can be made. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability (deferred revenue). In such circumstances, the Town recognizes the revenue as the liability is settled.

Deferred revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

(j) Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

(k) Inventory

Inventory is valued at the lower of cost and net realizable value, determined on an average cost basis.

(l) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Town of Ladysmith is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2018.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 1 - Significant Accounting Policies - (I) Liability for contaminated sites (continued)

The Town has determined that no owned properties meet the criteria to recognize a liability for contaminated sites.

At each financial reporting date, the Town of Ladysmith reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. If applicable, the Town of Ladysmith will recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

(m) Recent Accounting Pronouncements

PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions

Effective January 1, 2018, the Town adopted the recommendations relating to PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions, as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

These new Sections define a related party and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, a material financial effect on the financial statements. They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

There was no material impact on the financial statements of adopting the new Sections.

PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights

Effective January 1, 2018, the Town adopted the recommendations relating to PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights, as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

PS 3210 Assets provides additional guidance to clarify the definition of assets set out in PS 1000 Financial Statement Concepts.

PS 3320 Contingent Assets establishes disclosure standards on contingent assets.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 1 - Significant Accounting Policies - (m) Recent Accounting Pronouncements (continued)

PS 3380 Contractual Rights establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Section are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

There was no material impact on the financial statements of adopting the new Sections.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 2 - Cash and Short-Term Deposits

Cash and short-term deposits were comprised as follows:

	<u>2018</u>	<u>2017</u>
Cash	\$ 21,232,595	\$ 19,660,237
Short-term deposits	<u>793,107</u>	<u>780,235</u>
	<u>\$ 22,025,702</u>	<u>\$ 20,440,472</u>

Included in Cash is a deposit of \$245,635 (the equivalent of \$184,265 US Funds based on the exchange rate at the Ladysmith and District Credit Union on December 31, 2018). Short-term deposits consist of short-term investments in the Municipal Finance Authority of B.C. money market fund. The market value is equal to the carrying value.

Included in cash and short-term deposits are the following restricted amounts that are expended in accordance with the terms of the restricted reserves.

	<u>2018</u>	<u>2017</u>
Restricted reserves - other	\$ 442,190	\$ 434,856
Federal gas tax reserve	1,506,769	1,481,511
Development cost charges reserve	<u>3,163,671</u>	<u>2,672,844</u>
Total restricted cash	<u>\$ 5,112,630</u>	<u>\$ 4,589,211</u>

Note 3 - Financial Instruments

The Town as part of its operations carries a number of financial instruments. It is management's opinion the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. The Town is exposed to currency risk on its US dollar bank account. Unless otherwise noted in Note 2, the fair value of these financial instruments approximates their carrying values.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 4 - Accounts Receivable

	<u>2018</u>	<u>2017</u>
Property taxes	\$ 911,481	\$ 1,070,765
Other government	2,705,974	1,005,578
User fees and other	808,059	788,747
Developer receivables	5,139	16,253
Employee receivables	4,960	2,855
	<u>\$ 4,435,613</u>	<u>\$ 2,884,198</u>

Note 5 - Accounts Payable and Accrued Liabilities

	<u>2018</u>	<u>2017</u>
General	\$ 2,583,733	\$ 1,756,044
Other governments	11,362	(93)
Salaries and wages	261,128	230,085
Contractor holdbacks	438,108	318,526
Accrued interest	77,813	82,854
	<u>\$ 3,372,143</u>	<u>\$ 2,387,416</u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 6 - Post-Employment Benefits

The Town provides compensated absences to its employees to a maximum of 120 days. The Town also allows employees to defer unused vacation without any maximum. Any deferred vacation time remaining at retirement or termination is paid out at that time. The amount recorded for these benefits is based on an actuarial evaluation done by an independent firm using a projected benefit actuarial valuation method prorated on services. The last actuarial valuation was calculated at August 31, 2014 and has been extrapolated to December 31, 2018. The change in the liability in the financial statements in respect of obligations under the plan amounts to a reduction of \$1,700. (-\$16,200 - 2017).

The accrued post-employment benefits are as follows:

	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 234,100	\$ 250,300
Current service costs	29,000	31,000
Benefits paid	(26,900)	(23,600)
Actuarial gain	(3,800)	(19,900)
Past service credit	<u>-</u>	<u>(3,700)</u>
Balance, end of year	<u>\$ 232,400</u>	<u>\$ 234,100</u>

The significant actuarial assumptions adopted in measuring the Town's post-employment benefits are as follows:

	<u>2018</u>	<u>2017</u>
Discount Rate	3.30%	2.90%
Expected Inflation Rate and Wage & Salary Increases	2.50%	2.50%

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 7 - Deferred Revenue

	<u>2018</u>	<u>2017</u>
Licence fees & charges	\$ 17,832	\$ 16,916
Rental payments	12,441	16,247
Property tax prepayments	417,460	380,299
Subdivisions prepayments	71,515	71,619
Recreation prepayments	27,512	36,971
Utilities prepayments	12,357	6,926
Other	4,082	8,552
	<u>\$ 563,199</u>	<u>\$ 537,531</u>

Note 8 - Refundable Deposits and Other

	<u>2018</u>	<u>2017</u>
Developer performance deposits	\$ 475,996	\$ 306,976
Damage deposits	233,450	213,450
Other	168,585	40,561
	<u>\$ 878,031</u>	<u>\$ 560,987</u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 9 - Restricted Reserves

There are two reserves, LRC Capital and B&G Capital for the replacement of specific building components located at 630 2nd Avenue and 220 High Street.

Description	Balance Dec. 31, 2017	Interest	Contributions	Expenditures	Balance Dec. 31, 2018
Parking	\$ 74,103	\$ 876	\$ -	\$ -	\$ 74,979
Green Streets	1,463	17	-	-	1,480
Amphitheatre	18,333	222	700	-	19,255
B&G - Capital	38,426	439	5,064	-	43,930
LRCA/Seniors - Capital	302,531	532	2,480	(2,996)	302,546
TOTAL	\$ 434,856	\$ 2,086	\$ 8,244	\$ (2,996)	\$ 442,190

Note 10 - Development Cost Charges Reserve

Restricted reserves include Development Cost Charges (DCC's) which are charged to developers and utilized for infrastructure development.

Description	Balance Dec. 31, 2017	Interest	Contributions	Expenditures	Balance Dec. 31, 2018
DCC - Water	\$ 560,733	\$ 7,607	\$ 125,423	\$ -	\$ 693,763
DCC - Parks	650,399	8,218	75,424	(15,000)	719,041
DCC - Roads	614,402	8,479	152,953	-	775,834
DCC - Sewer	477,877	6,398	148,100	(43,000)	589,375
DCC - Storm	369,433	4,518	11,708	-	385,658
TOTAL	\$ 2,672,844	\$ 35,219	\$ 513,608	\$ (58,000)	\$ 3,163,671

Developers may be entitled to DCC credits in certain circumstances. The Town provided \$15,000 in DCC-Parks credits in 2018 (\$0 – 2017).

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 11 - Federal Gas Tax Reserve

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the Town and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements. The funds are recorded on the financial statements as a restricted reserve.

	<u>2018</u>	<u>2017</u>
Opening balance of unspent funds	\$ 1,481,511	\$ 1,310,275
Add: Amounts received during the year	405,121	391,288
Interest earned	18,208	10,001
Less: Gas tax funds utilized	(398,071)	(230,053)
Closing balance of unspent funds	<u>\$ 1,506,769</u>	<u>\$ 1,481,511</u>

Note 12 - Obligations under Equipment Financing

The total equipment financing outstanding with the Municipal Finance Authority of British Columbia as at December 31, 2018 was \$986,306 (\$359,437 - 2017).

The Town has entered into equipment loans for the following purchases:

- 1) A five year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced September 2015 for the purchase of a 2005 Spartan fire truck. The remaining obligation will be repaid with monthly loan payments in the amount of \$776 including interest at a daily varying rate. The balance of the loan at December 31, 2018, which is included in equipment financing, is \$16,505 (\$25,339 - 2017). Loan to expire September 2020.
- 2) A five year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced May 2017 for the purchase of a 2012 Spartan fire truck. This was formerly a capital lease. The remaining obligation will be repaid with monthly loan payments in

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 12 - Obligations under Equipment Financing (continued)

the amount of \$3,291 including interest at a daily varying rate. The balance of the loan at December 31, 2018, which is included in equipment financing, is \$287,634 (\$320,191 - 2017). Loan to expire May 2022.

- 3) A two year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced May 2017 for the purchase of fitness equipment for \$19,509. This was formerly a capital lease. The remaining obligation will be repaid with monthly loan payments in the amount of \$825 including interest at a daily varying rate. The balance of the loan at December 31, 2018, which is included in equipment financing, is \$4,222 (\$13,907 - 2017). Loan to expire May 2019.
- 4) A five year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced September 2018 for the purchase of a 2018 Spartan fire truck. The remaining obligation will be repaid with monthly loan payments in the amount of \$2,835 including interest at a daily varying rate. The balance of the loan at December 31, 2018, which is included in equipment financing, is \$677,945. Loan to expire September 2023.

The future minimum loan payments under the equipment loan obligation are as follows:

2019	\$ 60,197
2020	55,813
2021	49,718
2022	205,931
2023	614,648

Interest in the consolidated statement of operations is calculated as \$12,208 (\$4,179 - 2017).

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 13 – Short-term Financing

The total short-term financing outstanding with the Municipal Finance Authority of British Columbia as at December 31, 2018 was \$952,700 (\$0 – 2017). The Town entered into a short-term financing agreement which commenced September 2018 to borrow up to \$1,000,000 to purchase 1260 Churchill Place. As of December 31, 2018 \$952,700 in short-term financing was executed. Interest is charged at a daily varying rate. The full amount borrowed must be repaid by 2023.

Short-term interest in the consolidated statement of operations is calculated at \$5,912.

Note 14 - Debenture Debt

The Town of Ladysmith secures its long-term borrowing through the Municipal Finance Authority of BC (MFA). As a condition of these borrowing, a portion of the debenture proceeds is retained by the MFA as a debt reserve fund. As at December 31, 2018, the cash balance of the Town's debt reserve funds was \$ 158,762 (\$155,381 – 2017). Debt reserve funds are not recorded elsewhere in the financial statements.

The total long-term debt issued and outstanding with the MFA as at December 31, 2018 was \$11,598,532 (\$12,229,401 as at December 31, 2017). An additional \$6 million dollars in long-term debt to construct a water filtration plant was approved by the electors in 2018 but not executed.

The following principal payments are payable over the next five years:

	General		Water		Sewer		Total
	Principal Repayment	Actuarial Sinking Fund Earnings	Principal Repayment	Actuarial Sinking Fund Earnings	Principal Repayment	Actuarial Sinking Fund Earnings	Net
2019	\$ 66,033	\$ 39,688	\$ 24,012	\$ 6,371	\$ 500,000	-	\$ 636,104
2020	66,033	43,917	24,012	7,586	500,000	-	641,548
2021	66,033	48,315	24,012	8,850	500,000	-	647,210
2022	66,033	52,889	24,012	10,165	500,000	-	653,098
2023	66,033	57,645	24,012	11,532	500,000	-	659,222
Thereafter	528,263	656,921	336,167	339,999	6,500,000	-	8,361,351

Debt interest, net of actuarial adjustment in the consolidated statement of operations, is calculated at \$223,759 (\$242,153 – 2017).

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 15 - Commitments and Contingencies

(a) Contingent Liabilities

- i) The Town, as a member of the Cowichan Valley Regional District, is jointly and severally liable for operational deficits or long term debt related to functions in which it participates.
- ii) The loan agreements with the Municipal Finance Authority provide that if the Authority does not have sufficient funds to meet payments on its obligations it shall make payments from the Debt Reserve Fund which in turn is established by a similar Debt Reserve Fund in the Town and all other borrowing participants. If the Debt Reserve Fund is deficient the Authority's obligations become a liability of the regional district and may become a liability of the participating municipalities.
- iii) Various claims have been made against the Town as at December 31, 2018 for incidents which arose in the ordinary course of operations. In the opinion of management and legal counsel, the outcomes of the lawsuits, now pending, are not determinable. As the outcomes are not determinable at this time, no amount has been accrued in the financial statements. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

(b) Pension Liability

The Town and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2017, the Plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 15 - Commitments and Contingencies – (b) Pension Liability (continued)

The most recent valuation for the Municipal Pension Plan as of December 31, 2015, indicated a \$2.224 billion funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1.927 billion was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The Town of Ladysmith paid \$464,390 (2017 - \$463,018) for employer contributions to the Plan in fiscal 2018.

The next valuation will be as at December 31, 2018, with results available in 2019.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

(c) Reciprocal Insurance Exchange Agreement

The Town is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by Section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement the Town is assessed a premium and specific deductible for its claims based on population. The obligation of the Town with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, and not joint and several. The Town irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 16 - Significant Taxpayers

The Town is reliant upon 10 taxpayers for approximately 13.52% (14.88% - 2017) of the total property tax revenue which includes Western Forest Products at approximately 6.78% (7.34% - 2017) of the total property tax revenue.

Note 17 - Funds Held in Trust

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries; in particular, these funds are for the Cemetery Trust Fund. In accordance with PSAB recommendations on financial statement presentation, trust funds are not included in the Town's Financial Statements. A summary of trust fund activities by the Town is as follows:

	<u>2018</u>	<u>2017</u>
Assets		
Cash and short term investment	<u>\$ 159,737</u>	<u>\$ 155,937</u>
Equity		
Opening balance	\$ 155,937	\$ 152,957
Interest	2,461	1,946
Transfer interest to fund cemetery costs	(2,461)	(1,946)
Contributions	4,130	2,980
Refunds	<u>(330)</u>	<u>-</u>
Balance, end of year	<u>\$ 159,737</u>	<u>\$ 155,937</u>

Note 18 - Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 19 - Accumulated Surplus

The Town segregates its accumulated surplus in the following categories:

	<u>2018</u>	<u>2017</u> (restated)
Unappropriated equity	\$ 5,346,507	\$ 4,663,968
Appropriated equity (Schedule V)	<u>8,980,174</u>	<u>7,947,430</u>
	<u>14,326,682</u>	<u>12,611,397</u>
Capital Funds		
General capital fund	182,120	149,442
Sewer capital fund	14,942	7,718
Water capital fund	<u>14,073</u>	<u>432,851</u>
	<u>211,135</u>	<u>590,011</u>
Reserve Funds		
Reserve funds (Schedule V)	<u>1,928,713</u>	<u>1,951,856</u>
Equity in Tangible Capital Assets	<u>84,154,605</u>	<u>81,285,974</u>
Total Accumulated Surplus	<u><u>\$ 100,621,134</u></u>	<u><u>\$ 96,439,238</u></u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 20 - Annual Budget

Fiscal plan amounts represent the Financial Plan Bylaw adopted by Council on May 7th, 2018.

The Financial Plan anticipated the use of surpluses accumulated in previous years to balance against current year expenses in excess of current year revenues. In addition, the Financial Plan anticipated capital expenses rather than amortization expense.

The following shows how these amounts were combined:

Financial Plan Balance for the year	\$ -
Add back:	
Amortization	(3,211,065)
Proceeds from new debt	(5,016,472)
Transfers to/from own funds	(4,922,571)
Less:	
Principal payments on debt	835,237
Capital expenditures per budget	21,918,250
Capital Expenditures expensed according to Tangible Capital Asset Policy	<u>(450,802)</u>
Adjusted Annual Surplus	<u>\$ 9,152,577</u>

Note 21 - DL 2016 Holdings Corporation ("DL 2016")

The Town of Ladysmith has an investment in DL 2016 Holdings Corporation, a wholly owned subsidiary company of the Town.

The Town of Ladysmith leases portions of its waterfront from the Province of British Columbia parts of which are subleased to DL 2016 for use as a marina.

DL 2017 has entered into operation and maintenance agreement and a license agreement with the Ladysmith Maritime Society (LMS) for the operation and management of the lease area.

Pursuant to these agreements DL 2016 could provide security for debt financing in order for LMS to implement capital improvements to the lease area.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 22 - Segmented Information

The Town is a diversified municipal government institution that provides a wide range of services to its citizens such as roads, water, sewer and drainage infrastructure, fire protection, police protection (RCMP), cemetery, recreation centre, garbage collection and parkland. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government Services

The City Manager is the liaison between Council and the Town departments and staff. The Corporate Services Department supports the legislated activities of Council, and provides information to citizens with respect to Council/Committee processes, reporting procedures and decisions, and Town activities. Also included in General Government Services is the Finance Department, Information Technology, Human Resources, and new for 2018, Waterfront Area Plan Implementation.

Protective Services

Protection is comprised of fire protection, policing, and bylaw enforcement:

- Bylaw enforcement administers, monitors, and seeks compliance with the bylaws enacted by the Mayor and Council to regulate the conduct of affairs in the Town of Ladysmith.
- Fire protection is provided by the fire department, whose volunteer members receive compensation for each callout in which they take part.
- Policing is provided under contract with the RCMP operating from a detachment building located in and owned by the Town of Ladysmith.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 22 - Segmented Information (continued)

Transportation, Solid Waste and Cemetery

The Transportation (Public Works) Department is responsible for the infrastructure of the Town. Public works provides and maintains Town's roads, sidewalks, street lights, signage and line markings, storm drainage and hydrants.

Solid Waste (Public Works) is responsible for the garbage collection, kitchen organics and recycling programs operating in the Town of Ladysmith. Solid waste collection is performed by a contractor.

Cemetery (Public Works) Department provides cemetery services including the maintenance of the cemetery grounds.

Development

The Development Services Department provides short-term and long-term land use planning services. Long-term Planning includes work with the community on reviewing the Town's Official Community Plan, developing new Neighbourhood Plans, the Trail Plan and the review of relevant bylaws. Short term Planning includes the processing of development applications.

The Town of Ladysmith's Development Services and Public Works Departments work together to regulate all construction within the Town. This is achieved through the use of the Town of Ladysmith's Building and Plumbing Bylaw, the British Columbia Building Code, the British Columbia Fire Code and other related bylaws and enactments with the Town of Ladysmith.

Recreation and Culture

The Parks, Recreation and Culture Department contribute to the quality of life and personal wellness of the community through the provision of a variety of special events, programs, services and facilities. The Frank Jameson Community Centre is the location where the majority of the programs are offered.

Parks

Parks includes and provides maintenance of beach area, trails, golf course, spray-park, ball parks, and any other civic grounds.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 22 - Segmented Information (continued)

Water

Water includes all of the operating activities related to the treatment and distribution of water throughout the Town as well as ensuring clean and safe water to the Town, supplied through underground pipes and reservoirs,

Sewer

Sewer includes all of the operating activities related to the collection and treatment of waste water (sewage) and bio-solids composting throughout the Town as well as maintaining a separate system of underground pipes to collect sewer or waste water for proper treatment prior to discharging it.

Note 23 – Subsequent Events

The Town began the expropriation of Lot 5, District Lots 24 & 56 Oyster District, Plan 45800 for the purposes of municipal parks open spaces, trails and services for the appraised amount of \$292,000 with funding from the Real Property Reserve.

TOWN OF LADYSMITH
SCHEDULE OF DEBENTURE DEBT
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE I

	<u>Original Amount</u>	<u>Balance Dec 31, 2017</u>	<u>Principal Payments</u>	<u>Balance Dec 31, 2018</u>	<u>Interest</u>	<u>Actuarial Adjustment</u>	<u>Interest Rate</u>
<u>General Capital Fund</u>							
RCMP Building Issue #97 Term 2006-2031	\$ 2,750,000	\$ 1,859,457	\$ 101,655	\$ 1,757,803	\$ 48,125	\$ (35,622)	1.75%
<u>Water Capital Fund</u>							
Water Improvements Issue #118 Term 2012-2037	1,000,000	869,943	29,214	840,729	34,000	(5,202)	3.40%
<u>Sewer Capital Fund</u>							
Sewer Treatment Plant Issue #138 Term 2016-2036	10,000,000	9,500,000	500,000	9,000,000	182,458	-	1.88%
	<u>\$ 13,750,000</u>	<u>\$ 12,229,401</u>	<u>\$ 630,869</u>	<u>\$ 11,598,532</u>	<u>\$ 264,583</u>	<u>\$ (40,824)</u>	

TOWN OF LADYSMITH
SCHEDULE OF TAX REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE II

	<u>Actuals 2018</u>	<u>Budget 2018</u>	<u>Actuals 2017</u>
General Taxes			
General municipal purposes	\$ 7,953,731	\$ 7,961,111	\$ 7,721,249
Grants in lieu and 1% utility tax	167,917	165,877	165,294
Water and sewer parcel tax	2,570,196	2,557,527	2,260,367
	<u>10,691,844</u>	<u>10,684,515</u>	<u>10,146,910</u>
Collections for other governments:			
School district	2,999,577	-	2,880,030
Regional hospital district	891,070	-	788,355
Regional district	1,332,669	-	1,237,926
BCAA and MFA	77,486	-	72,339
Library	386,677	386,844	364,616
	<u>5,687,479</u>	<u>386,844</u>	<u>5,343,266</u>
Less:			
Transmission of taxes levied for other agencies:			
School district	2,999,577	-	2,880,030
Regional hospital district	891,070	-	788,355
Regional district	1,332,669	-	1,237,926
BCAA and MFA	77,486	-	72,339
Library	386,677	386,844	364,616
	<u>5,687,479</u>	<u>386,844</u>	<u>5,343,266</u>
Net Taxation	<u>\$ 10,691,844</u>	<u>\$ 10,684,515</u>	<u>\$ 10,146,910</u>

TOWN OF LADYSMITH
SALES OF SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE III

	<u>Actuals 2018</u>	<u>Budget 2018</u>	<u>Actuals 2017</u>
Administration recoveries	\$ 48,504	\$ 30,800	\$ 34,699
Cemetery services	32,250	30,500	23,615
Fire service agreements	82,152	73,508	73,522
Public Works recoveries	41,481	-	1,290
Recreation services	582,075	563,705	533,061
Sewer utility fees	1,296,801	1,264,505	1,087,316
Solid waste fees	642,413	637,936	642,186
Water utility fees	1,006,296	1,023,628	949,234
	<u><u>\$ 3,731,971</u></u>	<u><u>\$ 3,624,582</u></u>	<u><u>\$ 3,344,924</u></u>

TOWN OF LADYSMITH
LICENSES, PERMITS, RENTALS & PENALTIES
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE IV

	<u>Actuals 2018</u>	<u>Budget 2018</u>	<u>Actuals 2017</u>
Facility Rentals & Leases	\$ 378,360	\$ 283,150	\$ 337,757
Fines	3,620	5,600	4,855
Licences	90,029	89,900	88,641
Penalties and interest	148,572	144,113	146,823
Permits, Licences & Fees	<u>344,843</u>	<u>214,064</u>	<u>271,787</u>
	<u><u>\$ 965,424</u></u>	<u><u>\$ 736,827</u></u>	<u><u>\$ 849,864</u></u>

TOWN OF LADYSMITH
CONTINUITY SCHEDULE OF RESERVES & APPROPRIATED EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE V

	Balance Dec. 31, 2017	Interest Allocated	Contributions	Funding	Balance Dec. 31, 2018
RESERVES					
Tax Sale	\$ 26,244	\$ 310	\$ -	\$ -	\$ 26,555
Perpetual Safety Fund	13,059	154	-	-	13,214
Sale Real Property	1,537,590	17,987	-	118,621	1,436,956
Municipal Office Building	295,000	-	60,000	-	355,000
Amenity Funds	79,962	1,026	16,000	-	96,989
TOTAL RESERVES	\$ 1,951,856	\$ 19,478	\$ 76,000	\$ 118,621	\$ 1,928,713
APPROPRIATED EQUITY - OPERATIONS					
General Operating Fund					
Future Projects	3,674,882	-	1,415,294	2,401,124	2,689,052
Equipment	1,281,500	-	281,757	287,968	1,275,288
Land & Building	30,719	-	60,000	-	90,719
Tax Contingency	7,986	-	-	-	7,986
Snow & Ice Removal	-	-	50,000	-	50,000
Infrastructure Deficit	491,581	-	208,034	8,284	691,331
Multi-Materials BC Rebate	291,925	-	88,400	-	380,325
	<u>5,778,593</u>	<u>-</u>	<u>2,103,485</u>	<u>2,697,376</u>	<u>5,184,702</u>
Water Operating Fund					
Future Projects	-	-	893,757	-	893,757
Capital Expenditures	1,169,330	-	494,246	355,718	1,307,858
MFA Surplus Refunds	524,075	-	-	-	524,075
Total Water Operating Fund	<u>1,693,405</u>	<u>-</u>	<u>1,388,003</u>	<u>355,718</u>	<u>2,725,690</u>
Sewer Operating Fund					
Future Projects	-	-	638,494	-	638,494
Capital Expenditures	475,433	-	-	44,144	431,289
MFA Surplus Refunds	-	-	-	-	-
Total Sewer Operating Fund	<u>475,433</u>	<u>-</u>	<u>638,494</u>	<u>44,144</u>	<u>1,069,783</u>
TOTAL APPROPRIATED EQUITY	\$ 7,947,431	\$ -	\$ 4,129,982	\$ 3,097,238	\$ 8,980,174
TOTAL RESERVES AND APPROPRIATED EQUITY	\$ 9,899,286	\$ 19,478	\$ 4,205,982	\$ 3,215,859	\$ 10,908,887

TOWN OF LADYSMITH
SCHEDULE OF GRANT REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE VI

	<u>Actuals 2018</u>	<u>Budget 2018</u>	<u>Actuals 2017</u>
Operating Grants			
Traffic Fines Revenue	\$ 45,684	\$ 45,564	\$ 45,564
Small Communities	465,515	461,270	461,270
CVRD Recreation	135,075	128,268	128,268
Other	<u>29,672</u>	<u>15,164</u>	<u>35,577</u>
	<u>675,946</u>	<u>650,266</u>	<u>670,679</u>
 Capital Grants			
2nd Avenue/High St Crosswalk	\$ -	\$ 10,000	\$ -
Tree Replacements	6,100	6,000	-
Age Friendly Walkability	9,000	15,000	-
Asset Management	9,152	9,000	70,848
Bio-Solids Business Case	-	-	10,000
Canada 150	-	-	46,000
Composting Facility	-	-	548,274
Derelict Vessels	59,880	72,480	2,520
Machine Shop	35,968	1,752,553	-
MIABC - Golf Course Netting	7,846	7,846	-
Stz'uminus First Nation Cooperation Protocol/C2C	610	-	1,685
Water Filtration	<u>2,853,538</u>	<u>8,232,935</u>	<u>567,064</u>
	<u>2,982,094</u>	<u>10,105,814</u>	<u>1,246,391</u>
 Total Grants	 <u>\$ 3,658,040</u>	 <u>\$ 10,756,080</u>	 <u>\$ 1,917,069</u>

TOWN OF LADYSMITH
STATEMENT OF OPERATIONS BY SEGMENT
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE VII

	General Government		Protective Services		Transportation, Garbage & Cemetery Services		Development Services	
	2018	2017	2018	2017	2018	2017	2018	2017
REVENUE								
Tax	\$ 8,121,648	\$ 7,886,543	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sale of services	48,504	32,754	84,976	73,522	679,009	669,036	-	-
Investment income & MFA Refunds	263,939	183,209	-	-	-	-	-	-
Licence, Permits, Rentals & Penalties	110,919	114,817	210,118	191,790	181,597	111,270	227,508	215,624
Grants	535,157	465,475	45,684	45,564	-	16,241	-	-
Donations & contributed property	16,000	-	-	-	229,490	215,797	-	5,000
Loss on foreign exchange	(51,120)	(42,008)	-	-	-	-	-	-
Gain (loss) on disposal	(1,205)	1,641,274	-	-	-	-	-	-
Development fees	-	-	-	-	-	-	-	-
Gas tax fund utilized	60,000	-	-	40,000	214,157	7,983	-	126,872
Total revenue	<u>9,103,841</u>	<u>10,282,064</u>	<u>340,778</u>	<u>350,876</u>	<u>1,304,253</u>	<u>1,020,327</u>	<u>227,508</u>	<u>347,496</u>
EXPENSES								
Contracted Services	625,463	403,373	1,078,113	1,148,132	796,183	566,463	66,582	264,363
Service Agreements/Grants In Aid	166,647	161,073	-	-	-	-	-	-
Insurance	75,556	58,686	21,523	17,357	5,035	4,930	-	-
Interest	5,912	5,353	24,501	22,542	-	4	-	-
Materials & Supplies	93,460	69,603	87,550	139,451	113,422	156,285	11,539	9,584
Utilities & Telephone	20,035	17,093	26,241	23,403	151,099	143,365	5,662	4,686
Wages & Benefits	1,662,778	1,537,156	299,033	270,124	939,000	934,092	471,407	467,447
Other	(183,413)	(147,370)	38,361	31,518	55,328	19,968	19,353	19,896
Amortization	232,555	224,995	167,589	149,909	818,927	845,505	4,128	5,514
Total expenses	<u>2,698,993</u>	<u>2,329,962</u>	<u>1,742,911</u>	<u>1,802,436</u>	<u>2,878,994</u>	<u>2,670,612</u>	<u>578,671</u>	<u>771,490</u>
Surplus (Deficit)	<u>\$ 6,404,848</u>	<u>\$ 7,952,102</u>	<u>\$ (1,402,133)</u>	<u>\$ (1,451,560)</u>	<u>\$ (1,574,741)</u>	<u>\$ (1,650,286)</u>	<u>\$ (351,163)</u>	<u>\$ (423,994)</u>

TOWN OF LADYSMITH
STATEMENT OF OPERATIONS BY SEGMENT
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE VII –CONTINUED

Recreation & Culture Services		Parks Operations Services		Sewer Operations Services		Water Operations Services		Total Actual	Total Actual
2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
\$ -	\$ -	\$ -	\$ -	\$ 1,093,742	\$ 1,084,353	\$ 1,476,454	\$ 1,176,014	\$ 10,691,844	\$ 10,146,909
582,075	533,061	34,310	-	1,296,801	1,087,316	1,006,296	949,234	3,731,971	3,344,924
-	-	-	-	-	-	-	-	263,939	183,209
201,741	188,467	-	-	17,546	14,287	15,996	13,609	965,424	849,864
206,676	264,452	16,984	-	-	558,274	2,853,538	567,064	3,658,040	1,917,069
35,144	3,665	6,000	7,500	32,540	44,436	29,040	59,240	348,214	335,638
-	-	-	-	-	-	-	-	(51,120)	(42,008)
-	-	-	-	-	-	-	-	(1,205)	1,641,275
-	-	-	-	43,000	-	-	-	43,000	-
123,914	55,199	-	-	-	-	-	-	398,071	230,053
1,149,550	1,044,844	57,295	7,500	2,483,628	2,788,666	5,381,323	2,765,161	20,048,177	18,606,933
338,806	309,423	70,461	70,458	241,093	492,329	133,276	145,256	3,349,977	3,399,797
-	-	-	-	-	-	-	-	166,647	161,073
39,772	38,496	4,180	4,076	17,297	15,396	11,210	11,201	174,573	150,142
210	334	-	-	182,458	195,819	28,798	29,921	241,880	253,973
151,321	135,615	95,350	78,886	170,104	177,524	117,907	89,933	840,653	856,881
217,964	218,844	7,345	5,455	144,441	117,411	11,086	10,817	583,872	541,074
1,881,723	1,793,990	443,250	420,163	559,911	514,332	462,277	411,775	6,719,378	6,349,079
27,927	23,415	76,555	86,327	212,236	203,871	206,923	205,718	453,270	443,343
230,257	223,795	233,732	247,441	1,260,213	1,173,981	388,631	384,942	3,336,032	3,256,082
2,887,980	2,743,912	930,872	912,806	2,787,753	2,890,663	1,360,108	1,289,563	15,866,282	15,411,445
\$ (1,738,430)	\$ (1,699,068)	\$ (873,578)	\$ (905,306)	\$ (304,124)	\$ (101,997)	\$ 4,021,215	\$ 1,475,598	\$ 4,181,895	\$ 3,195,488

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE VIII

	<u>Land</u>		<u>Land Improvements</u>		<u>Buildings</u>		<u>Vehicle Furniture & Equipment</u>		<u>Transportation</u>
	2018	2017	2018	2017	2018	2017	2018	2017	2018
COST									
Opening Balance	\$ 9,451,806	\$ 9,481,022	\$ 8,617,422	\$ 8,562,238	\$ 21,215,517	\$ 20,141,964	\$ 7,615,385	\$ 7,240,096	\$ 26,843,386
Add: Additions	459,410	377,144	340,031	55,184	2,457,996	1,073,553	1,503,780	378,666	247,825
Less: Disposals	-	406,360	-	-	-	-	1,205	3,377	-
Less: Write-downs	-	-	-	-	-	-	-	-	-
Closing Balance	<u>9,911,216</u>	<u>9,451,806</u>	<u>8,957,453</u>	<u>8,617,422</u>	<u>23,673,513</u>	<u>21,215,517</u>	<u>9,117,960</u>	<u>7,615,385</u>	<u>27,091,211</u>
ACCUMULATED AMORTIZATION									
Opening Balance	-	-	3,225,903	2,983,770	6,101,426	5,535,391	4,040,969	3,602,381	15,385,190
Add: Amortization	-	-	241,114	242,133	621,188	566,035	462,668	441,965	599,084
Less: Write-downs	-	-	-	-	-	-	-	-	-
Less: Disposals	-	-	-	-	-	-	-	3,377	-
Closing Balance	<u>-</u>	<u>-</u>	<u>3,467,017</u>	<u>3,225,903</u>	<u>6,722,614</u>	<u>6,101,426</u>	<u>4,503,637</u>	<u>4,040,969</u>	<u>15,984,274</u>
Net Book Value	<u>\$ 9,911,216</u>	<u>\$ 9,451,806</u>	<u>\$ 5,490,436</u>	<u>\$ 5,391,519</u>	<u>\$ 16,950,899</u>	<u>\$ 15,114,091</u>	<u>\$ 4,614,323</u>	<u>\$ 3,574,416</u>	<u>\$ 11,106,937</u>

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE VIII (CONTINUED)

Linear Infrastructure										
Transportation	Sanitary Sewer		Storm		Water		Assets Under Construction		Total	
2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
\$ 26,634,528	\$ 35,914,284	\$ 35,511,308	\$ 8,607,481	\$ 8,527,181	\$ 16,713,617	\$ 16,636,309	\$ 2,997,471	\$ 329,480	\$ 137,976,369	\$ 133,064,126
208,858	32,540	402,976	100,677	80,300	223,463	77,308	4,017,206	2,927,392	9,382,928	5,581,381
-	-	-	-	-	-	-	2,228,358	259,401	2,229,563	669,138
-	-	-	-	-	-	-	-	-	-	-
26,843,386	35,946,824	35,914,284	8,708,158	8,607,481	16,937,080	16,713,617	4,786,319	2,997,471	145,129,734	137,976,369
14,779,738	7,822,993	6,841,672	2,312,727	2,196,399	5,212,353	4,909,505	-	-	44,101,561	40,848,856
605,452	988,598	981,321	117,901	116,328	305,479	302,848	-	-	3,336,032	3,256,082
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	3,377
15,385,190	8,811,591	7,822,993	2,430,628	2,312,727	5,517,832	5,212,353	-	-	47,437,593	44,101,561
<u>\$ 11,458,196</u>	<u>\$ 27,135,233</u>	<u>\$ 28,091,291</u>	<u>\$ 6,277,530</u>	<u>\$ 6,294,754</u>	<u>\$ 11,419,248</u>	<u>\$ 11,501,264</u>	<u>\$ 4,786,319</u>	<u>\$ 2,997,471</u>	<u>\$ 97,692,141</u>	<u>\$ 93,874,808</u>

TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2018
SCHEDULE OF DEBTS

Information on all long-term debts for this organization is included in Schedule I and Notes 12, 13, and 14 to the financial statements.

TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2018
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

The Town of Ladysmith has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

TOWN OF LADYSMITH

STATEMENT OF FINANCIAL INFORMATION

YEAR ENDED DECEMBER 31, 2018

SCHEDULE OF RENUMERATION AND EXPENSES

Elected Officials, as per Sec. 168 of the Community Charter

As per Sec. 2 - Financial Information Act and Financial Information Regulation 371/93:

NAME	POSITION	REMUNERATION		EXPENSES
		Financial Compensation	Expense Allowance	Additional
Stone, Aaron	Mayor	\$20,343	\$10,172	\$6,303
Arnett, Steven	Councillor	6,928	3,464	3,231
Fradin, Calvin	Councillor	8,042	4,021	1,160
Friesenhan, Joe	Councillor	8,042	4,021	-
Henderson, Carol	Councillor	5,629	2,815	-
Hutchins, Robert	Councillor	8,042	4,021	841
Jacobson, Amanda	Councillor	1,608	804	79
Johnson, Robert	Councillor	1,608	804	29
McKay, Patricia	Councillor	1,608	804	109
Paterson, Donald	Councillor	9,650	4,825	3,320
Stevens, Andrew	Councillor	1,608	804	79
Virtanen, Jeffrey	Councillor	1,608	804	-
Total Elected Officials		\$74,716	\$37,359	\$15,152

As per Section 2 - Financial Information Act and Financial Information Regulation 371/93:

NAME	POSITION	REMUNERATION	EXPENSES
Adams, Felicity	Director of Development Services	\$131,236	\$4,354
Anderson, Erin	Director of Financial Services	131,486	4,229
Baker, Curtis	Utilities III/Chief Operator	100,848	1,566
Barney, Martin	Certified Utilities Operator I	75,122	562
Bollinger, Colin	Senior Building Inspector	83,692	3,305
Brinkman, Lisa	Sr Planner/Dev Approvals Supervisor	76,464	1,072
Britton, Glen	Parks Maintenance Supervisor	77,683	1,568
Brown, Michael	Certified Utilities Operator III	98,933	3,107
Ferrero, Guillermo	Chief Administrative Officer	151,832	6,327
Fukakusa, Gerald	Manager of Accounting Services	107,117	1,707
Ganderton, Mike	Operations Supervisor	82,875	1,697
Goldfuss, Kevin	Manager of Operations	113,631	116
Goodall, Geoff	Director of Infrastructure Services	139,641	534
Grueber, Gregory	Certified Utilities Operator II	83,174	372
Lassam, Shane	Equipment and Compost Operator IV	78,026	210
Manuel, Leonard	Facilities Maintenance Supervisor	78,059	230
McLeod, Robert	Certified Utilities Operator II	88,732	2,771
McNeill, Andrew	Certified Utilities Operator III	75,304	3,504
Paydli, Ian	Manager of Human Resources	100,401	2,232
Postings, Clayton	Director of Parks, Recreation & Culture	132,067	3,649
Simpson, Robert	Senior Parks Maintenance Worker	75,858	2,280
Smith, Donna	Executive Liasion	79,695	1,622
Vaux, Ronald	Certified Mechanic	77,174	2,092
Winter, Joanna	Manager of Administrative Services	108,284	1,020
Winter, Wolf	Certified Wastewater Trmt Utility Op I	75,034	343
Consolidated total of other employees with remuneration and expenses of \$75,000 or less		\$2,972,915	\$43,509
Total: Other Employees		\$5,395,283	\$93,980

TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2018
SCHEDULE OF SEVERANCE AGREEMENTS

There were **no** severance agreements made between the Town of Ladysmith and its non-unionized employees during fiscal year 2018.

TOWN OF LADYSMITH

STATEMENT OF FINANCIAL INFORMATION

YEAR ENDED DECEMBER 31, 2018

SCHEDULE OF PAYMENTS FOR GOODS AND SERVICES

Payee		Total Payments
512 PARKS DRIVE HOLDINGS LTD	\$	41,248
AFD PETROLEUM LTD		90,885
ANDREW SHERET LTD		36,094
ART COUNCIL OF LADYSMITH & DISTRICT		35,495
ASSOCIATED ENGINEERING (BC) LTD		1,036,963
BC ASSESSMENT AUTHORITY		77,053
BC HYDRO		531,144
BLACK PRESS GROUP LTD		35,443
BUTLER BROTHERS SUPPLIES LTD		29,917
CATALYST PAPER		36,696
CLEARTECH INDUSTRIES INC		51,541
COAST ENVIRONMENTAL LTD		31,218
COASTAL ANIMAL CONTROL SERVICES OF BC LTD.		37,485
COMMUNICATION CONNECTION BC INC (THE)		34,703
CORIX WATER PRODUCTS LP		34,336
COWICHAN VALLEY REGIONAL DISTRICT		2,353,761
COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT		889,479
DAVID STALKER EXCAVATING LTD		179,082
DISTRICT OF NORTH COWICHAN		78,017
DUNCAN ELECTRIC MOTOR LTD		38,040
F&M INSTALLATIONS LTD		93,627
FALCON EQUIPMENT LTD.		47,675
FINNING (CANADA)		65,431
FLOCOR INC		38,684
FORT GARRY FIRE TRUCKS LTD		722,119
FORTISBC - NATURAL GAS		48,975
HAZELWOOD CONSTRUCTION SERVICES INC		181,362
HEROLD ENGINEERING LTD		155,587
HOTSON ARCHITECTURE INC		27,003
HUB CITY PAVING LTD		72,449
ICBC		47,326
IVORY TOWER INVESTMENTS LTD		29,385
JR HOMES LTD		28,213
KOERS & ASSOCIATES ENGINEERING LTD		75,558
KTI LIMITED		33,516
LADYSMITH CHAMBER OF COMMERCE		45,591
LAFARGE ASPHALT TECHNOLOGIES A DIV OF		27,008
LEUCO CONSTRUCTION INC		146,648
MADILL - THE OFFICE COMPANY		28,218
MEDICAL SERVICES PLAN		45,038
METRO MOTORS LTD		284,229
MID VALLEY MANUFACTURING INC		466,073
MID-ISLAND FENCE PRODUCTS LTD		25,188
MINISTER OF FINANCE		35,670

TOWN OF LADYSMITH

STATEMENT OF FINANCIAL INFORMATION

YEAR ENDED DECEMBER 31, 2018

SCHEDULE OF PAYMENTS FOR GOODS AND SERVICES

MINISTRY OF SMALL BUSINESS AND REVENUE	\$	306,424
MUNICIPAL FINANCE AUTHORITY		73,595
MUNICIPAL INSURANCE ASSOCIATION OF BC		140,763
MUNICIPAL PENSION FUND		464,390
NAC CONSTRUCTORS LTD		1,040,112
NIKO PROJECTS INC.		31,931
OPUS INTERNATIONAL CONSULTANTS (CANADA) LTD		112,389
OSPREY ELECTRIC LTD		79,210
PACIFIC BLUE CROSS		203,903
RECEIVER GENERAL		609,194
RECEIVER GENERAL FOR CANADA		1,044,379
RF BINNIE & ASSOCIATES LTD		57,907
ROBSON O'CONNOR (IN TRUST)		90,045
RUSHWORTH ELECTRICAL SERVICES INC		42,580
SALTAIR MARINE SERVICE LTD		75,275
SOFTCHOICE CORP		47,962
STEWART MCDANNOLD STUART-IN TRUST		810,804
STEWART MCDANNOLD STUART		75,318
TRANSFORM COMPOST SYSTEMS LTD		36,259
TRT CONTRACTING INC O/A COASTAL TRUCKING		41,805
US BANK		262,930
VADIM COMPUTER MANAGEMENT GROUP LTD		28,382
VAN-ISLE AGGREGATES LTD		36,890
VANCOUVER ISLAND REGIONAL LIBRARY		386,844
VANCOUVER ISLAND TREE SERVICE LTD		51,106
VEER HOLDINGS INC		37,255
VIMAR EQUIPMENT LTD		40,067
WASTE CONNECTIONS OF CANADA INC		506,210
WHOLESALE FIRE & RESCUE LTD		45,647
WORKSAFE BC		127,421
WORLD WATER WORKS INC		316,799
WSP CANADA INC		26,017
ZENN DEVELOPMENTS LTD		111,394
		<hr/> 15,810,379 <hr/>
Grants over \$25,000:		
LADYSMITH & DISTRICT HISTORICAL SOCIETY		30,970
LADYSMITH RESOURCES CENTRE ASSOCIATION		41,310
		<hr/>
Total payments over \$25,000		15,882,659
Payments under \$25,000		1,804,688
Grants under \$25,000		50,550
Total payments made	\$	<hr/> <hr/> 17,737,897 <hr/> <hr/>

Prepared under the *Financial Information Regulation*, Schedule 1, subsection 6(7)

TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2018
STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Section 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

Erin Anderson
Director of Financial Services
June 17, 2019

Aaron Stone
Mayor
June 17, 2019

STAFF REPORT TO COUNCIL

Report Prepared By: Director of Infrastructure Services

Date: June 10, 2019

Report Reviewed By:

Meeting Date: June 17, 2019

File No:

RE: BADEN POWELL STREET WATERMAIN REPLACEMENT (PHASE 1)

RECOMMENDATION:

That Council:

1. Award the Contract A for the Baden Powell Street Watermain Replacement (Phase 1) to David Stalker Excavating Ltd. for \$301,220.80 plus applicable taxes;
2. Increase the water capital budget for the project titled Baden Powell Street Watermain Replacement (Phase 1) by \$90,000 to a total project cost of \$356,000, with the additional funds to come from the Warren Street project and 2019 projected water surplus; and
3. Direct staff to amend the 2019-2023 Financial Plan accordingly

PURPOSE:

The purpose of this report is to seek Council authorization to award the contract for the Baden Powell Street Watermain Replacement (Phase 1), in accordance with the Town of Ladysmith Purchasing Policy.

PREVIOUS COUNCIL DIRECTION

n/a

INTRODUCTION/BACKGROUND:

The Baden Powell Street Watermain Replacement (Phase 1) tender closed on June 4th 2019. The Tender was divided into two parts (Contract A and Contract B). This was done to allow flexibility to award either a portion of the project or its entirety to the low bidder. Contract A includes watermain replacement on Baden Powell from 6th Avenue to 4th Avenue, whereas Contract B includes watermain replacement on Baden Powell around the pressure reducing valve at 2nd Avenue.

The Town received 4 bids as follows:

Bid	Contract A (\$)	Contract B (\$)	Total Tender (\$)
David Stalker Excavating Ltd.	301,220.80	85,488.15	406,044.40
Stone pacific Contracting Ltd	302,354.61	95,969.94	418,272.28
Copcan Civil Ltd	375,734.40	106,254.60	506,088.45
Hazelwood Construction	392,177.58	113,122.47	503,565.05

After evaluation of the 4 tenders, it was found that the low bid, David Stalker Excavating Ltd. was found to be compliant, but exceeds the current budget. To reduce the budget shortfall, staff is recommending that Council move forward with just the Contract A portion of the project.

ALTERNATIVES:

Council can choose to:

- Cancel this tender and reissue it; however, this is not recommended as this would further delay the project and in order to reduce the costs the project would need to be reduced to a shorter section, which become inefficient.
- Increase the project budget a further \$90,000 to allow for the Contract B portion of the project to be constructed. The additional funds could come from the Water Reserve.

FINANCIAL IMPLICATIONS:

The approved budget for the Baden Power Watermain Replacement (Phase 1) is \$250,000. The tender amount exceeds this budget by \$52,000. Engineering costs are estimated at \$48,000 and a contingency of 10% should be carried (\$34,902). This brings the total shortfall to \$133,914. Another water project, the Warrant Street Watermain replacement is expected to be under budget. Utilizing these funds, as well as the projected 2019 water surplus, could make up for the difference.

LEGAL IMPLICATIONS:

No legal implications have been identified.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

N/A

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Infrastructure Services oversees the project; Financial Services manages the budget, and Corporate Services is responsible for ensuring the tendering process is adhered to.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- | | |
|---|--|
| <input type="checkbox"/> Complete Community Land Use | <input type="checkbox"/> Low Impact Transportation |
| <input type="checkbox"/> Green Buildings | <input type="checkbox"/> Multi-Use Landscapes |
| <input checked="" type="checkbox"/> Innovative Infrastructure | <input type="checkbox"/> Local Food Systems |
| <input type="checkbox"/> Healthy Community | <input type="checkbox"/> Local, Diverse Economy |
| <input type="checkbox"/> Not Applicable | |

ALIGNMENT WITH STRATEGIC PRIORITIES:

- | | |
|--|--|
| <input type="checkbox"/> Employment & Tax Diversity | <input checked="" type="checkbox"/> Natural & Built Infrastructure |
| <input type="checkbox"/> Watershed Protection & Water Management | <input type="checkbox"/> Partnerships |
| <input type="checkbox"/> Communications & Engagement | <input type="checkbox"/> Not Applicable |

SUMMARY:

The tender for the Baden Powell Street watermain replacement (Phase 1) closed on June 4th. This section of watermain is ductile iron and heavily carbundled, severely reducing water flow. In addition the existing main is too small to properly support fire flows. Although the bids for the project is over the approved budget, staff are recommending award of the tender for Contract A with the additional funding coming from a balance remaining in the Warren Street watermain project and the surplus projected in the water utility.

I approve the report and recommendation(s).

Guillermo Ferrero, Chief Administrative Officer

ATTACHMENT(S):

STAFF REPORT TO COUNCIL

Report Prepared By: Director of Infrastructure Services

Date: June 11, 2019

Report Reviewed By:

Meeting Date: June 17, 2019

File No:

RE: SOLID WASTE COLLECTION SERVICE RFP

RECOMMENDATION:

That Council direct staff to:

1. Amend Town of Ladysmith Garbage, Recycling and Organics Collection Waste Bylaw No. 1588 to allow solid waste collection from all units in a multi-family property if requested, where the property meets the following criteria:
 - Each unit must have its own street-level entry and collection containers.
 - The multi-family property must be serviceable by the contracted collection trucks (who may be entering private roads to provide the service).
2. Continue with a manual collection system for the upcoming five-year collection contract.
3. Implement the Contamination Reduction Plan as presented in Appendix B, pages 4-8 of this report with the funds to come from the Town's MMBC (Recycle BC) Solid Waste reserve.
4. Issue a Request for Proposals (RFP) for the provision of solid waste collection services, to incorporate all direction received from Council in response to this report.
5. In the Request for Proposals, seek optional pricing for the Large Item Collection (Spring Clean-up) service and defer the decision to continue with the service until actual costs have been determined.
6. In the Request for Proposals, seek optional pricing for a "consistent day" collection service and defer the decision about implementation until actual costs have been determined.

PURPOSE:

To have Council provide direction to staff on the preparation of an RFP for the provision of Solid Waste Collection Services for the Town.

PREVIOUS COUNCIL DIRECTION

Resolution	MeetingDate	ResolutionDetails
CE 2017-090	04/10/2017	That Council: 1. Continue to contract out the provision of the collection of solid waste, organics and recyclables. 2. Direct staff to prepare a RFP for the supply of solid waste collection services over a five year term, with an option to renew, commencing on October 1, 2018 and the Request for Proposal (RFP) be open to automated collection, manual collection or a combination of collection methods.
CE 2017-073	03/13/2017	That Council waive the purchasing policy and extend the existing contract for the collection of solid waste, organics and recyclables with Progressive Waste Solutions for 18 months ending September 30, 2018.

INTRODUCTION/BACKGROUND:

Many things have changed in the solid waste management landscape since the last time the Town of Ladysmith solicited curbside collection services (in 2005). Changes include the advent of an extended producer responsibility program for residential recyclables (provided through Recycle BC, formerly Multi-Material BC), the increasing popularity of cart-based collection services, and a redefinition of what is considered recyclable. In recognition of this changing landscape and available staff resources, in September 2017 staff engaged a consulting firm based in North Cowichan that specializes in solid waste management to assist with the procurement process for curbside collection services.

In November 2017, the consultants provided a memorandum (Appendix A) that summarized the current collection system and identified some outstanding issues that required input from Council. These included:

- The need to reduce contamination in recycling
- Potential challenges with automated collection.

Since that time, additional issues have been identified that also need input from Council in advance of releasing a Request for Proposals for solid waste collection services, specifically:

- Servicing multi-family properties
- Spring Clean Up
- The Collection Schedule

Issues and Opportunities

As noted above, a number of issues have arisen during the course of preparing the RFP that require additional discussion prior to completing the RFP. Those issues are described below:

A. Servicing Multi-Family Properties

Multi-family properties are private residential properties that have five or more residential dwellings and include stratas (condos and townhouse developments), rental apartment buildings and mobile home parks.

The Town of Ladysmith Bylaw 1588 states that curbside collection services shall be provided to all residential buildings up to 4 units in size. It came to staff's attention that some multi-family properties greater than 4 units are receiving curbside collection service from the contractor. This triggered staff to conduct an audit of the collection service being provided to each multi-family property and cross referencing this information with the billing of the Town's collection service.

The audit determined the following:

- 421 units (54%) of the of the 775 multi-family units in the Town receive collection from a contractor
- 354 units (46%) of the units receive curbside collection by the Town's contractor
 - 238 units receive the Town's curbside service and are billed for it, however they do not meet the bylaw's service eligibility requirements
 - 47 units receive a collection service but are not billed for it by the Town, and
 - One complex of 69 units receives collection by the Town's contractor who bills them directly.

For purposes of the upcoming contract and service administration, the servicing protocols for multi-family properties need be clarified and, if deemed appropriate, the current multi-family servicing activities corrected as part of the next contract.

There are four alternatives to address this issue prior to advancing with the procurement process.

1. Limit curbside collection service to those dwelling properties that meet the current bylaw definition of no more than four dwelling units, and remove all others from service. This would require that 14 properties (354 units) be removed from the service.
2. Continue servicing those dwelling properties currently receiving curbside collection service and revise the bylaw to reflect their serviceability. Under this option, 4 properties (116 units) would start being charged for the service.
3. Revise the bylaw to make curbside collection service mandatory for all multi-family and strata complexes where curbside service is able to be provided. It is unknown at this time how many properties would be affected by this option.

4. Revise the bylaw to make curbside collection service on-demand (i.e., optional) for all multi-family and strata complexes where curbside service is able to be provided.

If the bylaw is revised to broaden the eligibility considerations for curbside service (as per options 3 and 4 above) would require that:

- Each unit must have its own street level entry and collection containers.
- The multi-family property must be serviceable by the contracted collection trucks (who may be entering private roads to provide the service).

Staff recommendation is that Bylaw 1588 be revised to allow solid waste collection from multi-family units on an on-demand basis and consistent with the following:

- *Each unit must have its own street level entry and collection containers.*
- *The multi-family property must be serviceable by the contracted collection trucks (who may be entering private roads to provide the service)*

B. Cart-Based Collection (Automated Collection)

Both staff and the consultants have been liaising with other local governments and collection companies in regards to cart-based curbside collection. Based on this input, there are 3 key features that may influence the attractiveness of cart-based collection to Council, as described below:

1. Several private waste collection companies and local government operated programs have switched to automated cart-based collection in recent years as a means to reduce worker injury. A number of these organizations report that they expect manual collection to be phased out as a result of future WorkSafe BC requirements.
2. It can be challenging to provide cart collection service in areas with steep or narrow streets, or in communities where parking on the road is prevalent, particularly if the collection truck is fully automated.
3. Cart-based (automated) collection may increase contamination of recyclables and organics. Recycle BC reports that cart-based programs have double the amount of contamination than that of other single-stream collection (manual collection) methods. (Ladysmith already has a high level of contamination.)

Additional information on the pros and cons of cart-based collection can be found on page 3 of Attachment A.

Staff are of the opinion that the ability to reduce recycling contamination is greatly limited with a switch to an automated collection system and that it may be prudent to work on improving the contamination rates during this next contract cycle and consider automation in the subsequent contract.

It is staff's recommendation that the current manual collection system be maintained for the upcoming five-year collection contract.

C. Recycling Contamination

Recycle BC performs audits on each of its contracted collectors. Twenty loads from the Town's recycling collection have been audited since the inception of the new recycling requirements in May 2014. In October 2017, the Town was first informed by Recycle BC that the contamination rate of its curbside recycling stream had reached a high level of 8%. Contamination means the percentage of the material collected, by weight, that is not acceptable in the Recycle BC curbside collection program.

The Town's contamination rate has continued to climb and it is significantly greater than the 3% contamination level allowed in the contract between Recycle BC and the Town. Consequently, Recycle BC would like the Town to prepare and implement a Contamination Reduction Plan to reduce the contamination levels.

Due to a significant reduction in the tolerance for contamination in the world-wide recycling marketplace as of January 2018, Recycle BC expects that they will need to be more aggressive with their contracted collectors (e.g. the Town of Ladysmith) that have high contamination rates to ensure that the recycling product they receive has minimal contamination.

The consultants have prepared a draft Contamination Reduction Plan for consideration, which can be found in pages 4-8 of Attachment B. The plan is based on the successful reduction of contamination by other BC local governments, including the Cowichan Valley, and Cariboo Regional Districts.

The plan involves a 3-pronged approach: promotion and education (P&E), monitoring, and enforcement. The specific objectives are to:

1. Inform residents regarding what materials are in / out of the collection program (what goes in each stream) and how to prepare materials for collection.
2. Inform residents of the consequences of on-going contamination issues.
3. Establish engagement and enforcement protocols for the curbside collection contractor.

In the proposed plan, the P&E would largely be the responsibility of the Town, while enforcement protocols would be the responsibility of the collection contractor. Monitoring to track issues and improvement would be primarily done by the Town with support from Recycle BC and the contractor.

A final draft of the Contamination Reduction Plan will form part of the curbside collection contract procurement process.

As indicated in the previous discussion on Cart-Based Collection, retaining the current manual collection system for the new contract allows staff and the contractor to be more hands-on in inspecting the materials set out for collection, enabling staff to work directly with residents on lowering the recycling contamination rate. With recycling behaviour improved and contamination reduced, subsequent collection contracts could switch to automated if so desired.

Reducing contamination is a requirement of the Town's contract with Recycle BC, and therefore implementing the Contamination Reduction Plan will require staff and financial resources. The Town has been receiving \$0.75 per household per year from Recycle BC since the program began for curbside recycling-related promotion and education (roughly \$12,000 over the first 5 year contract). This revenue could be used to help offset the cost of implementing the Plan.

Staff recommends that the Contamination Reduction Plan as presented in Appendix B, pages 4-8 be adopted.

D. Large Item Collection

The current contract requires the contractor to provide an annual large item collection (Spring Clean Up). To fulfill this requirement, the current contractor deploys additional collection vehicles in an effort to complete the work in one week. Garbage is collected by way of a front load truck with two staff working on it. A separate roll-off truck with 40-yard bin on board and three staff is used for metal items, which are delivered to a recycler. The tipping fees for garbage collected are covered by the contractor.

Collection of this type has lost favour with many municipal collection programs, generally due to cost, restrictions in dumping loads with recyclables mixed in, the availability of disposal and recycling services (the Peerless Road Recycling Centre and Garbage Drop-off Depot, as well as commercial collection services) and health and safety concerns. The draft RFP in its current form requires proponents to provide separate costs for an annual large item collection. The intent of this cost separation is to allow Council the option of continuing or canceling this service at their discretion.

Staff recommend that Council ask for optional pricing for this service and the decision be deferred until actual costs have been determined.

E. Add-a-Day Scheduling

The Town of Ladysmith has used the "add a day" curbside collection schedule for many years, as have most other local governments on Vancouver Island. The reason that add-a-day schedules became more popular than a collection schedule with a consistent day throughout the year is that they reduce costs (compared to schedules that provide service on statutory holidays) or provide more consistent collection service. Consistent collections schedules often

do not provide service on statutory holidays and therefore properties could miss their collection service when it falls on a statutory holiday.

Industry experts suggest that add-a day schedules reduce collection costs in the order of 10 per cent due to not having to pay overtime/statutory holiday pay and extra equipment time. Additionally, this type of schedule eliminates the challenge that residents have with a same-day collection schedule if their regular collection day is a Monday or Friday, when statutory holidays are most often scheduled (i.e. needing to be home to set out their containers).

As part of a public engagement process in 2018, the Regional District of Nanaimo asked residents for feedback on a number of questions related to curbside collection. The responses to the question “Which curbside calendar system would you prefer?” surprised staff. Almost 76 per cent (651 respondents) preferred to keep the current add-a-day collection calendar.

Staff recommends that Council request optional pricing for a “same day” service and the decision be deferred until actual costs have been determined.

ALTERNATIVES:

Council can choose to:

1. Select any alternate option presented in the report.
2. Direct staff to try to negotiate a new contract directly with the existing service provider. The existing provider provides exceptional service at a very competitive cost. Tendering may not result in better service or lower cost.

FINANCIAL IMPLICATIONS:

Implementation of the Contamination Reduction Plan is a new program that the Town currently does not provide. Preliminary costs are estimated to be \$20,000 though final costs have not been confirmed.

LEGAL IMPLICATIONS:

No legal issues have been identified.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

If Council maintains the existing manual collection system citizen implications should be minimal. Moving to an automated collection system would have significant impact the residents of the Town. If an RFP results in a new service provider it can be expected that there will be some growing pains as the new contractor becomes familiar with the area.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Public works staff will have significant involvement in this project. If a new contractor is selected to provide the service it is anticipated that staff involvement will increase.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- ☐ Complete Community Land Use
- ☐ Green Buildings
- ☐ Innovative Infrastructure
- ☐ Healthy Community
- ☒ Not Applicable

- ☐ Low Impact Transportation
- ☐ Multi-Use Landscapes
- ☐ Local Food Systems
- ☐ Local, Diverse Economy

ALIGNMENT WITH STRATEGIC PRIORITIES:

- ☐ Employment & Tax Diversity
- ☐ Watershed Protection & Water Management
- ☐ Communications & Engagement
- ☐ Natural & Built Infrastructure
- ☐ Partnerships
- ☒ Not Applicable

SUMMARY:

As previously directed by Council and discussed at two prior workshops on solid waste collection, staff have developed a series of recommendations and alternatives for Council's consideration, with the intent of entering a new contract for solid waste collection services later this year.

I approve the report and recommendation(s).

Guillermo Ferrero, Chief Administrative Officer

ATTACHMENT(S):

ATTACHMENT A



Maura Walker & Associates
ENVIRONMENTAL CONSULTANTS

TECHNICAL MEMORANDUM

TO: Kevin Goldfuss, Town of Ladysmith **DATE:** November 14, 2017
FROM: Maura Walker **PROJECT:** Curbside Collection Service RFP
SUBJECT: Curbside Collection System Considerations

In April 2017, Town Council passed two resolutions related to the provision of residential curbside collection services:

1. Continue to contract out the provision of the collection of solid waste, organics and recyclables.
2. Direct staff to prepare a RFP for the supply of solid waste collection services over a five year term, with an option to renew, commencing on October 1, 2018 and the Request for Proposal (RFP) be open to automated collection, manual collection or a combination of collection methods.

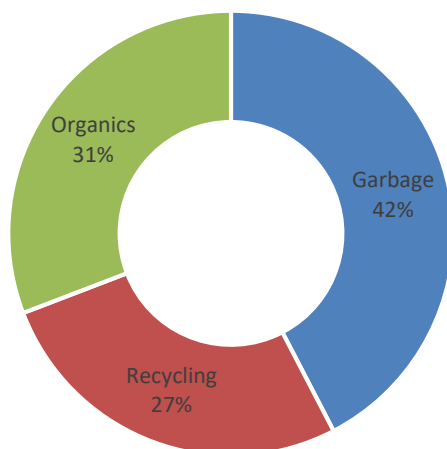
The current collection service, contracted to Waste Connections (formerly Progressive Waste), includes the following program components:

- Bi-weekly collection of garbage
 - One 77 litre (up to 44 lbs) container per household biweekly
 - Extra bags of garbage can be placed out if they are accompanied by a tag (\$2 each or 6 for \$10)
- Bi-weekly collection of recyclables
 - Unlimited quantity can be set out for collection in one of the Town-provided reusable yellow bags, or a designated container provided by the resident (e.g. blue box or labeled garbage can)
- Weekly collection of organic waste (food scraps and soiled paper)
 - Unlimited quantity can be set out for collection in one of the Town-provided green bins (46 L) or something similar provided by the resident.

To assist residents in knowing how to use the program and which bins to set out on a weekly basis, the Town mails a collection schedule to each home that includes information on how to sort and set out the three waste streams (garbage, recycling, organics), and makes the same information available on the Town's website.

Current Performance

The Town of Ladysmith has been a waste management leader by implementing the first curbside organic waste collection programs in the province in 2006. As a result, almost 60% of the waste set out at curbside is diverted to recycling or composting, as shown in the figure on the top of the next page (2016 data).



Ladysmith Curbside Collection Quantities (2016)

In addition, Ladysmith, like other curbside collection programs in the CVRD and RDN, have some of the lowest per household garbage disposal rates in the province. This is largely attributed to the relatively small volume of garbage that can be set out without purchasing an extra tag. This low volume constraint encourages residents to use the other solid waste services provided, namely the recycling and organics collection services. In other words, the design of the program has enabled good waste diversion behaviour. In 2016, the average household in Ladysmith set out 191 kg of garbage, 121 kg of recycling and 139 kg of organic waste for collection. For comparison purposes, the following table provides curbside garbage collection data from a snapshot of other BC communities (note: not all of these communities have food scraps collection in place)

Community	Garbage (kg/home/yr)
Ladysmith	191
Nanaimo	144
Victoria	293
Penticton	416
Terrace	390

One of the challenges facing Ladysmith is the high levels of contamination found in the recycling stream. Historically, contamination in the recycling was managed by the collector via their contract with a recycling processor. However, with the advent of an extended producer responsibility program for residential recyclables, the funding agency (Recycle BC) has set higher standards for the recyclable materials that are collected at curbside and regularly audits loads of recycling. The acceptable rate for contamination is 3%. Ladysmith's is currently at 9% and has increased over recent years. The nature of this contamination is materials that are not included in the Recycle BC program (6% of the 9%), and materials that are included but only at depot (plastic bags, foam packaging and glass – 3% of the 9%). Recycle BC has indicated that they would like to see the Town actively work towards improving the contamination rate as part of the Town's contracted obligation to Recycle BC.



Manual and Automated Collection Programs

Council has directed that the next RFP for collection services that is open to the option of manual (the current method of collection) or automated, cart-based collection, or some combination thereof.

In recent years, many municipalities have switched to cart-based collection. This has often been precipitated by a desire to reduce worker injuries associated with collection staff and increase the size of the labour pool for waste collection. In preparing for drafting the RFP for Ladysmith, we interviewed local government waste managers and private sector collection companies in regard to their experience and opinions of cart-based collection. The table below summarizes the pros and cons of cart-based collection, based on the feedback we received.

Automated – PROS
<ul style="list-style-type: none">• Less worker injuries• Increases labour pool for collection staff• Often lower operating cost per household• Considered easier for resident to move (no lifting)• Carts are animal resistant (e.g. raccoons, dogs, crows)• Carts can be made bear resistant (with clips)• Less potential for litter• Improved data gathering• Enhanced community aesthetics on collection days
Automated – CONS
<ul style="list-style-type: none">• Capital cost of the containers (typically \$30-50)• Space required for maintenance of carts, and storage of replacement carts / carts for new customers• Can be challenging to service the carts in areas with steep or narrow streets, or in communities where parking on the road is prevalent, particularly if truck is fully automated• Residents must set out the containers properly in order for them to be picked up by the truck• Does not easily accommodate times when a household has extra garbage• May increase contamination of recyclables and organics (Recycle BC reports that cart-based programs have double the amount of contamination than other single-stream collection methods)• May increase the amount of garbage set out per household (dependent on size of cart provided)• May increase the amount of container storage required at each home• Challenging for residents that usually drive their containers to the end of the drive way (e.g. long, rural driveways)• Significant staff time required to implement a cart-based collection system

With the above pros and cons in mind, there are several things that staff will need to consider in order to solicit proposals for automated collection:

1. **Who will own the carts?** In most instances, the municipality retains ownership of the cart and the cart is assigned to a specific address (i.e. it remains at the house even if the resident moves to another part of town).



2. **Who will be responsible for maintaining the carts?** The municipalities we spoke to recommended that the collection contractor be responsible for cart maintenance. This acts as an incentive for the contractor to treat the carts well.
3. **What size of carts will be provided? Will multiple sizes be offered?** Many municipalities offer residents 2-3 different carts sizes for garbage with a variable rate structure as a means to incentivize generating less garbage. Although this approach is highly regarded as a means to encourage waste diversion, there is an administrative and storage burden associated with providing this level of choice and we note that some smaller communities have opted to not provide size options, but rather select a cart that they feel will suit the vast majority of residents. For recycling and organic waste collection, the common approach is to offer one size of container. The following table provides examples of the cart sizes offered by a range of BC municipalities:

Community	Garbage Cart	Recycling Cart	Organics Cart
Township of Langley	240 L biweekly collection	n/a	240 L (food + yard) weekly collection
Terrace	240 L weekly collection	240 L	120 L (food + yard) weekly collection
Penticton	120 L (standard), 240 L, 360 L weekly collection	240 L	240 L (yard waste only) biweekly collection
Nanaimo	120 L biweekly collection	240 L	120 L (food + yard) weekly collection
Saanich	80 L, 120 L, 180 L (standard) biweekly collection	n/a	80 L, 120 L (standard), 240L biweekly collection
Squamish	132 L, 246 L or 356 L weekly collection	246 L	246 L (food + yard) biweekly
Victoria	80 L, 120 L (standard), 180 L biweekly collection	n/a	120 L (food) biweekly collection

Selecting a cart size is a balance between providing an incentive to recycle/compost, such as is done with Ladysmith's current "1- 77 L can every other week" rate, and making sure that the cart can reasonably accommodate two weeks' worth of garbage for the vast majority of homes. Depending on the use of tags by Ladysmith residents, a 100-120 L cart may be a reasonable size option as a standard sized garbage cart or for distribution to all homes.

4. **How will excess garbage be handled?** The Town currently offers a "tag a bag" system for homes with garbage in excess of 77L. Under a cart-based collection system, most municipalities do not allow occasional excess garbage because it cannot be accommodated under an automated collection system. However some communities, like Penticton, continued to offer residents a "tag a bag" system, but encourage residents that frequently have excess garbage to upsize their cart. Municipalities that offer a single cart size can allow residents to have more than one cart, and the household pays for the additional service.



5. **Should bear-resistant carts be used or made available?** The cart used in Squamish and Coquitlam have metal clips on them that keep the cart lid closed until collection day. It is the responsibility of the resident to unclip the bins. Penticton offers residents cart with clips for a one-time additional cost of \$75. Carts such as this should be considered if Ladysmith is experiencing problems with bears being attracted to garbage or organics and/or is pursuing Bear Smart community status.
6. **Should yard waste be allowed in the organic waste cart?** A larger cart for food scraps will be required if automated collection is implemented. The smallest cart that can be collected is roughly 80 L in size and many communities have opted for a 120 L cart for collection of organics. Both Nanaimo and Terrace allow residents to “top up” their cart with yard and garden waste, which can reduce the “ick” factor associated with food waste collection (odour, insects), but also increases the amount of material collected in the organic stream (and thereby increases the amount paid for processing the organic waste).

Other considerations associated with the RFP, regardless if the service will be manual, automated or a combination of the two.

- **Length of contract:** although 5 years plus two one-year extensions (i.e. 5+1+1) is still a common contract length, some municipalities are putting out RFPs for collection contracts for 7 years (Penticton), or 5+5 years (Regional District of Nanaimo). These longer contracts allow bidders to amortize the cost of vehicles over a longer contract length, thereby reducing the annual cost to the municipality.
- **Clear bags:** Some Canadian communities (e.g. Markham, Ontario) have mandated the use of clear plastic bags for garbage and prohibit use of opaque bags. This policy has proven to increase recycling and organic waste diversion rates since non-participation in these services would be seen through the clear bags. This policy approach is something for Ladysmith to consider as it enters into this new collection contract.
- **Education and Enforcement Measures:** Major program changes like shifting to a cart-based collection service or a clear garbage bag requirement will require substantial communication and education efforts. Municipal staff report that implementation of cart-based programs is a large undertaking and needs to be well planned and there needs to be staff capacity to support the process. Charlotte Davis, Manager of Sanitation, Recycling and Public Works at the City of Nanaimo reported that “Making sure that residents are aware of what is coming is a big task, I put a lot of effort in to planning and executing education and used radio, newsprint, direct mail, door hangers, online, videos and an info package that was delivered with the carts.” Rob Schibli, Director of Public Works for the City of Terrace said “You are going to get a ton of calls in the transition period. We only did “good cop” repositioning of carts for a few weeks before switching to “bad cop” and left wrong carts, backward carts and carts too close together behind.”

Even if there are no major program changes, education and enforcement measures will need to be enhanced to address recycling contamination issues. This will require active participation by both Town staff and the hauler.



A common approach to addressing contamination issues is to require the contractor to review every container of recyclables to be emptied (manual) or emptied (automated and/or manual) and to provide progressive levels of enforcement with the household. Proper recycling behaviour can be encouraged by leaving a notice followed by not picking up materials. A notice is an opportunity to provoke a conversation i.e. we needed to talk with you so we could get things working better, but requires that the contractor respond accordingly and be part of the solution including calling back, delivering the proper message. Progressive enforcement could look like:

1st notice	Pick up but leave a notice (see below for examples of notice)
2nd	Pick up some but not all; leave most problematic portion with notice
3rd	Do not pick up; leave notice
4th	Do not pick up; leave notice; customer service rep contacts resident by phone or letter
5th	Do not pick up; leave notice; municipality contacts resident by phone or letter

In addition, the municipality would undertake a community-wide education campaign to address known contamination problems (as reported by Recycle BC). It is also recommended that throughout the contract, but particularly in the early months of the new contract, random visual audits are undertaken throughout the community to assess the effectiveness of the above approaches.

Next Steps

This memo outlines a range of considerations associated with defining a curbside collection service. It is intended to assist Ladysmith in defining elements of their future curbside collection services that will, in turn, inform the content of the RFP for collection services.

The proposed next steps in the process to prepare the RFP are:

1. To discuss the items presented in this memo and determine the manner that these items will (or will not) be included in the RFP (November)
2. To review model RFPs for possible application to Ladysmith and determine which elements of each RFP are desirable (November)
3. To prepare a draft RFP for review by Ladysmith staff (January)
4. Finalize and release the RFP (February).



TO: Kevin Goldfuss, Town of Ladysmith **DATE:** February 19, 2018
FROM: Maura Walker **PROJECT:** Curbside Collection Service RFP
SUBJECT: Curbside PPP Contamination Reduction Plan

Background

In October 2017, the Town of Ladysmith was informed by Recycle BC that the contamination rate of its curbside recycling stream was consistently high and showing a trend of increasing. With an average contamination rate of 9% (meaning that 9% of the material collected, by weight, are materials that are not acceptable in the Recycle BC curbside collection program), the contamination rate is significantly greater than the 3% contamination level allowed in the contract between Recycle BC and the Town,, and consequently, Recycle BC would like the Town to prepare a Contamination Reduction Plan to reduce the contamination levels.

Reducing contamination is generally achieved through a combination of effective communication (promotion and education efforts), monitoring, and enforcement of curbside collection protocols. Consequently, both the Town and the collection contractor play key roles in affecting change. This memoranda proposes tools that can be applied by each key stakeholder to improve contamination levels in the recycling program, and improve program performance overall.

The timing of this memo is also in support of the upcoming procurement of a collection contractor. Once a contamination reduction plan has been established, this plan can be appended to the RFP, so that the proponents are aware of the role of the collection contractor in addressing the contamination issue.

Experience in Other Areas

Recycle BC reports that the average curbside contamination rate is 6.4% in BC. Ladysmith's average contamination rate, based on audited loads of the Town's curbside recycling is 9%, although some audits have shown rates as high as 11%.

Other local governments have also been flagged for high contamination levels in their curbside collection programs and in response successfully implemented a plan that reduced their contamination. Two examples are the Cariboo Regional District and the Cowichan Valley Regional District.


In the Cariboo RD, their contamination reduction plan included the following elements:

- i. Newsletter sent to all homes in service area informing them that contamination was an issue and inspections would be occurring (inspections were done to confirm the extent of the problem – i.e. was the problem one particular area or all over?)
- ii. A follow-up newsletter was sent informing residents of the results of the inspections and inviting them to attend a public meeting/workshop about the contamination issue



- iii. Audit teams inspected the recycling totes at the curb. Totes that were badly contaminated were left behind non-collected. Totes with some contamination were left, but tagged with a removable “OOPS” tag.
- iv. Public meeting was held (more than 10% of the population attended)
- v. Developed and handed out a customized recycling guide that addressed the key issues
- vi. Follow up audits were conducted. Contaminated totes were left behind non-collected. Minor contamination was left a removable “OOPS” tag. Good totes were tagged with gold star stickers.





OOPS! RECYCLING REMINDER


THE FOLLOWING CONTAMINATION WAS IN YOUR RECYCLING TODAY:

- ☐ GLASS
- ☐ FOAM PACKAGING (Styrofoam)
- ☐ PLASTIC BAGS, PLASTIC FILM
- ☐ OTHER _____

Next time your tote will not be collected.

Please attend the CRD's Recycling Meeting on Wed. June 7 at 6 pm at the 108 Community Hall and enter to win a Samsung tablet!

Questions?
Contact the CRD
Call: 1-800-665-1636
Email: talktrash@cariboord.ca
Web: cariboord.ca



During the first set of audits, 55% of the totes were observed to have contamination. In the follow up audits, this number was reduced to 26%.

In the CVRD, their contamination reduction plan included the following elements:

- i. Visual audits of recycling totes done is undertaken over a 2 month period by two summer students. This is done annually. The information on homes with unacceptable levels of contamination are provided to the collector for on-going monitoring. Not all homes are audited. Streets are randomly selected, but the results for each address are recorded for follow up purposes (i.e. the assessment of on-going issues with the same address). Although the auditors do not go to the door to speak with residents, if the resident engages with the auditors, they take the opportunity to engage regarding properly material sorting and preparation.
- ii. Totes with high levels of contamination are provided with a removable infraction notice (sticker) identifying the types of contamination and telling them how to get more information. Totes with minor contamination are given a removable sticker with a list of acceptable materials. Totes with no contamination are given a gold star sticker, similar to Cariboo's.
- iii. The recycling collection staff are given training on how to identify contamination and the enforcement protocols. CVRD will leave the full tote behind at homes where contamination is an-going issue (after infraction notices have been provided during earlier incidents).



- iv. An annual education campaign is launched to target a specific issue, such as film plastic in the curbside recycling containers. The campaigns have included media releases, engagement on social media and billboard ads.

The CVRD reports that their contamination levels have been steadily decreasing since the implementation of their contamination reduction plan. They credit the curbside sticker and enforcement as the most effective part of their plan.

Recycle BC also points to the approach that Port McNeill and Port Hardy implemented from the start of their curbside program, which has allowed them to have a contamination rate of less than 3%. (Note: These two communities began their service at the same time as the Recycle BC program, so they had the benefit of educating their community to recycle the specific list of materials that Recycle BC accepts. In the case of Ladysmith, the advent of the Recycle BC program changed the list of materials that were allowed in the curbside program, which requires “retraining” of existing behaviours.) In these communities, the collection contractor checks all curbside containers for contamination and undertakes a progressive enforcement procedure when contamination is found:

- First “offence”: an Oops sticker is left on the container and the address is tracked
- Second “offence”- Another sticker is left and the municipality makes contact with the resident via a letter to explain the contamination issue and invite them to call to find out what materials are and are not acceptable and to answer any other questions. They have found that direct contact has a significant impact on understanding how to participate in the program properly and that it is rare for contamination to happen again at the same address. The tracking of this address is maintained.
- Third “offence”: A sticker is left and another letter is sent outlining that the consequence of not participating in the program correctly is cessation of service (i.e. this letter is a final notice). If possible, the collector will try to engage with resident to discuss program requirements. Tracking is maintained.
- Fourth “offence”^{4th}: –The municipality will withdraw the service from the resident, but to date, this has not been required.

Nature of Ladysmith’s Contamination

Ladysmith is currently sitting at an average of 6.5% contamination and 9.1% overall. This higher rate is inclusive of depot-only recyclable materials, such as plastic film, polystyrene foam and glass, which can be taken to a Recycle BC depot but are not acceptable at the curb. Recycle BC reports that Ladysmith’s most prominent curbside contaminants include, in order of prominence:

- 1) Non-PPP – Non-recyclable garbage and product residue
- 2) Unsortable materials - are materials which are unable to be captured for recycling due to being tied up in plastic bags, stuffed/nested together etc. – essentially materials which cannot be sorted into individual product categories;
- 3) Scrap metal (e.g. keys, nails, cooking pots, hangars);
- 4) Multi –laminates (such as zipper-top pouches i.e., granola packaging, frozen vegetable bags, and so on); and
- 5) Glass.



The following table shows the results of the most recent audit of Ladysmith's curbside recycling.

Non PPP %	Hazardous %	Glass Jars %	Deposit Glass %	Unsortable PPP %	Plastic Bags and Overwrap %	Foam Packaging %	Total Non- Targeted Material %
6.5%	0.0%	0.3%	0.7%	0.9%	0.6%	0.1%	9.1%

Proposed Contamination Reduction Plan

The following contamination reduction plan is provided to you for discussion. It identifies recommended tools and the organization who would be responsible for the implementation. Once this plan has been reviewed and refined by you, it's recommended that the plan be reviewed by Recycle BC and that an implementation schedule be included. The final version of this plan can be incorporated into the RFP for curbside collection services, or provided to proponents as an addendum.

This plan can be applied to the whole curbside collection program and does not need to be applied solely to the recycling stream. Similar approaches can be used to minimize contamination in the organics stream, as well as to minimize recyclables and organics in the garbage stream.

The overall objective of this plan is to reduce the curbside contamination rate, particularly for the recycling stream. The specific objectives are to:

- Inform residents regarding what materials are in / out of the collection program (what goes in each stream) and how to prepare materials for collection
- Inform residents of the consequences of on-going contamination issues
- Establish engagement and enforcement protocols for the curbside collection contractor.

The plan involves a 3-pronged approach: promotion and education (P&E), monitoring, and enforcement.

Promotion and Education

Proper sorting and preparation requires that residents know how. The Recycle BC program is different from the previous recycling collection program provided by the Town and changing established behaviours requires continuous and varied engagement. The table below outlines the recommended promotion and education tools for use by the Town. These initiatives are strongly linked with and support the recommended enforcement procedures.

Tool	Stakeholder Responsible	Details
Ambassadors	Town of Ladysmith	Community liaison personnel (e.g. summer students) that visually inspect curbside containers and engage directly with the resident to provide feedback. Ambassadors can also engage with residents on other community issues



		<p>such as water conservation. This program would be operational for 2-4 months and only repeated if an on-going need is identified. Ambassadors can also undertake other community engagement endeavors such as staffed displays and recognition programs. Provides an opportunity to engage directly with residents and answer questions (i.e. resolve issues before them come up). Social marketing approaches, such as this, are recognized as having the greatest long-term impact on behaviour. Note: the CVRD has offered to train any Town ambassador in curbside auditing procedures.</p>
Newsletter	Town of Ladysmith	<p>To highlight the issues and the Town's intention to improve the contamination rates, a newsletter can be mailed to all homes. This newsletter would include an invitation to a community meeting. Although this newsletter would be targeted to the issue of contamination, an annual newsletter could be prepared on the curbside collection service to help keep residents informed and engaged, and to help address issues as they emerge. Clearly and frequently communicating to residents on the materials targeted for collection and common materials that should NOT be included with their PPP is critical to keeping contamination levels low. An annual newsletter could be distributed as part of a regular mailer sent out by the Town or sent separately.</p>
Community Meeting	Town of Ladysmith	<p>A meeting where the details of the contamination issue are presented using PowerPoint. Participation by the collection company and Recycle BC is recommended. A summary of the presentation with a voiceover can be posted on line.</p>
Promotion	Town of Ladysmith	<p>To promote the community meeting and why it is being held, some or all of the following promotional activities can be undertaken:</p> <ul style="list-style-type: none"> • Media release • Advertisement in the local paper, as well as posted in the Community Notices section • Notices out through social media feeds (either through the Town's or through Council members) • A prominent notice on Town's main web page, as well as on the waste collection page • Announcement at the Council meetings preceding the community meeting • Poster on local bulletin boards



Calendar	Collector	Use the collection calendar to highlight and address the main contamination issues. Distributed to all customers. No additional cost. Note that this tool may be of limited value for residents that solely reference the calendar for the schedule (i.e. they don't read the whole thing).
Targeted Communication Campaign	Town of Ladysmith	To address specific issues, a targeted communication campaign can be developed to address specific behaviours or audiences. A good example is the CVRD's billboards that inform readers to not include plastic film in their curbside program. Communication tools and templates developed by CVRD and/or Recycle BC could be acquired for use by Ladysmith. Recycle BC has a collector resource area of their website (registered access for collectors like Ladysmith) with a broad range of pamphlets, handouts, "oops" stickers, posters, etc. which can be manipulated to have the Town logo, local contact info, and any other pertinent local information included.
Website	Town of Ladysmith	All information developed on the issue of contamination (brochures, newsletter, media release) should be posted on the waste collection webpage. Links should be provided to information on where to take non-curbside (e.g. RCBC's Recyclepedia).
Media Releases	Town of Ladysmith	Local media coverage on the issue and the activities that the Town is undertaking to tackle contamination should be encouraged through media releases or direct media engagement (interviews, editorials). The outcomes of the activities should also be reported to the media (e.g.. changes to contamination levels).
Staffed Display	Town of Ladysmith	To create more opportunities for direct engagement and to create awareness of the issue of contamination, a staffed display can be set up at main venues for community engagement, such as the community centre and farmers market. Staffing could be done by the Town's ambassadors.
Recognition Program	Town of Ladysmith	As the Oops stickers are a "stick", recognition programs can be a "carrot". The Cariboo gold star for no contamination is a good example of positive reinforcement. The Town of Hamilton, Ontario has a Gold Box program where residents can sign up for to have their recycling randomly audited, and if they are found to have no contamination, they are rewarded with a gold recycling box (like a blue box) that they can use for curbside collection. A recognition program is a great,



feel-good way of creating awareness. A recognition program could be undertaken as part of the ambassador program, and could expanded to include water conservation (Golden hose? Blue star?)

Enforcement

While promotion/education and monitoring are critical conditions for improvement, consistent and effective enforcement procedures are required to have a significant impact on actual contamination rates.

Enforcement is primarily the responsibility of the collection contractor (the drivers in particular) and should be included in the collection contractor and be part of the contract's performance measures. Enforcement means that collection staff are actively reviewing materials before they are placed in the truck, tagging non-compliant materials and leaving non-accepted materials behind.

Recycle BC reports that this prong is probably the most effective approach to affecting contamination rates. Because the engagement is specific to a home and its contaminants, the feedback is immediate, direct and useful.

The proposed approach to enforcement is:

1. As drivers pick up each bin to empty it, they observe the contents of the bin and remove non-compliant material and leave it behind with an "oops sticker" that provides further information on the problem (by checking off the applicable box) and encouraging the resident to call the office of the collection contractor for further information and instructions. A record is kept by the driver of each infraction.
2. If the same household puts out the same contamination again, the same process is repeated.
3. If the same household puts out the same contamination for a third time, the whole container is left behind, with another notice and a letter is sent by a representative of the collection company with a cc. to the Town of Ladysmith, with a notice that on-going incidents may result in the cessation of the collection service.
4. If contamination continues, the collector will engage with the Town to formally withdraw the collection service until the resident meets with Town staff and agrees to participate properly in the program. (Note: this level of enforcement is expected to be extremely rare and is hopefully never necessary.)

Programs with low contamination report that initially this approach to enforcing proper material sorting takes additional time for the driver and requires constant diligence, but that ultimately the effort is offset by long-term improvements in both contamination and route efficiencies.



Also included in the above strategy is ensuring that the drivers are fully trained in identifying contamination and applying the enforcement procedure. This element could also be included in the collection contract.

Monitoring

Program performance should be regularly monitored to track issues and improvement. The receipt and review of audit information by Recycle BC is important, but other monitoring approaches should also be applied.

- Review the audit information by Recycle BC. Meet with the local Recycle BC representative to discuss progress on reducing contamination and on-going strategies, as well as possible tools available from Recycle BC.
- At least once annually, a staff person should join a collection vehicle for a ride-along to see firsthand what the issues are, where they are occurring and how to address them. By getting in the field and assisting with actual collection (even if only for a couple hours), you can often gather critical information that can assist in contamination reduction strategies and how best use your communication resources.
- Curbside auditing – As mentioned under Promotion and Education, the Town could use ambassadors to conduct an annual curbside audit to gather critical information on issues for all 3 curbside collection streams and to gauge improvement. Auditing could be both random and targeted (e.g. know problem areas).
- Regular check-ins with collection staff – Town staff should meet regularly (e.g. twice annually) with route supervisors and collection drivers to review issues, brainstorm strategies and celebrate successes. Collection staff often has a direct window into what strategies are working and what areas of their routes are more problematic than others.
- Observing material delivery – Town staff should occasionally observe collection vehicles offloading their materials at the Bings Creek Transfer Station to visually audit the loads to obtain high-level information on contamination (extent and types of contamination in the recycling and organics, and the amount of organics/recycling in the garbage).

From: Rob Johnson
Sent: June 7, 2019 10:06 AM
To: Council
Subject: Use of Town Trolley for Ladysmith Days

At last night's meeting of the Ladysmith Days Committee, the Committee requested me to bring forth their request for the use of the Town's Trolley for the 3 days of the Celebration. It is believed that this would help relieve some of the parking issues and would be a greener approach to a major town activity.

Therefore please accept this as their formal request.


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The 13th Anniversary State of the Island
Economic Summit will convene at the **Vancouver
Island Conference Centre Wednesday &
Thursday, October 23 & 24, 2019.**

WEDNESDAY, OCT 23 - DAY ONE

8:30 AM	BONUS SESSION
10:30 AM	TRADESHOW OPENS
12:00 PM	OPENING LUNCHEON
1:30 PM	FOUR CONCURRENT SESSIONS
3:00 PM	TRADESHOW - NETWORKING BREAK
3:30 PM	FOUR CONCURRENT SESSIONS
5:30 PM	COCKTAIL HOUR
6:30 PM	SUMMIT DINNER, WELCOME & PRESENTATION
8:30 PM	DESSERT RECEPTION

THURSDAY, OCT 24 - DAY TWO

7:00 AM	TRADESHOW OPENS
7:30 AM	BREAKFAST KEYNOTE
9:00 AM	FOUR CONCURRENT SESSIONS
10:30 AM	TRADESHOW - NETWORKING BREAK
11:00 AM	FOUR CONCURRENT SESSIONS
12:30 PM	CLOSING LUNCHEON & PRESENTATION
2:00 PM	13TH ANNUAL 'STATE OF THE ISLAND' ECONOMIC SUMMIT CONCLUDES
2:30 PM	BONUS SESSION

INITIATIVES

VIEA Business Match
Island Good
Forestry/Wood Industries Initiative
Foreign Direct Investment
Application for Foreign Trade Zone Designation
Capturing Talent
Addressing Poverty
Vancouver Island Transportation Forum/Plan

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Council Performance Assessment

A Guide and tools for the
Town of Ladysmith.

May 2019

PREFACE

Public trust in Council depends on transparent governance structures and processes, and clear accountability to community members. The assessment of Council performance is needed for demonstrating accountability and generating public trust.

The Town of Ladysmith is experiencing a period of profound development. Being among the fastest growing municipalities in British Columbia with population increases averaging 2.9% over the past five years, it is important that our Council collaborate and leverage the strengths of each other and Town administration in a continued effort to improve upon an already remarkable community.

Having said, the use of a governance self-assessment tool is recommended to support Council's and administrations efforts in being self-reflective and to guide members through a confidential and internal process identifying both individual member strengths as well as Council strengths and limitations.

The strongest predictors of positive municipal government performance are Council engagement in strategic planning, A CAO-led common vision, effective meeting management, a pro-change core group within Council, and low levels of internal conflict.

A comprehensive review of empirical journal articles on strategic management in nonprofit organizations completed by Stone, Bigelow, and Crittenden (1999) found that the use of formal planning processes was associated with greater board and organizational effectiveness. Moreover, board involvement in strategic planning was related to attainment of the mission of the nonprofit organization.

Green and Griesinger (1996) found that certain board activities predicted organizational effectiveness, of which were; policy formation, strategic planning, program monitoring, financial planning and control, resource development, board development, and dispute resolution. Green and Griesinger (1996) also found that CEO ratings of board performance were more strongly related to organizational effectiveness than were board ratings.

Jackson and Holland (1998) found significant correlations between organizational financial performance and board performance scores on six key competencies (contextual, educational, interpersonal, analytical political, and strategic). These findings were embedded within their development of a board self-assessment questionnaire (BSAQ). The BSAQ contains sixty-five (65) board practices that are scored and reported in the aforementioned competencies as opposed to more concrete conceptual categories. While, there are multiple other board assessment instruments in use (the National Center for Nonprofit Boards Questionnaire, the Benchmarks of Excellence Tool, the Drucker Foundation Self-Assessment Tool, the Governance Information Check-Up), only the BSAQ has generated validity data linking it with organizational effectiveness.

After analyzing the strengths and weaknesses of the aforementioned board assessment instruments, Gill, Flynn, and Reissing (2005) developed a Governance Self-Assessment Checklist (GSAC). The tool was designed to incorporate a relatively comprehensive research and consensus based set of governance best practices with the intent to serve as both a self-diagnostic instrument and an educational and governance improvement tool that would provide board members and senior staff with timely feedback on their own perceived use of best practices. The GSAC emerged as displaying very good criterion-related validity, correlating well with external and internal ratings of organizational effectiveness and demonstrating an ability to distinguish between stronger and weaker governance practices.

On this basis, the following Council Assessment Toolkit is presented in draft iteration for review and discussion amongst all members and the Chief Administration Officer with the intent of future implementation.

COUNCIL ASSESSMENT TOOLKIT

Module 1: General Council Effectiveness Self-Assessment

Module 1 has been designed to assist Council in assessing its effectiveness as a governing body. The self-assessment consists of a guide and a survey. The guide will help members understand the survey questions and the choice of responses provided. The survey is to be undertaken by Council members as a group effort. Members should read the guide first, before commencing completion of the survey.

Module 2: Individual Council Member Self-Assessment

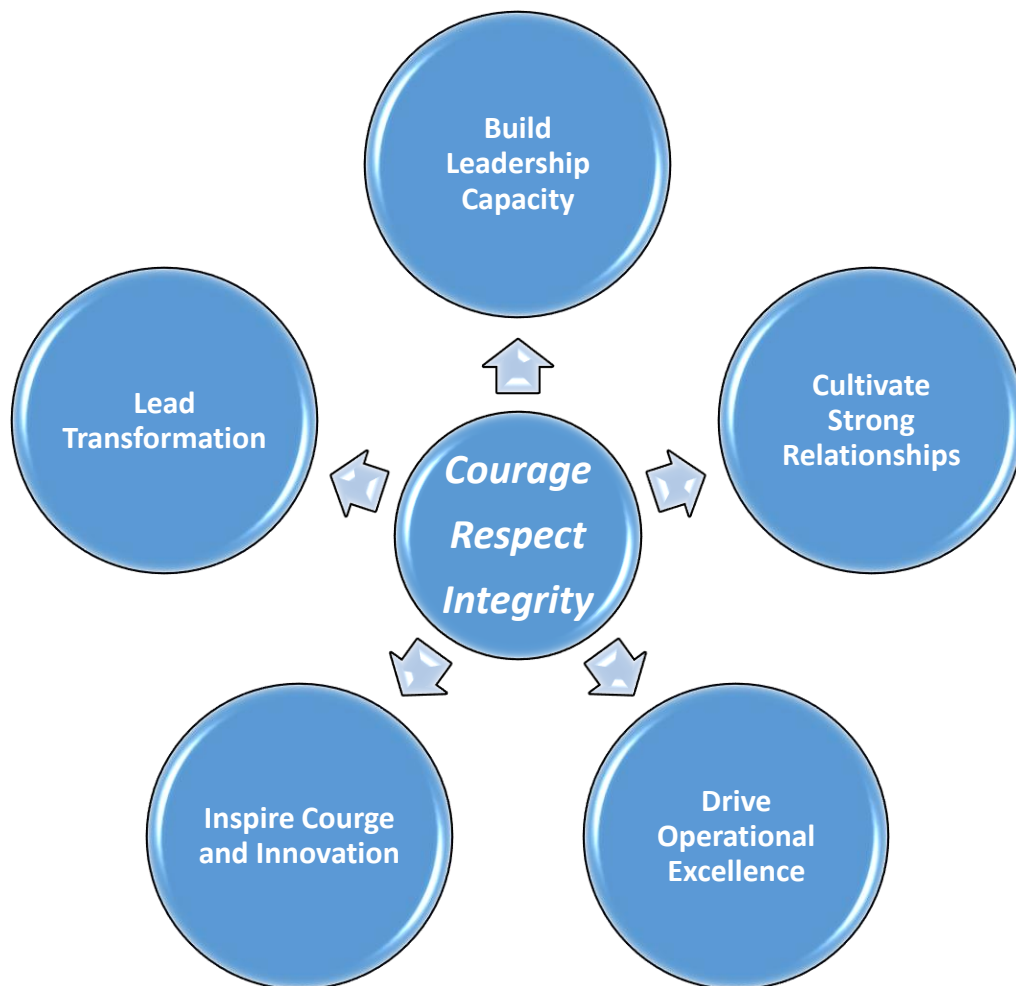
Individuals with good personal governance are masters of self-reflection, self-assessment and self-regulation. Self-reflection applies to how we think, communicate and act. Being aware of our thinking and behavioral models means we can self-evaluate in a personal and situational way. Self-regulation means knowing when we have reached our limits, and need help. Reflecting on thinking at the moment of acting is a characteristic of outstanding leadership. The purpose of module 2 is; to assist Council members in becoming aware of their strengths and limits, to act as a personal '*check-in*' ensuring members are fulfilling their respective roles as elected and, to assist members in taking responsibility for themselves, their feelings, emotions, and the modes of behaviour that result.

1. GENERAL COUNCIL SELF-ASSESSMENT GUIDE

1.1. Components of effective governance

To support our values of leading with courage, respect, and integrity, Council members and Administration should strive to build leadership capacity, cultivate strong relationships, drive operational excellence, inspire courage and innovation, and lead transformation. These key competencies are necessary to the effective and efficient governance and operation of the Town of Ladysmith.

The following pages will define each competency and provide primary anchors on a leadership continuum as examples of how each behaviour is modeled. This guide is designed to provide a framework to each competency across the entire scope of leadership and is intended to create context for aiding the user(s) in completion of the general council effectiveness self-assessment.



1.1.1.1. **Build Leadership Capacity**

The ability to utilize transparency and accountability to develop leadership effectiveness in Council, various committees, administration, and our culture.

Why it's important: We must invest in fostering a strong leadership culture to execute our strategic plan and ensure continued success.

<div> <div>←</div> Leadership Continuum <div>→</div> </div>			
Managers	Directors	Chief Administrative Officer	Council
<ul style="list-style-type: none"> Models and reinforces the positive attributes of our culture and supports cultural evolution. Enables, empowers, and develops others through regular coaching, constructive feedback, career planning, and proactive performance management. Actively engages others through listening, open and transparent communication, and involvement. Displays ability to lead self and others through self-awareness, self-management, self-development, and relationship building. Manages employee development processes to build capacity within their team for the future. Builds and updates organization-wide talent processes to build talent capacity for the future and mitigate succession risks. 	<ul style="list-style-type: none"> Builds and protects the positive attributes of our culture and supports cultural evolution. Models leadership via empowering and developing others through regular coaching, constructive feedback, career planning, and proactive performance management. Actively engages others through listening, open and transparent communication, and involvement. Demonstrates and coaches others to embrace self-awareness, self-management, self-development and relationship building. Visions organization-wide talent processes to build talent capacity for the future and mitigate succession risks. 	<ul style="list-style-type: none"> Holds self and other leaders accountable for building and protecting the positive attributes of our culture and supports cultural evolution. Champions leadership capacity and effectiveness through regular coaching, constructive feedback, career planning, and proactive performance management. Acts as an ambassador to engage others through listening, open and transparent communication, and involvement. Models and creates an environment that supports self-awareness, self-management, self-development, and relationship building. Champion's organization-wide talent processes to build talent capacity for the future and mitigate succession risks. 	<ul style="list-style-type: none"> Holds self and other Council members and the CAO accountable for building and protecting the positive attributes of our culture and supports cultural evolution. Champions leadership capacity and effectiveness through constructive feedback, and proactive CAO performance management. Acts as an ambassador to the community via listening, open and transparent communication, and involvement. Models and creates a Council environment that supports self-awareness, self-management, self-development, and relationship building.
Potential Impediments <ul style="list-style-type: none"> Fails to set objective measures of success. Ignores people issues and does not hold others accountable. Fails to demonstrate actions and commitment to developing others and self. Avoids difficult decisions and conversations. 			

1.1.2. Cultivate Strong Relationships

Building strong and trusting relationships and bringing a taxpayer-centric mindset and focus to all elements of the organization.

Why it's important: Influencing and building strong relationships amongst Council, and with administration, partners, and the community is fundamental to the continued growth and success of the Town.

Leadership Continuum			
Managers	Directors	Chief Administrative Officer	Council
<ul style="list-style-type: none"> Builds a network of internal and external contacts to support their team, department, and division. Demonstrates influence and professionalism in creating key relationships, with an emphasis on the department. Leads individuals and builds a cohesive, collaborative, and cooperative team. Models cross-organization collaboration, honest relationship building, and a respectful understanding of one another. Applies respect and integrity to all relationships. 	<ul style="list-style-type: none"> Builds a personal network of internal and external contacts. Demonstrates influence and professionalism in creating key relationships, with an emphasis on the department. Builds strong, cohesive teams and healthy team dynamics. Engages self and team in cross-organization collaboration, honest relationship building, and a respectful understanding of one another. Applies respect and integrity to all relationships. 	<ul style="list-style-type: none"> Builds a strategic network of external contacts, including key decision makers and influencers at local and provincial levels. Models influence and professionalism in creating strategic partnerships and key relationships. Champions consistent engagement with employees, Council, strategic partners, and the community. Models cross-organization collaboration, open and honest relationships, and a respectful understanding of one another. Applies respect and integrity to all relationships. 	<ul style="list-style-type: none"> Builds a strategic network of external contacts, including key decision makers and influencers at local and provincial levels. Models influence and professionalism in creating strategic partnerships and key relationships. Champions consistent engagement with Senior Leadership, strategic partners, and the community. Models collaboration, open and honest relationships, and a respectful understanding of one another. Applies respect and integrity to all relationships.
Potential Impediments <ul style="list-style-type: none"> Lacks confidence to proactively build external relationships. Maintains silos and lacks collaboration skills. More concerned about own interests instead of the Town's interests. Avoids difficult decisions and conversations. Supports external stakeholders at the expense of our people and values. 			

1.1.3. Drive Operational Excellence

Leverage business insight, financial acumen, and operational rigor to maximize resources, productivity, and build long-term, sustainable success.

Why it's important: Bringing a business mindset to the organization is critical for maintaining the appropriate use of resources and ensuring strong productivity and solid operations while navigating change.

Leadership Continuum			
Managers	Directors	Chief Administrative Officer	Council
<ul style="list-style-type: none">• Demonstrates sound judgement, business and financial acumen, and evidence-based decision making at the managerial level.• Maximizes productivity and effectively leads strategy execution.• Highlights areas where resources are required, barriers need to be removed and processes require revision.• Supports and maintains key business processes to reduce unnecessary risk and enhance performance in own operations.• Ensures self and team members drive continuity and effective operations through everyday operations and continuous improvement.	<ul style="list-style-type: none">• Demonstrates and builds capacity in others for sound judgement, business and financial acumen, and evidence based decision making.• Removes barriers and enables leaders to maximize productivity and effectively execute strategies.• Creates and updates key business processes and utilizes best practice to reduce unnecessary risk and enhance performance in own operations and across the organization.• Enables other leaders to ensure continuity and effective operations through transformational change.	<ul style="list-style-type: none">• Exemplifies exceptional judgement, business and financial acumen, and evidence-based decision making.• Ensures that strategies are executed with the interests of the entire organization in mind.• Champion's key business processes to reduce unnecessary risk and enhance operational and business performance.• Ensures continuity and effective operations through transformational change.	<ul style="list-style-type: none">• Exemplifies exceptional judgement, business and financial acumen, and evidence-based decision making.• Ensures that strategies are executed with the interests of the entire organization in mind.• Supports key business processes to reduce unnecessary risk and enhance operational and business performance.• Supports Senior Leadership through transformational change.
Potential Impediments <ul style="list-style-type: none">• Lacks financial acumen• Lacks professional maturity and fails to support leadership decisions• Fails to bring the right balance of strategic and operational leadership• Works in a silo and does not bring a holistic understanding of the organization.			

1.1.4. Inspire Courage & Innovation

Model and enable creative thinking, curiosity, and calculated risk taking to create new solutions.

Why it's important: We will require courage in everything we do to challenge the status quo, and find bold and creative new ideas. Innovative thinking will continue to proactively build on the Towns' many successes and address changing community needs.

Leadership Continuum			
Managers	Directors	Chief Administrative Officer	Council
<ul style="list-style-type: none">• Applies diversity and inclusiveness principles through our values and daily work.• Demonstrates open-mindedness and brings forward new ideas that continually enhance their area of responsibility.• Seizes opportunities to leverage and share expertise with senior leadership.• Exhibits a willingness to take calculated risks, asking for help and learning from mistakes in daily work.• Encourages the sharing of innovative ideas and resolutions.	<ul style="list-style-type: none">• Holds self and others accountable for embedding diversity and inclusiveness principles through the Towns' values and strategies.• Enables and encourages open-mindedness bold thinking and new ideas that continually enhance the organization.• Creates a safe environment and psychological safety for risk taking, learning, and supporting others through mistakes.• Removes barriers and builds or revises systems and processes to encourage innovative ideas.	<ul style="list-style-type: none">• Models and integrates diversity and inclusiveness principles into our values, strategies and expectations.• Champions bold thinking and new ideas that continually enhance the organization and address community needs.• Champions the creation of a safe environment and psychological safety for risk taking, learning, and supporting others through mistakes.• Exemplifies courage to challenge the status quo and bring new ideas forward.	<ul style="list-style-type: none">• Models and integrates diversity and inclusiveness principles into our values, strategies and expectations.• Champions bold thinking and new ideas that continually enhance the organization and address community needs.• Champions the creation of a safe Council environment and psychological safety for risk taking, learning, and supporting others.• Exemplifies courage to challenge the status quo and bring new ideas forward.
Potential Impediments <ul style="list-style-type: none">• Stifles creativity and the exploration of new approaches.• Too comfortable with the status quo and exhibits a fear of change.• Does not engage or encourage calculated risk taking.• Makes decisions without considering the appropriate level of risk.• Lacks curiosity and openness to new ideas.• Holds on too rigidly to the status quo.• Shows a lack of courage in making unpopular or difficult decisions.			

1.1.5. Lead Transformation

Anticipate emerging trends and create opportunities that continue to improve the Town of Ladysmith.

Why it's important: the Town of Ladysmith is rapidly growing and leaders will need to capitalize on opportunities to continue to fulfill its mandate of service excellence and its mission to provide a safe, caring, and vibrant community.

Leadership Continuum			
Managers	Directors	Chief Administrative Officer	Council
<ul style="list-style-type: none"> Highlights areas of risk in own operations. Demonstrates courage and sound decision-making to execute strategies and plans. Understands and supports decisions and enables others through change. Communicates how strategies and plans connect to the Town services with clarity and transparency and generates commitment. Cultivates a strong team, coaches staff through change/transition and seeks support where needed. Models the ability to embrace perseverance and resilience in the face of adversity. Demonstrates a positive and forward thinking approach to leading. Models and encourages others to embrace a "One Team" approach. 	<ul style="list-style-type: none"> Identifies trends, risks, and opportunities within own area. Demonstrates courage and sound decision-making to execute divisional and functional strategies and plans. Promotes and supports decisions and enables others through change. Communicates strategies and plans with clarity and transparency and creates buy in. Builds a strong team and coaches others to manage through change and seek support when needed. Demonstrates and empowers the team to embrace perseverance and resilience in the face of adversity. Demonstrates a positive and forward thinking management approach. Contributes and enables others to embrace a "One Team" approach. 	<ul style="list-style-type: none"> Anticipates and identifies trends, risks, and opportunities for the Town. Demonstrates courage and sound decision-making to create divisional and functional strategies. Creates organization-wide systems and practices to enable change. Demonstrates transparency and effectively communicates strategies and plans that support a vision for change. Enables and empowers others to manage through change. Instills confidence in self and others to lead with perseverance and resilience in the face of adversity. Champions and enables others to embrace a "One Team" approach. 	<ul style="list-style-type: none"> Envisions a new frontier and new strategies based on trends, risks, and opportunities. Supports courageous and sound decisions for new strategies and approaches. Supports organization-wide systems and practices to enable change. Instills a sense of community purpose, communicates a compelling vision for change, and champions transparency. Models perseverance and resilience in the face of adversity. Champions a "One Team" mindset.
Potential Impediments <ul style="list-style-type: none"> Waits for change to happen. Focuses on the past and status quo – fails to look to the future. Fails to clearly articulate compelling reasons for change. Fails to demonstrate and leverage big-picture thinking. Complains instead of bringing solutions and instigating change. 			

2. GENERAL COUNCIL SELF-ASSESSMENT SURVEY

There is real benefit to be gained from an in-depth review of all areas of Council activity. This review encompasses Council processes, activities, and behaviours. The tool takes the form of a series of assertions which should be awarded a rating on a scale of one (1) to five (5). These assertions are split between Council processes and behaviours. As a group, Council should rate their response to each assertion by marking the relevant box. Respectful group discussion and context provided via competencies outlined in the guide, will assist Council in determining the appropriate ranking.

Rating Scale

1 = Hardly ever/Poor/Strongly disagree

2 = Occasionally/Below Average/Disagree

3 = Sometimes/Average/Neutral

4 = Most of the time/Above average/Agree

5 = All of the time/Fully satisfactory/Strongly agree

<i>A – Processes</i>	N/A	1	2	3	4	5
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1. Meetings

1.1. The number of Council and committee meetings are appropriate, including ad-hoc meetings when necessary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.2. Council members regularly attend and actively contribute at meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.3. Council meetings are well run and productive.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Council Committee's

2.1. Council committees are properly constituted and perform their delegated roles under clear terms of reference;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2. Are subject to revision as appropriate; and,	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.3. Report back effectively and promptly to Council with sufficient time for Council to consider matters arising.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Time Commitment

3.1. Council members are able to commit sufficient time to the Town to discharge their responsibilities effectively.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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3.2. Council members regularly attend special community events.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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4. Orientation and Training

4.1. Council members receive proper orientation on commencement and ongoing training is available to meet individual development needs.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

5. Timeliness and quality of information

5.1. Reports provided to Council are;
5.1.1. Provided on a timely basis; and

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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5.1.2. Of a quality that enables Council to determine whether the Town is on track to meet its strategic objectives and is acting within its risk appetite.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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B – Behaviours and Activities

N/A

1

2

3

4

5

6. Council culture

6.1. The vision, mission, and values statements clearly communicate Council's objectives and define the desired results in both the short and long-term.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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6.2. Council creates a performance culture that drives value creation without exposing the Town to unnecessary risk.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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6.3. Council sets an appropriate tone that permeates through the entire organization.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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7. Council discussions

7.1. Council meetings are characterized by a high quality of debate with robust and probing discussions – consistent with the guidance that an effective Council should not necessarily be a comfortable place, challenge, as well as teamwork are an essential feature.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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7.2. Conflict among Council members do not interfere with Council's work.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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8. *Understanding priorities*

- 8.1. All Council members have a clear understanding of the Town's vision, mission, values and strategic direction.



9. *Setting strategy*

- 9.1. Council holds a strategic plan that outlines the priorities, goals, and objectives that guide Council and staff.



- 9.2. Council sets the Town's strategic plan robustly and effectively, with appropriate challenge from the Chief Administrative Officer and Senior Leadership team.



- 9.3. Council ensures that the necessary financial and human resources are in place to implement the strategic plan.



10. *Risk appetite and risk management*

- 10.1. Council is sufficiently involved in establishing the Town's appetite for risk in respect of its strategic aims; and,



- 10.2. Satisfies itself that the integrity of the financial controls and systems of risk management are robust and resilient.



11. *Monitoring organizational performance*

- 11.1. Council has the appropriate data to monitor the Town's performance, including financial and non-financial information and peer and comparator local government information; and,



- 11.2. Uses the available data effectively.



- 11.3. The quality and quantity of services provided by the Town are consistent with the financial and human resources available, and are supported by measureable public satisfaction levels.



12. *Crisis management*

- 12.1. Council responds positively and constructively in the event of a crisis, and has well-established management plans to protect the Town's reputation.



13. Quality of decision making

- | | | | | | | | |
|-------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 13.1. | Council makes well-informed high quality decisions based on its strategic priorities; and, | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13.2. | Appropriate processes are used to facilitate complex decisions – for example obtaining information from subject matter experts and allowing time for additional debate and decision making. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

14. Demonstrating Council stewardship

- | | | | | | | | |
|-------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 14.1. | Council communicates effectively with all community members and takes into account their interests; and, | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14.2. | Ensures that the standard of external reporting is high and that the annual report, is fair, balanced and understandable. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

15. Role of the Mayor

- | | | | | | | | |
|-------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 15.1. | The Mayor has sufficient time to commit to the role; and | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15.2. | The Mayor exhibits a leadership style and tone that promotes effective decision making, constructive debate and ensures that Council works as a team. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

16. Relationship with Town Administration

- | | | | | | | | |
|-------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 16.1. | Council's relationship with the Chief Administrative Officer and the Senior Leadership Team is one of mutual respect and trust. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16.2. | The Mayor and Chief Administrative Officer work well together and their different skills and experience complement each other. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16.3. | The mayor represents an effective link through to the Chief Administrative Officer and Senior Leadership Team. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16.4. | The roles of Council and Town staff complement each other and do not conflict. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

17. Performance evaluation

17.1. Council sets itself objectives and carries out an annual evaluation of its own performance.



17.2. Council evaluates the Chief Administrative Officer's performance annually on the basis of clear and objective requirements/expectations.



MODULE 2: INDIVIDUAL COUNCIL MEMBER SELF-ASSESSMENT

This evaluation tool aims to support the development of individual Council members by helping enhance their contribution to the Town and also to encourage a positive experience.

Rating Scale

1 = Hardly ever/Poor/Strongly disagree

2 = Occasionally/Below Average/Disagree

3 = Sometimes/Average/Neutral

4 = Most of the time/Above average/Agree

5 = All of the time/Fully satisfactory/Strongly agree

	N/A	1	2	3	4	5
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1. Governance

1.1.	I'm familiar with the Town of Ladysmith's by-laws and policies.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.2.	I maintain confidentiality and comply with all applicable bylaws, policies, and legislation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.3.	I support Council decisions once they are made.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.4.	I understand the distinction between Council's role to set direction and provide general oversight and Administration's role to lead and direct operations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.5.	I understand Council's role in overseeing the Chief Administrative Officer's annual performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.6.	I commit the time required to fulfill my Council responsibilities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Knowledge of the organization and environment

2.1.	I understand the Town's strategic plan, including mission, vision, and values statements, and take these into account when making decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2.	While not necessarily an expert, I have a good understanding of the Town's; (a) Financial performance and condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(b) Key areas of risk and associated risk mitigation strategies.

- | | | | | | | | |
|------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 2.3. | I understand and take into account the Town's accountability to residents and taxpayers of the community. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.4. | I keep current of issues and trends that may have an impact on the Town or the needs of the community. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.5. | I effectively apply my knowledge, experience, and expertise to matters before Council. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.6. | I ask questions or request information to help me make informed decisions. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.7. | I exercise sound and balanced judgement considering all aspects presented before Council. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.8. | I bring a strategic focus in assessing issues and reaching resolutions. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.9. | I am satisfied with my level of contribution as a Council member. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

3. *Effective behaviour and relationships*

- | | | | | | | | |
|------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 3.1. | I read necessary materials in advance and come prepared for meetings. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3.2. | I listen well and respect others ideas and perspectives. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3.3. | I communicate effectively with my fellow Council members. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3.4. | I am comfortable and constructive when expressing a minority opinion. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3.5. | I develop and maintain positive, collaborative relationships with fellow Council members and Administration. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3.6. | I respect the contribution of Council committees, being careful at Council meetings to build-on, not re-do, the work already completed by committees. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3.7. | While maintaining my independence as a Council Member, I interact respectfully, cooperatively and appropriately with the Chief Administrative Officer and the Senior Leadership Team. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

- 3.8. I take advantage of Council education opportunities to increase my effectiveness as a council member.



4. Development Questions

- a) In terms of furthering your professional development as a Council member and contributing more to the Town, please identify two or three areas that you would like to personally focus on this year.

- b) Looking ahead, what supports or educational opportunities would be beneficial to your development as a Council member.

THE CITY OF VICTORIA



OFFICE OF THE MAYOR

May 29, 2019,

To The Union of British Columbia Municipalities,

I am writing on behalf of Victoria City Council, requesting favourable consideration and resolutions of support to restore Provincial support for libraries.

At the May 23, 2019 Council Meeting, Council approved the following resolution:

WHEREAS WHEREAS libraries are a social justice equalizer that provide universal access to information and learning materials irrespective of income levels;

WHEREAS libraries are now so much more than books, building community and a sense of inclusion;

WHEREAS restoring funding to libraries supports the BC Government's agenda to eliminate poverty, improve access to education, and address social justice in BC;

WHEREAS funding rates have been frozen since 2009 and inflationary costs have increasingly been put on municipal property tax payers which is a regressive approach to funding public libraries;

WHEREAS municipalities face downloading from upper levels of government and have few tools to raise funds,

THEREFORE BE IT RESOLVED that Council request the Mayor write to the Minister of Education, the Premier, and all local MLAs strongly advocating for the restoration of library funding to a level that reflects both inflationary cost increases since 2009 and the value of this system to the Province.

BE IT FURTHER RESOLVED that this resolution be forwarded to other municipalities in the Capital Regional District and across BC requesting their favourable consideration.

We eagerly look forward to your support on this matter.

Sincerely,

Lisa Helps
Victoria Mayor