



## COMMITTEE OF THE WHOLE

**Thursday, June 23, 2022**  
**Held Electronically**  
**and Transmitted via the SCRD Boardroom,**  
**1975 Field Road, Sechelt, B.C.**

### AGENDA

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**CALL TO ORDER      9:30 a.m.**

#### **AGENDA**

1. Adoption of Agenda

#### **PRESENTATIONS AND DELEGATIONS**

#### **REPORTS**

2. Sunshine Coast Regional District Corporate Annual Report  
*General Manager, Corporate Services / Chief Financial Officer*  
**(Voting – All Directors)**      Annex A  
Page 1
3. Financial Planning Policy – Draft  
*General Manager, Corporate Services / Chief Financial Officer*  
**(Voting – All Directors)**      Annex B  
pp. 2-11
4. Draft Asset Management Policy  
*Manager, Asset Management*  
**(Voting – All Directors)**      Annex C  
pp. 12-20
5. Election Services and Cost Sharing Agreements  
*Corporate Officer*  
**(Voting – Electoral Area Directors)**      Annex D  
pp. 21-22
6. District Lot 1313 Letter to Minister Osborne  
*Manager, Sustainable Development*  
**(Voting – All Directors )**      Annex E  
pp. 23-26
7. Solid Waste Management Plan Update – Contract Award  
*Manager, Strategic Initiatives*  
**(Voting – All Directors)**      Annex F  
pp. 27-29

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| <b>8.</b> Investing in Canada Infrastructure Program – Rural and Northern Communities Program – Approval of Woodcreek Park Wastewater Treatment Plant System Upgrade Grant<br><i>Utilities Business Coordinator</i><br><b>(Voting – All Directors)</b> | Annex G<br>pp. 30-34 |
| <b>9.</b> Joint Use Agreement with School District #46<br><i>General Manager, Community Services</i><br><b>(Voting- A, B, D, E, F, Sechelt, Gibsons)</b>   | Annex H<br>pp. 35-36 |
| <b>10.</b> Gibsons and District Aquatic Facility Lease Agreement<br><i>General Manager, Community Services</i><br><b>(Voting – B, D, E, F, Sechelt, SIGD, Gibsons)</b>   | Annex I<br>pp. 37-38 |
| <b>11.</b> Junior B Hockey Franchise<br><i>General Manager, Community Services</i><br><b>(Voting – B, D, E, F, Sechelt, SIGD, Gibson)</b>  | <i>To Follow</i>     |

## COMMUNICATIONS

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|--|------------------|
| <b>12.</b> Betty Baxter, Chair, Coast Car Co-Op<br>Regarding: Electoral Areas' Grants-in-Aid<br><b>(Voting – Electoral Area Directors)</b> | Annex J<br>p. 39 |
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## NEW BUSINESS

### IN CAMERA

That the public be excluded from attendance at the meeting in accordance with Section 90 (1) (k) of the *Community Charter* – “negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public.”

## ADJOURNMENT

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Committee of the Whole – June 23, 2022

**AUTHOR:** Tina Perreault, General Manager, Corporate Services / Chief Financial Officer

**SUBJECT:** 2021 SUNSHINE COAST REGIONAL DISTRICT (SCRD) CORPORATE ANNUAL REPORT

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### RECOMMENDATION(S)

**THAT the report titled 2021 Sunshine Coast Regional District (SCRD) Corporate Annual Report be received for information;**

**AND THAT the 2021 Annual Report be approved for distribution.**

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### BACKGROUND

Each year, the Corporate and Administrative Services Departments prepares corporate Annual Report. It provides an overview of the SCRD's strategic goals and objectives, progress and accomplishments of the various services, audited financial statements, and other related financial information of the past year.

Although not a statutory requirement for a Regional District to prepare an Annual Report it is considered a best practice. The Regional District must, however, prepare and approve the financial statements prior to May 15 of each year, which are contained in the Annual Report.

The purpose of this report is to present the Annual Report and seek approval for distribution.

### DISCUSSION

The SCRD Annual Report, for year ending December 31, 2021, is made available on our website to view or print ([www.scrd.ca/Annual-Reports](http://www.scrd.ca/Annual-Reports)). It is distributed to various stakeholders, such as government bodies, and the local libraries. The Annual Report is also the basis for the Government Finance Officers Associations (GFOA) Canadian Award for Financial Reporting, which the SCRD has been successful in receiving for several years. The 2021 Annual Report will be submitted to GFOA for consideration.

### STRATEGIC PLAN AND RELATED POLICIES

The Annual Report is one tool to report on all aspects of the SCRD's Strategic goals and objectives.

### CONCLUSION

It is recommended that the 2021 SCRD Corporate Annual Report be approved and distributed as presented.

Link: 2021 Corporate Annual Report ([www.scrd.ca/Annual-Reports](http://www.scrd.ca/Annual-Reports))

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – D. McKinley	Other	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Committee of the Whole – May 26, 2022

**AUTHOR:** Tina Perreault, General Manager, Corporate Services / Chief Financial Officer

**SUBJECT:** FINANCIAL PLANNING POLICY - DRAFT

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### RECOMMENDATION(S)

**THAT** the report titled Financial Planning Policy – Draft be received for information;

**AND THAT** the Financial Planning Policy be approved as presented or amended.

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### BACKGROUND

The Financial Planning Policy is a new draft policy proposed as part of the [2022 Budget De-brief](#) which provides a framework for short- and long-range financial planning and budgeting for the Sunshine Coast Regional District (SCRD). Partial excerpt of motion passed at the April 14, 2022 Regular Board Meeting (092/22) below:

**Recommendation No. 2**    *2022 Budget Debrief and 2023-2027 Financial Planning Process*

...AND THAT a draft Financial Planning Policy be brought forward to a future Corporate and Administrative Services Committee in Q3 of 2022 for Board consideration;

The purpose of this report is for the Committee to review the Draft Financial Planning Policy for feedback in preparation of adoption.

### DISCUSSION

Staff are responsible to establish administrative practices and procedures to carry out the Board's decisions and manage the affairs of the SCRD efficiently. The Financial Planning Policy is one of the fiscal policies that addresses how the SCRD Board discharges that responsibility, by balancing of expenditures for the delivery of SCRD services with the availability of funding, both on a current and long-term basis in a publicly transparent manner.

The Financial Planning Policy:

- Links accountability with the responsibility for service delivery;
- Provides the public with an understanding of the financial planning process, including aspects of communication and engagement;
- Provides the mechanisms to deal with exceptions from planned service delivery;

- Outlines the means to give early warnings of budget deficits and surpluses and to identify;
- Opportunities to redirect or mitigate unforeseen changes; and,
- Enhances corporate and financial integrity while maintaining the ability to deliver services effectively and efficiently.

The Financial Planning Policy is designed to work in conjunction with other SCRD Policies and Provincial legislation that mandates the SCRD as well as the responsibility of the Chief Financial Officer's financial duties. This Policy should be reviewed in concert with other fiscal policies and plans of the SCRD, such as (and not limited to) the Financial Sustainability Policy, Official Community Plans, and revised Asset Management Policy enclosed on this same agenda.

*Timeline for next steps or estimated completion date*

Once the Board approves the suggested Financial Planning Policy, the policy will take effect starting with the 2023 Budget Cycle beginning internally this June and with the Board this December 2022.

*Communications Strategy*

As the Financial Plan Process Policy will be one of the key guiding documents in preparation of the Financial Planning Process, the Policy will be communicated internally and externally, where appropriate.

**STRATEGIC PLAN AND RELATED POLICIES**

The implementation of a Financial Planning Policy supports other SCRD Board Policies Financial Sustainability Policy.

**CONCLUSION**

The goal of Financial Planning Policy is to provide a framework for balancing the current financing needs of our daily operations and capital plans with an eye towards the long-term financial health of the organization. The Policy uses a combination of local government best practices to guide the process to ensure transparency, accountability, and equity in all financial decision making.

**Attachments:**

- A - Draft Financial Planning Policy

Reviewed by:			
Manager		Finance	
GM	X – I. Hall X – R. Rosenboom	Legislative	X – S. Reid
CAO	X – D. McKinley	Other	



Section:	Finance	5
Subsection:	Budget Information	1700
Title:	Financial Planning	1

### 1. PURPOSE

To establish a policy that guides the overall approach of the financial planning processes and decision making for the Sunshine Coast Regional District (SCRD).

### 2. SCOPE

The policy provides a framework for the development, communication, engagement, and approval process for the SCRD's financial planning processes. The policy is to assist in guiding the overall fiscal planning and management of the SCRD services.

The SCRD manages over 45 distinct services to the five electoral areas (Pender Harbour / Egmont (Area A); Halfmoon Bay (Area B), Roberts Creek (Area D), Elphinstone (Area E) and West Howe Sound (Area F)) and three municipalities (District of Sechelt, Town of Gibsons and Sechelt Indian Government District). The municipalities and the electoral areas participate in a variety of services that are provided to residents in their areas. Each service includes a combination of participants depending on what the service is and where the service is provided.

The policy guides the financial planning processes through determining the commitment of financial resources needed to deliver SCRD services, achieve the Board strategic priorities, and related master plans. Since economic circumstances and community needs can change from year to year, the policy is intended to guide financial decision making in any given budget cycle.

### 3. DEFINITIONS

**Budget Authority** means the position responsible by delegated authority by the SCRD Board for the service budget.

**Base Budget** means the established operating budget core to the provisions of service including wages and benefits and general operating expenses.

**Community Partners and Stakeholders** means the community organizations that deliver services through agreement as part of an established SCRD function such as libraries, museums and archives, community schools, Pender Harbour Health Clinic, regional recreation, and other economic development entities.

**Five-Year Financial Plan** means the SCRD financial plan that considers a five-year term as per the *Local Government Act*.

**Full-Time Equivalent (FTE)** means the unit of measurement to calculate a divisions staff complement based on an average, full-time worker and their hours on an annual basis.

**Function** means the organizational unit used by the SCRD to segregate different services (example: Regional Water [370], or Community Recreation Facilities [615]).



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**Level of Service** means the sum of the various metrics used to measure service delivery. Targets for Levels of Service typically balance the holistic costs and demands of technical, performance, and customer satisfaction metrics unique to each service being delivered to the community. These metrics can include the availability, quality, reliability, safety, legislative compliance, environmental impact, or the cost effectiveness of a service.

**Service** means the services provided by the Regional District that are established through bylaws that define the service to be delivered, the participants, the method of delivery, and the specific cost recovery details. Costs may not be shared between services. Service establishment is regulated by the provincial government and any alterations to the service must comply with provincial law.

**Service Plan** means the document that outlines the goals and objectives of a service, including the general work-plan for a specific period.

**Support Services** means the costs of general administration (support service costs) for the Regional District which is determined by the Boards Support Service Allocation Policy 5-1610-1.

#### 4. POLICY

Overall financial planning involves projecting revenues, expenses, and key factors that have a financial impact on the organization. Understanding trends and potential risk factors that may impact overall financial sustainability allows for proactive decision making. The financial planning process allows decision makers to focus on long-term objectives, encourages strategic thinking, and promotes overall awareness for financial literacy in an organization. Long-term financial planning creates commitment and motivation to provide a guide for decision-making.

Financial planning relates to strategic planning, financial policies, capital and asset management planning, service plans, and budgeting, however, each process is fundamentally different, as shown in the Table 1 below. Each process informs and relates with one another.

Table 1:

Primary Planning Purpose	Strategic Planning	Financial Policies	Capital and Asset Management Planning	Service Planning	Budgeting
Establish an organizational vision	X	X			
Achieve organizational alignment	X	X	X	X	X
Forecast long-term revenue			X	X	X
Forecast long-term expenses			X	X	X
Setting rates				X	X
Identify unfunded liabilities (including pension-related issues)			X	X	X
Assessing infrastructure condition			X		



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Determine long-term debt capacity					X
Conduct a general environmental scan	X				X
Conduct analysis of the external economic environment	X			X	X
Conduct analysis of the fiscal environment		X		X	X
Prioritize services, initiatives, and programs and set goals	X			X	X
Determine long-term financial impact of priorities and goals			X	X	X
Allocate resources (HR Plan) to address priorities and accomplish goals			X	X	X
Set- short-term service-level goals based on priorities and long-term goals				X	X

Each budget authority's proposed service plan and budget must reflect the SCRD's Strategic Plan, priorities of the Board, Master Plans, and Service Plans. Operating plans will incorporate considerations for the levels of services, resourcing needs, capital renewal or expansion of service.

### 4.1 Guiding Principles:

Financial Planning for the SCRD:

- a) Demonstrates the SCRD's commitment to short and long-term financial planning, including asset management, and financial best practices.
- b) Builds trust by providing timely, transparent information to the public, including an opportunity to engage through the financial planning process.
- c) Incorporates the priorities of the Board's Strategic Plan which provides the goals and objectives of the Board over their term and provides a level of continuity from term to term.
- d) Considers and integrates all the SCRD's relevant policies and plans such as (not limited to) the Financial Sustainability Policy and Official Community Plans.
- e) Provides financial information that enables the Board to make informed decisions.





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- f) Balances the community's economic environment with ensuring that there are adequate cash flows for service continuity and level of service.
- g) Follows life cycle costing principles in budgeting for capital and operating reserve contributions, asset replacement and asset maintenance costs.

### 4.2 Public Consultation

- a) Per the *Local Government Act*, "A board must undertake a process of public consultation regarding the proposed financial plan before it is adopted." Financial plans are presented in open session at all relevant committee meetings throughout the budgeting process.
- b) Community information sessions will be held prior to and throughout the financial planning process.
- c) Financial plan summaries and presentation materials are posted on the SCRD website throughout the proposed, recommended and adopted stages.
- d) Notice of meetings are posted and available to the public on the SCRD website, social media, radio, local newspaper, and any other relevant communication unless prevented by technical issues.

### 4.3 Planning Cycle

- a) Each year, immediately preceding the completion of the Budget process, the Board will be presented with the proposed process and timelines, by way of the Budget de-brief, for approval of the five-year financial planning process for the following year.
- b) The five-year financial plan will reflect the general operating and capital budgets and will be updated on an annual basis for the preceding five years.
- c) The preliminary Base Budgets will be reviewed annually and will include contracted (e.g. collective agreement changes) or previously approved items by the Board. It will not include an adjustment for inflation to the overall operational budget. New priorities or inflationary increases to maintain service levels will be presented to the Board for consideration as a proposal during the budgeting process.
- d) Capital plans will be reviewed annually, prior to the five-year financial planning process and will be presented as part of the pre-budget deliberations.

### 4.4 Costs of services

- a) Each service budget must include all projected costs related to providing that service including a share of support service allocation costs as per the Board's Administrative Support Services Allocation Policy.
- b) Board approved capital renewal, reserve and operational plans will also be reflected as a cost of the service.



### **4.5 Human Resources Plan**

The Human Resources Plan (HR Plan) is the established staffing plan approved by the Board. The Board must approve any changes to the HR Plan.

The HR Plan is articulated in the financial plan through the wages and benefits expenditure details and will be updated to reflect wage allocations to the various functions of the SCRD, contractual increases (such as collective agreements), or terms of approved positions.

Any new positions will be presented to the Board in the form of a budget proposal, including a description of the position, business case for the position, term, and associated costs including wages, benefits and overhead.

### **4.6 Fees and Charges**

- a) Fees and charges form a material part of budgeted revenues. Fees and Charges Bylaw amendments must be completed prior to the commencement of the budget process or as defined by Bylaw.
- b) Any proposed changes to fees and charges will include a communication and/or engagement plan to allow for users and rate payers to understand the need for changes or increases. This will occur prior to the Bylaws being amended and before the five-year financial planning process begins.

### **4.7 Reserve Funds**

- a) Any financial plan will consider reserve fund levels for those services that expose the SCRD to a level of risk and/or that require the ongoing replacement and acquisition of capital items. Budgeted reserve contributions strive to balance immediate service needs and taxpayer impacts with longer term funding requirements.
- b) The financial plan considers reserve contribution requirements of services where an asset management plan is an integral part of the service's long-term fiscal management.

### **4.8 Borrowing**

- a) Borrowing is an appropriate method of financing capital projects that have a useful life which exceed the term of the debt. The term of the debt is determined by the lifespan of the asset and the capacity of the service to pay for the annual debt servicing costs.
- b) The cost of borrowing, including elector approval process, principle and interest, will be included in the five-year financial plan, asset management plans, and service plans for the approved term of the borrowing.



### 4.9 Variance reporting

- a) An overall corporate variance report will be presented to the Board for the second and third quarter fiscal periods (to June 30 and September 30). Final variance reporting, including surplus/deficits will be presented as part of the fiscal year-end process.
- b) Any projected or actual service deficits will be accompanied by mitigation options or funding strategies to the Board for consideration as part of variance reporting.

### 4.10 Establishment of new Services

- a) If the establishment of a new Service is being contemplated, the costs to conduct the feasibility of the service will be recovered through the assumed participants of the new service.
- b) Ongoing funding obligations are considered for new services in context of those residents impacted by the establishment and ongoing revenue requirements for the service.
- c) Jurisdictional responsibilities are determined prior to considering new service establishments.

### 4.11 Carry-Forwards

Previously approved projects, either capital or one-time-operational that are either in-progress or delayed prior to year-end may be carried over into the subsequent five-year financial plan. The carry-forward project, authority to continue, and associated remaining funding must be approved by the SCRD Board for inclusion the Financial Plan Bylaw.

Carry-Forward projects do not have a direct financial or taxation impact for the following year's budget, however, there are staff or other resources still required.

The final carry forward budgets shall be calculated by Finance and only remaining unused funding for the projects is carried over as part of year-end.

### 4.12 Financial Plan and Budget Amendments

From time to time, it may become necessary to modify the adopted Financial Plan or Budget for various reasons. Generally, the Financial Plan may be amended in one of two ways: administratively or through formal Board approval requiring Bylaw amendment. Proposed amendments must be accompanied by alternative options, service implications, or risks to the organization if the amendment is not granted.

- a) Administrative Amendments:
  - i. Administrative budget transfers include: transfers from one-line item to another within a functions operating budget, in accordance to the *Local Government Act* (general ledger accounts ranging from 5210-5270 only); a capital project; or capital renewal plan, which will not result in an impact to the overall budget.



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- ii. Proposed transfers from the Budget Authority require approval by the department head and authorization by the Chief Financial Officer.
- b) Board Amendments:
  - i. Budget amendments requiring Board approval are those amendments which result in a change to the total appropriations for a specific project or service as follows:
    - a. The appropriation of revenue or expenses resulting in the activation of the Emergency Operations Centre activation (as approved by Emergency Management BC);
    - b. The acceptance and appropriation of a grant award;
    - c. The appropriation of additional funding if expenditures are projected to exceed budgeted amounts for specific operational programs, projects or capital items.
  - ii. All budget amendments submitted to the Board for a resolution must identify the funding source or provide options for the Board considerations.
- c) The five-year financial plan bylaw and capital/asset management plans will be updated as required.

### 4.13 Approvals (Legal Obligations)

- a) The SCRD financial plan is prepared in compliance with the relevant sections of Provincial Legislation.
- b) Service budgets are approved and/or amended throughout the financial planning cycle at the committee level through discussion and committee recommendations.
- c) The financial plan is adopted by the SCRD Board by way of a budget bylaw which must be adopted prior to March 31st as per section 374(1) of the *Local Government Act*.

### 4.14 Presentation of the Financial Plan

- a) The financial planning process will be convened in open public statutory meetings.
- b) The five-year financial plan will include operational and capital plans (where applicable) for each service.
- c) All the relevant financial plan related documents will be made available on the SCRD website.

## 5. AUTHORITY TO ACT

### 5.1 Legislation

The statutory requirements for local governments for the completion of financial plans (budgets) and the public processes are set out in Provincial Legislation.



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### 5.2 Board

- a) Provide strategic and policy direction for all activities carried out by the SCRD.
- b) Setting service levels.
- c) Approve the Financial Plan Process Policy.

### 5.3 Delegated Authority

- a) Recommend the Financial Plan Process Policy to the Board for approval.
- b) Review any changes to the Financial Plan Process Policy in the future.

## 6. Other related Policies:

- *Asset Management Policy;*
- *Administrative Support Services Allocation Policy;*
- *Financial Sustainability Policy;*
- *Investment Policy;*
- *Debt Management Policy;*

Approval Date:		Resolution No.	
Amendment Date:		Resolution No.	
Amendment Date:		Resolution No.	
Amendment Date:		Resolution No.	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Committee of the Whole – June 23, 2022

**AUTHOR:** Kyle Doyle, Manager, Asset Management

**SUBJECT:** DRAFT ASSET MANAGEMENT POLICY

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### RECOMMENDATION(S)

**THAT the report titled Draft Asset Management Policy be received for information;**

**AND THAT the Draft Asset Management Policy be approved as presented or amended.**

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### BACKGROUND

In [2015](#) the Sunshine Coast Regional District (SCRD) adopted an Asset Management policy to guide the emerging practice and articulate the SCRD's commitment to Asset Management. This policy assisted in the development of Asset Management Plans and Capital Plans throughout the SCRD, and the current practice continues to grow and develop.

In order to foster continued growth and ensure that sustainability of services is given the appropriate level of consideration, a revised policy has been developed. This revised policy focuses on providing guiding principles that reflect best practices and recommendations established by organizations such as Asset Management BC, the Federation of Canadian Municipalities, and the International Standards Organization.

The purpose of this report is to provide the Board with a draft revision of the existing Asset Management Policy which will provide updated guiding principles for the SCRD's Asset Management Practices and articulate the SCRD's continued commitment to sustainable service delivery.

### DISCUSSION

Staff have drafted the attached Asset Management Policy (Attachment A) which includes policy statement in six key focus areas:

- Asset Management Programs
- Organizational Integration
- Service Delivery
- Long-term Sustainability and Resiliency
- Financial
- Innovation and Continual Improvement

The proposed policy articulates the SCRD commitment to apply best practices in these areas and to continue to improve corporate-wide asset management practices to better provide sustainable services to SCRD residents.

### *Asset Management Programs*

This section of the policy is focused on the SCRD's commitment to build and develop Asset Management Programs that facilitate evidence-based decision making and foster community-developed level of service targets. The guiding principles in this section focus on ensuring that integrated asset management practices are established across the organization, that the implementation and maintenance of these practices are adequately resourced, and that their performance is reported regularly.

Reinforcing these commitments through policy statements will help to develop a consistent and appropriate analysis of full life-cycle costs, environmental effects, risk exposure, and service level impacts when asset related decisions are presented to the Board. A key outcome from establishing consistent and appropriate analysis is the provision of the 'big-picture' when considering impacts from Asset related decisions.

### *Organizational Integration*

A key to the success of Asset Management is an ongoing collaborative commitment to maintain and operate the processes that inform decision making. This section of the policy focuses on defining how collaboration by the SCRD will be encouraged internally and externally. This will help the regional district identify opportunities to improve service delivery and asset stewardship throughout the organization.

### *Service Delivery*

Balancing the expectations of the community with the cost of delivering services requires the ability to communicate levels of service effectively. This section of the policy provides the principles that support the development of levels of service. The establishment of levels of service can allow for better community engagement, clear target setting, and consistent reporting through metrics that reflect each service's regulatory compliance, customer satisfaction, and technical performance.

### *Long-Term Sustainability and Resiliency*

The policy statements in this section are focused on ensuring that sustainability of services are considered for the entire duration that the service is anticipated to be delivered. This includes considering the impacts of climate change, growing communities, and changing demographics.

### *Financial*

The cost of delivering services is critical to understand for fully informed decision making. This section describes the SCRD's commitment to consider the financial costs associated with long-term service delivery and strive to deliver services efficiently. Analysis of whole life-cycle costing will help to illustrate the long-term financial impact of asset investment decisions. This will enable a more accurate balancing of the value derived from an asset versus the communities capacity/willingness to fund the cost of the asset.

*Innovation and Continual Improvement*

Asset Management practices improve through a continual review and improvement process. This section of the policy describes the SCRDs commitment to stay up to date in the asset management field and to review the effectiveness of Asset Management Programs and make changes as necessary. Training and education will help to ensure that Asset Management competencies are improving throughout the organization.

*Financial Implications*

In adopting the new Asset Management Policy there are no direct financial implications.

Future asset related decisions would be reviewed with a more thorough lens of sustainability and subsequent recommendations would reference this analysis.

*Communications Strategy*

Effort will be focused on establishing a broad corporate appreciation for the Asset Management Policy and the implications of the revisions. Development of training sessions on the various components will be offered to relevant staff and incorporated across all levels of the SCRD.

SCRD will host workshops that will aim at strengthening communication, trust and confidence in SCRD's processes and building transparency across the factors that influence asset related decision making.

**STRATEGIC PLAN AND RELATED POLICIES**

The Asset Management Policy, aligns with the SCRD Financial Sustainability and Debt Management policies and promotes both the Vision and Mission of the SCRD.

**CONCLUSION**

Staff have drafted a new Asset Management Policy that suggests revisions to further commit the SCRD to developing clear and transparent processes to ensure that efficient service delivery is a leading priority of the SCRD. This new policy is for the Board's review and consideration.

**Attachment A:** Draft Asset Management Policy

Reviewed by:			
Manager		CFO / Finance	X - T. Perreault
GM	X – I. Hall X – R. Rosenboom	Legislative	X – S. Reid
CAO	X – D. McKinley	Other	





Section:	Assets and Procurement	5
Subsection:		1025
Title:	Asset Management Policy	1

### 1. PURPOSE

The Sunshine Coast Regional District (SCRD) provides services to its residents that require responsible ownership and operation of various assets to facilitate the continuing delivery of those services. The purpose of the Asset Management Policy is to:

- 1.1 Define the guiding principles to be integrated across the SCRD's decision making processes with respect to assets under SCRD stewardship.
- 1.2 Articulate the SCRD's commitment to sustainable service delivery through the practice of Asset Management.
- 1.3 Define the roles and responsibilities associated with the delivery of the SCRD's Asset Management program.

### 2. SCOPE

This policy applies to all services within the SCRD that use assets or equipment in the delivery of their service.

### 3. DEFINITIONS

**Asset** – A physical infrastructure asset that provides or facilitates the provision of a service to the community. These typically require an appropriate level of maintenance to ensure the ability to sustainably provide that service.

**Asset Management Program** – An integrated approach involving planning, finance, engineering and operations to effectively manage existing and new assets, and maximize benefits, reduce risks and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner.

**Intergenerational Equity** – The understanding that the community we inhabit today will be inherited to future generations of residents, and that the lifespan of assets that provide services to the community extend beyond a single generation. Asset stewardship should consider the short and long-term impacts when making decisions.

**Levels of Service** – Levels of Service represent the sum of the various metrics used to measure service delivery. Targets for Levels of Service typically balance the holistic costs and demands of technical, performance, and customer satisfaction metrics unique to each service being delivered to the community. These metrics can include the availability, quality, reliability, safety, legislative compliance, environmental impact, or the cost effectiveness of a service.



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**Natural Asset** – Typically a naturally occurring feature that provides or facilitates the delivery of a service to the community. The contributions of a natural asset to the delivery of a service reduce the amount of physical infrastructure needed while providing habitat and ecosystem benefits. Identification and preservation of natural assets can reduce the financial costs of service provision.

**Responsible Ownership** – reflects the obligation to care for and maintain assets. Local Governments have an obligation to their residents to endeavor to maximize value from the assets they own/manage, this is typically achieved through appropriate operations and maintenance activity, proactive repairs, and ensuring adequate resources are available for the provision of these activities.

**Service** – The services provided by a Regional District are established through bylaws that define the service to be delivered, the participants, the method of delivery, and the specific cost recovery details. Costs may not be shared between services. Service establishment is regulated by the provincial government and any alterations to the service must comply with provincial law.

### 4. POLICY

#### 4.1 Asset Management

- 1.1 The SCRD is committed to the establishment, implementation, and maintenance of asset management programs to ensure that assets are identified, located, quantified, assessed, planned, built, operated, maintained, rehabilitated and decommissioned in a socially, environmentally, economically and culturally responsible manner.
- 1.2 The SCRD will maintain the necessary capacity (resourcing, financial support, staff competencies, business processes, etc.) to support the elements and practices of the SCRD's asset management programs.
- 1.3 The status, performance and effectiveness of work related to the implementation of asset management programs will be reported to the Board regularly.

#### 4.2 Organizational Integration

- 2.1 To support asset management decision making, the SCRD will take steps to connect the appropriate departments and functions, and support activities to build effective working relationships and encourage information-sharing.
- 2.2 This Asset Management Policy will be considered and integrated with other SCRD policies, strategies, plans and processes such as the Financial Sustainability Policy, SCRD Board Strategic Plan, Annual Financial Plan, Official Community Plans and other internal processes.
- 2.3 The SCRD will support the development and operation of internal asset management working groups to facilitate the development of asset management programs and to identify improvement opportunities across the organization.
- 2.4 The SCRD will encourage communication with other local governments and external agencies to support the practice of asset management.



## **BOARD Policy**

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### **4.3 Service Delivery**

- 3.1 The SCRD will strive to define levels of service objectives that balance community expectations and regulatory requirements with risk, affordability and resource availability, and will do the following:
  - 3.1.1 Manage assets appropriately to efficiently and effectively deliver the defined levels of service.
  - 3.1.2 Develop and maintain performance metrics to evaluate the delivery of services.
  - 3.1.3 Monitor and periodically review level of service objectives to ensure they meet or support community and Board expectations and other strategic objectives.
- 3.2 The SCRD will provide transparency and accountability to the community on service delivery. This will include reporting to the Board on service performance.
- 3.3 The SCRD will strive to exceed compliance with all relevant legislative, regulatory and statutory requirements.
- 3.4 The SCRD will promote asset management programs that incorporate risk-based and data driven, decision-making frameworks that incorporate industry best practices while appropriately considering the potential impacts of asset failure on ongoing service delivery.
- 3.5 The SCRD will ensure that decisions regarding the need for new assets are made with due diligence; and that these needs are evaluated with a focus on service delivery to the community, and supported with a business case that articulates costs and benefits.
- 3.6 The SCRD will prioritize and direct resources and expenditure to deliver defined levels of service at an acceptable level of risk.

### **4.4 Long-term Sustainability and Resiliency**

- 4.1 The SCRD's asset management efforts will consider the needs of both current and future generations, and the potential challenges associated with changing community demographics and expectations related to service delivery.
- 4.2 The SCRD's approach to asset management will seek to build resiliency to climate change and support mitigation of greenhouse gas emissions.
- 4.3 The SCRD will consider social, environmental, and economic factors and implications when making and implementing asset related decisions.
- 4.4 The SCRD will seek to leverage natural assets to facilitate service delivery.

### **4.5 Financial**

- 5.1 The SCRD will seek to deliver services as efficiently as possible. This includes:
  - 5.1.1 Developing long-term projections of capital investment/renewal;



## **BOARD Policy**

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- 5.1.2 Reviewing proposed short-term investments with consideration to full lifecycle impacts;
- 5.1.3 Ensuring that proposed investment plans are efficient and effective;
- 5.1.4 Identifying the operational budget implications of capital investments;
- 5.1.5 Exploring opportunities to improve efficiency where appropriate, including new technologies;
- 5.1.6 Analyzing capital investment plans and associated funding requirements and ensuring compliance with the SCRD's Financial Sustainability Policy.

5.2 The SCRD will evaluate asset investment decisions based on consideration of the full costs associated with managing those assets through their entire life cycle.

5.3 The SCRD will evaluate proposed investments related to assets considering the aggregate value derived for the community, affordability across the asset lifespan, willingness to pay, and the impact on intergenerational equity.

### **4.6 Innovation and Continual Improvement**

6.1 The SCRD views continual improvement as a key part of the asset management approach and will seek to maintain familiarity with the development of tools, techniques and solutions by other members of the broader asset management community.

6.2 The SCRD will monitor and periodically review the effectiveness of asset management processes and the wider asset management system in supporting the delivery of strategic objectives, and will adjust as required.

6.3 The SCRD will review the Asset Management Policy in conjunction with its review of the asset management strategy every five years.

## **5. AUTHORITY TO ACT**

To ensure the Asset Management Policy is effectively integrated into the SCRD's decision making, the following roles and responsibilities are associated with the success of the policy:

### **5.1 Board**

- Approve asset funding through the annual budget process;
- Approve funding and resources to maintain the asset management program;
- Provide high level oversight of the SCRD's Asset Management practices;
- Approve levels of service that balance community expectations and financial capacity;
- Accept the responsibility as a steward of SCRD assets.



## **BOARD Policy**

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### **5.2 Staff**

#### Chief Administrative Officer

- Allocates sufficient resources to enable competent delivery of the SCRD's asset management program;
- Provides interdepartmental oversight of the development and application of the SCRD's asset management programs;
- Facilitates integration of this Asset Management Policy with other SCRD policies, strategies and plans in conjunction with Senior Leadership Team;
- Provides annual reports to the Board on asset management program development and effectiveness of implementation.

#### Chief Financial Officer

- Ensures long-term planning aligns with financial policies;
- Ensures efficient internal support is available to each department in the development and implementation of long-term plans.

#### Asset Management Department

- Leads the development of SCRD asset management programs;
- Implements asset management program procedures and practices across the organization.
- Monitors and assesses the effectiveness of asset management programs and identify areas for improvement;
- Establishes and maintains asset registries;
- Reports to the Chief Administrative Officer on asset management program development and effectiveness of implementation.

#### Department Managers

- Participate in working groups to assist asset management staff in the development of asset management programs;
- Commit resources for internal review and development of asset management plans associated with own department;
- Integrate this Asset Management Policy into departmental activities;
- Provide feedback to the asset management staff to assist with continual improvement.



## BOARD Policy

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All Staff

- Adhere to this Asset Management Policy and any requirements, procedures and practices associated with asset management programs established in various departments.

### 6. REFERENCES (Bylaws, Procedures, Guiding documents)

*Attach or refer to related documents*

Approval Date:		Resolution No.	
Amendment Date:		Resolution No.	
Amendment Date:		Resolution No.	
Amendment Date:		Resolution No.	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Committee of the Whole – June 23, 2022

**AUTHOR:** Sherry Reid, Corporate Officer

**SUBJECT:** ELECTION SERVICES AND COST SHARING AGREEMENTS

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### RECOMMENDATION(S)

**THAT the report titled Election Services and Cost Sharing Agreements be received for information;**

**AND THAT the delegated signing authorities be authorized to execute cost sharing service agreements for the 2022 general local election with School District No. 46 and Islands Trust.**

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### BACKGROUND

The Sunshine Coast Regional District (SCRD) traditionally provides assistance to School District No. 46 and Islands Trust for election administration. Both organizations have requested continued SCRD support for the 2022 local election.

### DISCUSSION

Part 3 of the *Local Government Act* contemplates an agreement under which a local government conducts an election for another local government, in accordance with the terms of the agreement.

Partnering with School District No. 46 and the Islands Trust is mutually beneficial as all parties share the costs associated with the election process.

Staff will work with School District No. 46 staff and Islands Trust staff to finalize agreements that define responsibilities and cost sharing arrangements.

Staff request authorization for the Chair and Corporate Officer to execute the agreements.

#### *Financial Implications*

A projected recovery of \$18,000 was included in the 2022 Financial Plan.

### STRATEGIC PLAN AND RELATED POLICIES

Partnering with Islands Trust and School District No. 46 on election services is in alignment with SCRD's strategic focus area of Working Together.

**CONCLUSION**

Part 3 of the *Local Government* Act contemplates an agreement under which a local government conducts an election for another local government, in accordance with the terms of the agreement.

Staff recommend that the SCRD delegated signing authorities be authorized to execute the cost sharing service agreements with Islands Trust and School District No. 46 for the 2022 general local elections.

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault
GM		Legislative	
CAO	X- D. McKinley	Purchasing & Risk Management	X - V. Cropp



## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Committee of the Whole – June 23, 2022

**AUTHOR:** Raphael Shay, Manager, Sustainable Development

**SUBJECT:** DL1313 LETTER TO MINISTER OSBORNE

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### RECOMMENDATION(S)

**THAT** the report titled DL1313 Letter to Minister Osborne be received for information;

**AND THAT** the proposed draft letter be sent to Minister Osborne as presented or as amended.

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### BACKGROUND

The SCRD Board adopted the following resolution on February 24, 2022:

043/22      **Recommendation No. 3**      *District Lot 1313 Options for Conservation*

THAT the report titled District Lot 1313 Options for Conservation be received for information;

AND THAT staff initiate a formal referral to the Skwxwú7mesh Nation regarding the protection of DL1313;

AND THAT the Ministry of Forests, Lands, Natural Resource Operations and Rural Development, BC Timber Sales, Member of Legislative Assembly and Member of Parliament be notified that SCRD has initiated a referral to Skwxwú7mesh Nation;

AND THAT a letter to the Minister be prepared and brought to a Q2 Planning and Development Committee meeting for further direction requesting that provisions of the *Land Act* be utilized to temporarily address drinking water protection and stormwater management concerns until such time as a management plan involving the Skwxwú7mesh Nation can be established;

AND THAT the Town of Gibsons be invited to collaborate on the next steps;

AND FURTHER THAT staff continue to work with the Province and First Nations to find better tools and approaches to protect and manage our watershed.

The purpose of this report is to update the Board on the actions taken to date and seek direction on a draft letter to Minister Osborne of the Ministry for Land, Water, and Resource Stewardship.

## DISCUSSION

Since the February resolution, meetings were held with the Elphinstone Community Association as well as the Town of Gibsons. Input from these meetings were used to inform a referral to Skwxwú7mesh Nation, which was submitted in May. The referral addresses the immediate question of the Nation's preference for SCRD moving forward with either a Nominal Rent Tenure or a Sponsored Crown Grant.

The referral also invites further dialogue on developing a management plan for the broader area that includes the objectives of protecting old forests that are in close proximity to population centres, storm water management, and groundwater recharge. The importance of developing a collaborative and comprehensive management plan was also stressed by the Town of Gibsons and the Elphinstone Community Association.

No response has been received from Skwxwú7mesh Nation yet.

Attachment A is the proposed draft letter to the Minister of Land, Water, and Resource Stewardship for the Board consideration and direction.

## STRATEGIC PLAN AND RELATED POLICIES

The SCRD Strategic Plan prioritizes advocating for regional land use and resource planning with the Province and First Nations, and for opportunities to participate in collaborative planning.

## CONCLUSION

The SCRD has completed meetings with the Town of Gibsons and the Elphinstone Community Association with regards to DL1313. A referral has been submitted to Skwxwú7mesh Nation. This report seeks direction on a proposed draft letter to the Minister of Land, Water, and Resource Stewardship.

### Attachment A:

2022-JUN-02 SCRD Resolution 043-22 - DL1313 Conservation Options Letter to Min Osborne

Reviewed by:			
Manager		Finance	
GM	X – I. Hall	Legislative	X – S. Reid
CAO	X – D. McKinley	Other	

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June..., 2022

The Honourable Josie Osborne, MLA  
Minister of Land, Water, and Resource Stewardship  
via email: [LWRS.Minister@gov.bc.ca](mailto:LWRS.Minister@gov.bc.ca)

**RE: District Lot 1313 Options for Conservation**

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Dear Minister Osborne,

The Sunshine Coast Regional District (SCRD) is concerned about environmental degradation and social and physical impacts resulting from proposed timber harvesting on lands known as District Lot 1313 within the territory of the Sk̓wx̓wú7mesh Nation and Electoral Area E - Elphinstone of the SCRD.

DL1313 is an area with unauthorized recreational trails in close proximity to population centres in Elphinstone and the Town of Gibsons. The forest has several large trees that are signs of an older forest. It is also near the headwaters of several creeks, which cause serious concerns for downstream damage from stormwater. Most significant is Highway 101, which is the single transportation corridor for the Sunshine Coast for part of this area. Lower Road is also downstream from this area and was already severely damaged in 2020, leading to a state of emergency at the time. Many drainage points on these routes are strained. Lastly, DL1313 and the slopes of Mount Elphinstone are upstream of Aquifer 560 that supplies water to the Town of Gibsons and will account for an increasing share of the Sunshine Coast Regional District's water supply.

This letter respectfully requests that "provisions of the *Land Act* be utilized to temporarily address drinking water protection and stormwater management concerns until such time as a management plan involving the Sk̓wx̓wú7mesh Nation can be established" as outlined in the SCRD Board resolution adopted February 24, 2022:

043/22      **Recommendation No. 3**      *District Lot 1313 Options for Conservation*

THAT the report titled District Lot 1313 Options for Conservation be received for information;

AND THAT staff initiate a formal referral to the Sk̓wx̓wú7mesh Nation regarding the protection of DL1313;

AND THAT the Ministry of Forests, Lands, Natural Resource Operations and Rural Development, BC Timber Sales, Member of Legislative Assembly and Member of Parliament be notified that SCRD has initiated a referral to Sk̓wx̓wú7mesh Nation;

AND THAT a letter to the Minister be prepared and brought to a Q2 Planning and Development Committee meeting for further direction requesting that provisions of the *Land Act* be utilized to temporarily address drinking water protection and stormwater management concerns until such time as a management plan involving the Sk̓wx̓wú7mesh Nation can be established;

AND THAT the Town of Gibsons be invited to collaborate on the next steps;

AND FURTHER THAT staff continue to work with the Province and First Nations to find better tools and approaches to protect and manage our watersheds.

The SCRD has submitted a referral to Skwxwú7mesh Nation and is awaiting a response on their preferred course of action between a Nominal Rent Tenure and a Sponsored Crown Grant. The referral also invites Skwxwú7mesh Nation to engage in a dialogue about the future management plan for the area. DL1313 is rich with old trees, riparian areas, and wetlands. Several guiding values and priorities of the Nation's Xay Temíxw First Draft Land Use Plan speak to the value of protecting ecologically and culturally important areas.

In the meantime, the SCRD respectfully requests that all measures available be taken to defer forestry activity on DL1313 and that next steps be taken to initiate provisions of the *Land Act* to protect DL1313.

If you require more information, please contact Ian Hall, General Manager, Planning and Development, [ian.hall@scrd.ca](mailto:ian.hall@scrd.ca) or 604-885-6800.

Sincerely,

**SUNSHINE COAST REGIONAL DISTRICT**

Dean McKinley  
Chief Administrative Officer

Enclosure:

February 17, 2022 Staff Report to SCRD Planning and Development Committee titled "District Lot 1313 Options for Conservation"

Cc: Honorable Nicholas Simons, MLA Powell River-Sunshine Coast

**SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT**

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**TO:** Committee of the Whole – June 23, 2022

**AUTHOR:** Mia Edbrooke, Manager, Strategic Initiatives

**SUBJECT:** SOLID WASTE MANAGEMENT PLAN UPDATE - CONTRACT AWARD

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**RECOMMENDATION(S)**

**THAT the report titled Solid Waste Management Plan Update - Contract Award be received for information;**

**AND THAT a contract for the Solid Waste Management Plan Update project be awarded to Morrison Hershfield Ltd. for a value not to exceed \$138,738;**

**AND THAT the delegated authorities be authorized to execute the contract;**

**AND FURTHER THAT this recommendation be forwarded to the June 23, 2022 Board meeting.**

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**BACKGROUND**

In British Columbia, solid waste management planning is a regional district responsibility, guided by the *BC Environmental Management Act* and the Ministry of Environment and Climate Change Strategy's (MOE) *A Guide to Solid Waste Management Planning* (the Guide). The Guide recommends regional districts review and update their Solid Waste Management Plans (SWMP) every 10 years. The current SWMP was approved in 2011 and is at the end of the 10-year plan lifecycle.

In parallel to updating the Sunshine Coast Regional District (SCRD) Solid Waste Management Plan, the SCRD is also seeking a new long-term disposal option for the region. The Sechelt Landfill is anticipated to reach its total approved capacity by mid-2025. The SCRD is working to complete the Future Waste Disposal Options Analysis Study that initially reviewed the following options: siting and developing a new landfill, export outside of the region, waste-to-energy and expansion of the Sechelt Landfill. Further updates on this project will be presented to the Board for their consideration in 2022. A final long-term solid waste disposal option will need to be confirmed to complete this process of updating the Solid Waste Management Plan.

The purpose of this report is to secure consulting services to support the review and update of the SCRD Solid Waste Management Plan, and the associated community engagement as per the Guide.

## **DISCUSSION**

### *Analysis*

In May 2022, Request for Proposal (RFP) 2235007 was issued to secure a contractor to support the Solid Waste Management Plan Update. Three compliant proposals were received. A summary of the proponents and prices is provided in the table below.

<b>Proponent</b>	<b>Proposal Price (excl. GST)</b>
Morrison Hershfield Ltd.	\$123,738
Sperling Hansen Associates	\$123,742
Tetra Tech Canada Inc.	\$107,221

The SCRD Purchasing and Risk Management Division led the evaluation, which included five staff members from various divisions representing Solid Waste Services, Strategic Initiatives, and Communications and Engagement. The proposals were reviewed and scored according to the evaluation criteria included in the RFP. Based on this evaluation committee review, staff recommend awarding the contract to Morrison Hershfield Ltd., as their proposal included strong qualifications and approaches for waste management, engineering, financial analysis, and public engagement. Staff recommend including a \$15,000 contingency allowance in the contract to allow for essential and unforeseen work to be completed without the need to seek further approval from the Board.

It is recommended that the contract be awarded in the amount not to exceed \$138,738.

### *Financial Implications*

A project budget of \$150,000 was approved as part of the 2021 budget process and is funded out of Regional Solid Waste [350]. If the contract is awarded as recommended, the remaining \$6,262 will be used to fund engagement activities, such as open houses and associated advertising.

### *Timeline for next steps or estimated completion date*

Solid Waste Management Plan updates generally take two to three years. If a solid waste long-term disposal option would be confirmed early 2023, it is anticipated that staff will update the Solid Waste Management Plan by the end of 2023 and present a draft to the SCRD Board for their consideration by early 2024.

### *Communications Strategy*

This work will have a significant public engagement component, as per the requirements in the Guide. The SCRD is required to demonstrate public engagement and input into the SWMP to help ensure the final plan is robust and well-supported by First Nations, other local governments, the broader community, and businesses and organizations that are impacted by the Plan. The SCRD will also establish the Public and Technical Advisory Committee (PTAC) in 2022 that will be active during the development of the SWMP update.

The SCRD will work with Morrison Hershfield Ltd. to finalize the workplan and associated engagement plan for this project to ensure the approach is aligned with other SCRD engagement planned in 2022 and 2023.

### **STRATEGIC PLAN AND RELATED POLICIES**

Updating the SCRD 2011 Solid Waste Management Plan supports the 2019-2023 Board Strategic Plan tactic of “Undertake effectiveness review of current Solid Waste Management Plan and update plan with future waste disposal strategies”.

### **CONCLUSION**

The SCRD is seeking to review and update the 2011 Solid Waste Management Plan. In accordance with the SCRD’s Purchasing Policy, RFP 2235007 was issued to support the development and public engagement of the Solid Waste Management Plan update. Three compliant bids were received. Staff recommend awarding a contract to Morrison Hershfield Ltd. for the amount not to exceed \$138,738.

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault
GM	X - R. Rosenboom	Legislative	
CAO	X – D. McKinley	Other	X - V. Cropp

**SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT**

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**TO:** Committee of the Whole – June 23, 2022

**AUTHOR:** Bobby Rebner, Utilities Business Coordinator

**SUBJECT:** INVESTING IN CANADA INFRASTRUCTURE PROGRAM – RURAL AND NORTHERN  
COMMUNITIES PROGRAM – APPROVAL OF WOODCREEK PARK WASTEWATER  
TREATMENT PLANT SYSTEM UPGRADE GRANT

---

**RECOMMENDATION(S)**

**THAT** the report titled Investing in Canada Infrastructure Program – Rural and Northern Communities Program (ICIP-RNC) – Approval of Woodcreek Park Wastewater Treatment Plant System Upgrade Grant be received for information;

**AND THAT** the Sunshine Coast Regional District (SCRD) accept the ICIP-RNC grant for Woodcreek Park Wastewater Treatment Plant System Upgrade valued at \$769,000;

**AND THAT** the delegated authorities be authorized to execute the Shared Cost Agreement and accept the Terms of Conditions of the Agreement;

**AND THAT** Woodcreek Park Wastewater Treatment Plant System Upgrade Project be included in the [382] Woodcreek Park Wastewater Service Area 2022 Budget in the amount of \$968,591;

**AND THAT** the project be funded from the listed grant funding (\$769,000), \$75,000 operating reserves, \$25,000 capital reserves, and \$100,000 from MFA short-term debt servicing;

**AND THAT** the SCRD authorize up to \$100,000 to be borrowed, under Section 403 of the *Local Government Act*, from the Municipal Finance Authority, for the purpose of the Woodcreek Park Wastewater Treatment Plant System Upgrade;

**AND THAT** the loan be repaid within five years with no rights of renewal;

**AND THAT** that the 2022-2026 Financial Plan Bylaw be amended accordingly;

**AND FURTHER** that this recommendation be forwarded to the June 23, 2022 regular Board meeting.

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## **BACKGROUND**

The Sunshine Coast Regional District (SCRD) Board adopted Resolution 350/20 on October 22, 2020:

350/20      **Recommendation No. 3**      *Investing in Canada Infrastructure Program – Rural and Northern Communities 2020 Grant Application – Woodcreek Park Wastewater Treatment Plant System Upgrade and Ports Capital Renewal*  
(in part)

THAT the report titled Investing in Canada Infrastructure Program – Rural and Northern Communities 2020 Grant Application - Woodcreek Park Wastewater Treatment Plant System Upgrade and Ports Capital Renewal be received;  
AND THAT staff submit applications for grant funding through the Investing in Canada Infrastructure Program – Rural and Northern Communities for:

- a) the Woodcreek Park Wastewater Treatment Plant System Upgrade; and
- b) the Ports Capital Renewal Project;

AND THAT the Board supports the Woodcreek Park Wastewater Treatment Plant System Upgrade project and commits to its share (\$75,000) of the project, as well as cost overruns;

AND FURTHER THAT the Board supports the Ports Capital Renewal Project and commits to its share (\$20,000) of the project as well as cost overruns.

Following Board direction, staff applied for the Woodcreek Park Wastewater Treatment Plant (WWTP) System Upgrade Project under the Investing in Canada Infrastructure Program – Rural and Northern Communities Program in October of 2020. The SCRD was notified by the Province of the approval of the grant application on May 11, 2022.

## **DISCUSSION**

The ICIP-RNC is a Federal/Provincial grant program established to help support the needs of British Columbia's small, rural and remote communities by providing capital infrastructure funding for various project types.

An application to the ICIP-RNC program was drafted to seek funding for the replacement and upgrades of/to the primary wastewater treatment system and collection system that services the Woodcreek Park area, located in Electoral Area E, Elphinstone. Within this service area there are 73 parcels that make beneficial use of the wastewater treatment system, which services a population of approximately 180 residents.

The Province announced on May 11, 2022 that the SCRD had received the total amount of funding requested, \$769,000 to fund the primary construction and engineering consultancy management for this project.

The SCRD has received a Shared Cost Agreement (SCA) from the Province that stipulates the terms and condition of the grant agreement as well as reporting requirements, payment claim process(es) and additional obligations of the SCRD. The term of the agreement is between February 9, 2022, (commencement date) and March 31, 2026 (completion date). The SCRD is

**Staff Report to Committee of the Whole – June 23, 2022**  
**Investing in Canada Infrastructure Program – Rural and Northern Communities Program**  
**– Approval of Woodcreek Park Wastewater Treatment Plant System Upgrade Page 3 of 5**

obligated to have delegated authorities sign and return the SCA by June 30, 2022, in order to formally accept the grant.

*Financial Implications*

A comprehensive cost estimate for this project was submitted as part of the October 2020 ICIP-RNC application which detailed costs for the design and construction of replacement works at the Woodcreek Park WWTP. The preliminary estimate was prepared by an engineering company (MSR Solutions Inc.) that is currently contracted by the SCRCD for detailed design and tendering specifications services for the same project. The cost estimate prepared by MSR Solutions Inc. was modified by staff at the time to include collection system repairs, additional engineering related expenditures, internal salaries and wages and a modified contingency allowance. A summary of this estimate that was presented to the Board in 2020 is shown in Table 1.

**Table 1: Woodcreek Park WWTP System Upgrade – Project Budget Estimate (2020)**

<b>Woodcreek Park WWTP Project Budget Estimate (2020)</b>	
Treatment System Replacement and Remediation	\$436,200
Collection System Repairs	\$50,000
Engineering and Other	\$85,000
Contingency @ 30% (Class B Estimate)	\$172,800
Taxes	\$25,000
<b>Subtotal</b>	<b>\$769,000</b>
Other Project Expenditures	
Internal Salaries, Benefits, Misc.	\$75,000
<b>Total</b>	<b>\$844,000</b>

As part of staff's commitment to ensure financial sustainability and accurate project estimation, staff requested that MSR Solutions Inc. review the 2020 estimate and provide an updated cost estimate to reflect current market conditions and recent inflationary pressures on construction materials and services. Staff have reviewed MSR's 2022 estimate and have collaborated to include internal expenditures that are ineligible for grant funding (i.e. SCRCD staff wages, internal building permit fees). Table 2 (below) outlines the revised 2022 cost estimate for this project:

<b>Woodcreek Park WWTP Project Budget Estimate (2022)</b>	
Treatment System Replacement and Remediation	\$528,650
Collection System Repairs	\$60,000
Engineering and Other	\$85,000
Contingency @ 30% (Class B Estimate)	\$199,591
Taxes	\$30,000
<b>Subtotal</b>	<b>\$893,591</b>

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**– Approval of Woodcreek Park Wastewater Treatment Plant System Upgrade Page 4 of 5**

Other Project Expenditures	
Internal Salaries, Benefits, Misc.	\$75,000
<b>Total</b>	<b>\$968,591</b>

The SCRD Board has previously committed to funding the ineligible project costs (i.e. \$75,000) identified in the 2020 project budget estimate from uncommitted Woodcreek Park reserves (see 'Background'). Due to the variance in the revised 2022 budget, an additional \$124,591 of non-grant funding is now anticipated to be required to complete this project. The current uncommitted Woodcreek Park WWTP reserve balances are as follows:

382	665	Woodcreek Park - Capital	30,392.74	\$	28,087.00	58,479.74
382	666	Woodcreek Park - Operating	166,128.93	\$	(23,827.00)	142,301.93

It is hopeful that the contingency allowance may not be fully required and that the final project budget may still end up lower than anticipated, however given recent procurement and marketplace conditions it is likely that there will be unanticipated cost pressures on the project that will require contingency funds. Staff will also review the project scope at project initiation to determine any potential cost savings, however, at this time, the Financial Plan needs to reflect the estimated costs.

Build Canada-Community Works Gas Tax Funds are not eligible to fund the shortfall as stacking rules apply for the ICIP.

The risk to fully depleting the reserves is the services ability to fund unanticipated costs for repairs and maintenance which are ineligible for debt funding, so rate payers would see a large spike in user fees the subsequent year. Depleting the reserves is also not contemplated in the Woodcreek asset management/capital plan and will have significant implications to future user rate and frontage fees. Therefore, it is recommended that a blend of operating (\$75,000) and capital reserves (\$25,000), and short-term debt (\$100,000) be used to fund the project. The funding hierarchy will be where operating and capital reserves will be used first and debt will be the last source of funding. As highlighted, the hope is that the contingency is not required and if this is the case, we would not amend the frontage fees or issue the short term-debt through MFA.

If the \$100,000 of short-term debt needed to be issued, the impact to the frontage fees for the Woodcreek rate payers could be as follows:

	Total Cost of Debt				Cost per Parcel (73 Parcels)		
	3%	4%	5%		3%	4%	5%
2024	22,724	23,632	24,539	2024	311.28	323.72	336.16
2025	22,130	22,840	23,550	2025	303.15	312.88	322.61
2026	21,524	22,032	22,539	2026	294.85	301.80	308.76
2027	20,924	21,232	21,539	2027	286.63	290.84	295.06
2028	20,324	20,432	20,540	2028	278.41	279.88	281.36

**Staff Report to Committee of the Whole – June 23, 2022**  
**Investing in Canada Infrastructure Program – Rural and Northern Communities Program**  
**– Approval of Woodcreek Park Wastewater Treatment Plant System Upgrade Page 5 of 5**

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As previously mentioned, the capital plan and final funding requirements of the project will be provided to a subsequent Committee meeting. The rates will be presented as part of 2023 Budget planning.

*Timeline for next steps or estimated completion date*

Following Board approval, the Shared Cost Agreement will be signed by the delegated authorities and sent to the Province formally accepting the grant and agreeing to the terms and conditions of the Agreement.

Staff will continue to work with MSR Solutions Inc. to finalize detailed design parameters and work towards preparing tendering documentation. Based on the timelines associated with that work and other projects on the Capital Projects Division's workplan, staff will finalize the project schedule and include this in a Budget Project Status Report update.

The asset management, capital and user rates will be presented as part of the 2023 Budget process in the fall of 2022.

**STRATEGIC PLAN AND RELATED POLICIES**

This grant application is consistent with the SCRD Financial Sustainability Plan, seeking alternative funding for SCRD projects.

**CONCLUSION**

The SCRD Board approved a grant submission under the ICIP-RNC for the Woodcreek Park Wastewater Treatment Plant System Upgrade project on October 15, 2020. The SCRD was informed in May 2022 that the Woodcreek Park Wastewater Treatment Plant System Upgrade grant application was approved.

This report recommends approval and acceptance of the grant and signing of the Shared Cost Agreement by the delegated authorities.

Current market conditions and inflationary pressures have resulted in a revised construction cost estimate that is higher than initially budgeted in 2020. Staff are recommending that the non-grant funded expenditures of up to \$199,591 be funded with uncommitted operating and capital reserve balances, and short-term debt funding. The project and funding will also require an amendment to the Five Year (2022-2026) Financial Plan.

Reviewed by:			
Manager	X - S. Misiurak	CFO/Finance	X - T. Perreault
GM	X - R. Rosenboom X - S. Walkey (Acting)	Legislative	
CAO	X - D. McKinley	Asset Mgmt.	X - K. Doyle

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Committee of the Whole – June 23, 2022

**AUTHOR:** Shelley Gagnon, General Manager Community Services

**SUBJECT:** JOINT USE AGREEMENT WITH SCHOOL DISTRICT #46 (SD46)

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### RECOMMENDATION(S)

**THAT the report titled Joint Use Agreement with School District #46 (SD46) be received for information;**

**AND THAT the Joint Use Agreement be extended for an additional 5 years from September 1, 2022 – August 31, 2027;**

**AND FURTHER THAT the delegated individuals be authorized to execute the Joint Use Agreement with SD46 extension.**

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### BACKGROUND

In 2016, the Sunshine Coast Regional District (SCRD) and School District 46 (SD46) worked collaboratively for several months to draft a joint use agreement based on the following guiding principles:

- The agreement should be simple and broad in scope
- It should be mutually beneficial
- It should allow for increased use of community assets with manageable costs

On October 13, 2016 the SCRD Board passed a resolution to enter into a Joint Use Agreement with SD46. The key elements of the Joint Use Agreement included:

- Recognition of a shift in the commitment in how each organization will cooperate;
- Facilities will be shared and a priority booking has been established;
- Facilities will be utilized by either party at no cost. Additional staffing such as instructional/program related facilities is at cost recovery;
- A Joint Use Committee, with representation by both the SCRD Board and SD46 Board of Trustees will meet regularly;
- Communication and cooperation is mutually recognized.

The agreement was signed by both organizations and became effective on September 1, 2017.

The term of the agreement expires on August 31, 2022 however may be extended for an additional 5 years if both organizations agree.

### DISCUSSION

Unfortunately, over the last two years, the ability to activate the opportunities available through this agreement were significantly impacted by the global pandemic and subsequent closures

and restrictions. With the lifting of the provincial restrictions, both organizations are excited to engage once again to continue to support our priorities of healthy lifestyles and efficient use of publicly owned facilities.

The Joint Use Committee has not met since prior to the pandemic. Scheduling conflicts over the winter and spring have made it challenging to organize a meeting date, but efforts will continue to find a date for the Committee to meet.

#### *Organizational and Intergovernmental Implications*

SD46 and SCRD staff have established ongoing communication and protocols related to the execution of the agreement for both parties and also support an extension of the agreement.

#### *Financial Implications*

Although the Agreement stipulates that the ‘facilities will be utilized by either party at no cost’, these are considered ‘non-cash’ transactions for both entities. This means the bookings by both parties need to be recorded through the statement of operations per public sector accounting standards. This was also highlighted as part of the [SCRD's Independent Audit findings for 2017](#). Therefore, there is a tax implication to this agreement.

Both the SCRD and SD46 track and share booking information, and the associated revenues and expenses are recorded. For each year of active use of the agreement (dormant for most of 2020 and 2021 due to COVID), year-end deficits have resulted as follows: 2017-\$1,257; 2018-\$8,991; 2019- \$33,857; 2020/2021-n/a. For 2022, there wasn't an amount budgeted to account for use and as of May 2022, there is an estimated \$8,000 deficit for the Joint Use function [630] which will likely be much larger by year-end. More information will be provided through the Q2 and Q3 corporate variance reports.

#### *Timeline for next steps or estimated completion date*

If the Board supports the extension of the agreement, it will be forwarded to the SD46 for final execution.

### **STRATEGIC PLAN AND RELATED POLICIES**

This agreement is in alignment with the 2014 Parks and Recreation Master Plan and also supports the Board strategic focus area of “Working Together”.

### **CONCLUSION**

Staff is recommending that the Joint Use Agreement with the SD46 be extended for an additional five years, with the term expiring on August 31, 2027.

Reviewed by:			
Manager		CFO/Finance	X-T.Perreault
GM		Legislative	
CAO	X – D. McKinley	Risk Management	X-V. Cropp

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Committee of the Whole – June 23, 2022

**AUTHOR:** Shelley Gagnon, General Manager Community Services

**SUBJECT:** GIBSONS AND DISTRICT AQUATIC FACILITY LEASE AGREEMENT

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### RECOMMENDATION(S)

**THAT the report titled Gibsons and District Aquatic Facility Lease Agreement be received for information;**

**AND THAT the Lease Agreement be forwarded to the Town of Gibsons for final approval and execution;**

**AND FURTHER THAT the delegated authorities be authorized to execute the Lease Agreement.**

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### BACKGROUND

The Town of Gibsons (ToG) and the Sunshine Coast Regional District (SCRD) entered into an intergovernmental agreement (summarized by a Memorandum of Understanding) in 2007 for the Gibsons and District Aquatic Facility (GDAF). The Memorandum of Understanding (MOU) was drafted with the intent of detailing the roles and responsibilities of the previous operator (ToG), the roles and responsibilities of the new operator (SCRD), and the details of transfer of duties between both parties. The MOU was extended to Q4 2014, as both parties were actively negotiating a long-term lease agreement. Several iterations of the lease agreement were reviewed by both parties from 2014-2016, without conclusion. It would appear that due to several key staff changes between 2016-2021, completion of the lease was not prioritized. Staff are unable to find any written reporting to the Board to provide further background.

The purpose of this report is to seek Board approval to finalize and enter into a long term lease agreement with the ToG for the operations of GDAF.

### DISCUSSION

Since 2006, the SCRCD has continued to operate GDAF based on the principles set out in the original MOU. The last known version of the draft Lease Agreement (February 2015) was recently reviewed by SCRCD and ToG staff and updated to reflect actual operational practices.

Highlights of the agreement are as follows:

- The ToG owns the building and land and is leasing them to the SCRCD for the purposes of operating a community recreation facility and associated access and parking.

- The SCR D will use the lease premises for aquatic facility purposes and other related public fitness and recreation purposes.
- The ToG grants an easement for access to the building as well as a non-exclusive area for patron/staff parking.
- The SCR D will be responsible for all operational requirements of the building.
- The SCR D will be responsible for all repair, maintenance, replacements and improvements for the building. Written consent by the ToG is required for any alteration or additions to the building.
- The ToG is responsible for the easement area including maintenance of signage, asphalt condition and parking space designation lines.
- The SCR D is responsible for snow and ice control in the parking area.
- The Term of the Agreement is for ten years with an option to renew for an additional ten years (this term aligns with the expiry date of the Sechelt Community Arena).

#### *Organizational and Intergovernmental Implications*

Staff from both organizations will continue to work together on communication and consultation protocols related to current operational practices which are now captured in a formal Lease Agreement.

#### *Financial Implications*

There are no new financial implications with this Lease Agreement. Current operating budgets and capital renewal planning reflect the roles and responsibilities of the SCR D outlined in the Lease Agreement.

#### *Timeline for next steps or estimated completion date*

If the SCR D Board approved the Lease Agreement, it will be forwarded to the ToG for final execution.

### **STRATEGIC PLAN AND RELATED POLICIES**

Preparing and execution of the Lease Agreement aligns with the Boards Strategic Focus Area of *Asset Stewardship* and *Working Together* as well as Board Policy 1-0620-1 to *maintain and enhance the livability of the region*.

### **CONCLUSION**

The Lease Agreement for the continued operation of GDAF articulates the roles and responsibilities of each party captured in the 2011 Interim Operations Memorandum of Understanding as well as operational practice for the past 11 years. Entering into a formal Agreement is critical in providing clarity of roles and protects both parties from potential risks. It is recommended that the Lease Agreement be approved and forward to the ToG for execution.

Reviewed by:			
Manager		CFO/Finance	X – T. Perreault
GM		Legislative	X - S. Reid
CAO	X - D. McKinley	Other	X- V. Cropp





## ANNEX J

Sharing Cars on the Coast.  
Affordable. Convenient. Greener.

June 13, 2022

Chair and Directors  
Sunshine Coast Regional District

Via EMAIL

Dear Chair and Directors,

The Coast Car Co-op was very disappointed to be turned down for a grant of assistance from your organization on the grounds that we are not a registered non-profit. We contacted the BC Cooperative Association and received the following advice. (They recently clarified eligibility policy with the province in reference to Gaming Grants.)

*While co-operatives are incorporated under British Columbia's **Cooperative Association Act** and not the **Societies Act** - where most not-for-profit entities are incorporated - the former has a provision that allows for not-for-profit cooperatives. These co-ops have the exact same asset lock and other restrictions as not-for-profit societies: not-for-profit co-ops cannot issue investment shares nor pay dividends and the assets of the organization cannot be distributed to members upon dissolution. Not-for-profit co-ops are legally entitled to apply for the resources available to any not-for-profit society.*

The non-profit status of our co-op is clearly indicated in our articles of incorporation. We are requesting that you please adjust your granting policy to make non-for-profit cooperatives eligible for grants from the SCRD.

Since 2014, the Coast Car Co-op has offered an affordable, safe, reliable, and environmentally responsible alternative to conventional car ownership on the Sunshine Coast. We currently have a fleet of five vehicles in Gibsons, Roberts Creek and Sechelt, and almost 300 drivers. Last month we were approved for a significant grant from The Cooperators Foundation to support business planning for expansion of our fleet so that we can better serve the community. This grant requires matching funding, so it is very important to us to receive the support of our local governments. (We are pleased and grateful to have been approved for a grant from the Town of Gibsons.)

Thank you for your consideration.

Sincerely

Betty Baxter  
Chair, Board of Directors

P.O. Box 103  
Gibsons, BC, V0N 1V0

**778.374.3092**

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**www.coastcarco-op.ca**