

Minutes of the **Committee of the Whole (Administration and Finance Committee - Budget) Meeting** of the **DISTRICT OF MISSION** held in the Conference Room of the Municipal Hall, 8645 Stave Lake Street, Mission, British Columbia, on Thursday, September 6, 2012 commencing at 2:05 p.m.

Council Members Present: Mayor Ted Adlem
Councillor Dave Hensman
Councillor Jeff Jewell
Councillor Tony Luck
Councillor Jenny Stevens

Council Members Absent: Councillor Larry Nundal
Councillor Nelson Tilbury

Staff Members Present: Ken Bjorgaard, Chief Administrative Officer
Paul Gipps, Deputy Chief Administrative Officer
Kris Boland, Manager of Finance
Kerri Onken, Deputy Treasurer/Collector
Scott Ross, Accounting Supervisor
Debi Decker, Administrative Assistant – Finance

Other Staff Members Present: Rick Bomhof, Director of Engineering and Public Works
Mike Younie, Director of Development Services
Hirod Gill, A/Municipal Design & Asset Manager
Maureen Sinclair, Director of Parks, Recreation, & Culture
Sharon Fletcher, Director of Long-term Planning
Kerry Bysouth, Manager of Parks and Facilities
Ivan Boychuk, Fleet Supervisor

Others Present: Michelle Favero, representing Regional Chamber of Commerce

1. CALL TO ORDER

The meeting was called to order. Councillor Luck assumed the chair.

2. ADOPTION OF AGENDA

Two items were added to the agenda:

1. Downtown Planning Project; and
2. Regional Chamber of Commerce

AF 12/062
SEPT 6/12

Moved by Councillor Luck, seconded by Councillor Jewell, and

RESOLVED:

That the September 6, 2012, Administration and Finance Committee agenda be adopted as amended.

CARRIED

3. NEW BUSINESS

AF 12/063
SEPT 6/12

Downtown Planning Project

Staff advised the Committee that there had been a number of questions regarding the request for proposal that had gone out for downtown planning as to whether the deadline date of December 2012 for completing the downtown planning project was flexible or not. It was advised that consultants had indicated that the deadline date/timeline was a little too aggressive for the amount of work to be completed.

The Committee indicated that the deadline could be extended to early spring, but the consultant would still need to provide a vision document following meetings with stakeholder groups and Council and provide a document such as a concept plan showing substantial progress prior to the end of 2012.

The Committee clarified that the District wants to advise the chosen consultant about what the downtown should look like (our vision), and the consultant would then advise how this can be accomplished. Staff advised that this public input component is an important and normal process when developing a plan.

Moved by Councillor Jewell, seconded by Councillor Hensman, and

RECOMMENDED:

That the deadline for completion of the Downtown Planning Project be extended from December 31, 2012 to March 31, 2013.

CARRIED

AF 12/064
SEPT 6/12

Regional Chamber of Commerce

The Committee discussed the updated/new fee-for-service grant application process and criteria for non-profit organizations. It was noted that the Regional Chamber Commerce no longer qualifies for a fee-for-service grant under the new requirements as it is not a non-profit organization.

General discussion continued and it was:

Moved by Councillor Stevens, seconded by Councillor Jewell, and

RECOMMENDED:

- 1) That staff prepare, for Council's consideration, a five-year term contract with the Mission Regional Chamber of Commerce to include the following services,
 - a. Visitor/Business Centre;
 - b. Visitor Information Guide and tourism promotion;
 - c. Candlelight parade;
 - d. Business of Excellence Awards;
 - e. Business Newsletter; and
 - f. Community support.
- 2) That the Mission Regional Chamber of Commerce have its own line-item in the budget.

CARRIED

The Committee discussed the upcoming scheduled September 18, 2012, Committee of the Whole (Administration and Finance Committee) meeting and the merits of postponing it until more information from BC Assessment and other sources has been received. The scheduled October 9, 2012 Committee of the Whole (Administration and Finance Committee) meeting will be the next budget discussion meeting.

AF 12/065
SEPT 6/12

Finance Department Presentation – Reserve Transfers

The Deputy Treasurer/Collector presented her power point presentation detailing department services, department service levels, 2013 budget variances (over 2012 budget), department successes, and department initiatives/challenges.

The Committee discussed the need to pay-out or pay-down the external debt at the 2014 “pay down” window.

AF 12/066
SEPT 6/12

Finance Department Presentation – Taxation and Employee Benefits

The Deputy Treasurer/Collector presented her power point presentation detailing department services, department service levels, 2013 budget variances (over 2012 budget), department successes, and department initiatives/challenges.

Staff confirmed that none of the figures shown include the savings from the core services review and corporate restructuring.

AF 12/067
SEPT 6/12

Lane Creek Pump Station

A report dated September 6, 2012, from the Acting Municipal Design and Asset Manager was provided for the committee’s review.

The Committee discussed the need to raise the Lane Creek Pump Station, rent pumps during high river levels, and/or have a study of the risk factor of the capacity deficiencies completed.

The following issues were discussed:

1. the merits of the study and the fact that staff could complete the study over a two or three year period;
2. the need to raise the pump station to protect the control panel;
3. the size (capacity) of the pumps required to pump water if there is flooding;
4. identifying beforehand the ability of the current electrical system to handle a specific (larger) pump size; and
5. the possibility of building a new pump station next to the existing one.

A consensus was reached that any decisions with regards to the Lane Creek Pump Station are to be put on hold until staff have completed the necessary study over the next two or three years, and that staff will come back to Council at that time with new recommendations.

AF 12/068
SEPT 6/12

Overview of the 2013 Capital Plan and Reserve Projections

The Manager of Finance gave a power point presentation of the highlights of his report dated September 6, 2012, regarding an overview of the 2013 Capital Plan and Reserve Projections.

The Manager noted that the equipment, waste management and general capital plans would be discussed at this meeting, and that the water and sewer capital plans would be discussed at a later meeting.

The Committee discussed at length the benefit of taking the window of opportunity and using all extra reserve funds to pay off an external debt, and it was:

Moved by Councillor Hensman, seconded by Councillor Stevens, and

RECOMMENDED:

That staff prepare, for a future Council discussion, a report to include:

- a) the debt issues coming due;
- b) the feasibility of paying off these direct debt issues without jeopardizing the District's funds;
- c) the reserve funds that could be used or could provide a loan and the consequences;
- d) the total external indebtedness; and
- e) the schedule for the pay-outs.

CARRIED

AF 12/069
SEPT 6/12

2013 Equipment Capital Plan

The Manager of Finance gave a power point presentation of the highlights of his report dated September 6, 2012, regarding an overview of the 2013 Equipment Capital Plan.

Staff confirmed that prior to each new vehicle purchase or vehicle replacement, alternative vehicles are looked into.

Discussion ensued around the life expectancy of vehicles, and the actual condition of vehicles versus the replacement year scheduled within the capital plan, and how staff do extend the replacement of vehicles if warranted.

Moved by Mayor Adlem, seconded by Councillor Jewell, and

RECOMMENDED:

That the 2013 Equipment Capital Plan, as presented at the September 6, 2012, Committee of the Whole (Administration and Finance Committee) meeting, and attached as Appendix A (Equipment Capital Plan and Reserve Projections) to the Manager of Finance's Staff Report entitled 2013 Equipment Capital Plan, be approved for inclusion in the 2013 financial plan.

CARRIED

AF 12/070
SEPT 6/12

2013 Waste Management Capital Plan

The Manager of Finance gave a power point presentation of the highlights of his report dated September 6, 2012, regarding an overview of the 2013 Waste Management Capital Plan.

The Committee discussed the need for an increase in the user rates for refuse and staff advised that they were looking at other revenue options before suggesting any rate increases.

The Manager of Finance pointed out on Appendix B – Waste Management – Regional Recycling Capital Plan, funds were provided to raise the classroom building above the flood level. The construction of the building was not completed and the remaining funds were not carried forward, so these funds (\$10,000) will now need to be included in the 2013 capital plan.

Moved by Mayor Adlem, seconded by Councillor Jewell, and

RECOMMENDED:

- 1) That the 2013 Waste Management Capital Plan, as presented at the September 6, 2012, Committee of the Whole (Administration and Finance Committee) meeting, and attached as Appendices A (Landfill Capital Plan) and C (Refuse Reserve Fund Projections) to the Manager of Finance's staff report entitled 2013 Waste Management Capital Plan, be approved for inclusion in the 2013 financial plan; and
- 2) That Appendix B (Regional Recycling Capital Plan) attached to the Manager of Finance's Staff Report entitled 2013 Waste Management Capital Plan be amended by adding \$10,000 to the line item storage bunkers and classroom raising in 2013 and approved as amended for inclusion in the 2013 financial plan.

CARRIED

AF 12/071
SEPT 6/12

2013 General Capital Plan

The Manager of Finance gave a power point presentation of the highlights of his report dated September 6, 2012, regarding an overview of the 2013 General Capital Plan.

Discussion ensued on the three capital projects and their funding sources that staff are recommending be included in the 2013 General Capital Plan, and it was:

Moved by Councillor Hensman, seconded by Mayor Adlem, and

RECOMMENDED:

1. That the following unfunded projects be approved for inclusion in the General Capital Plan:
 - a) South arena score clock, \$17,600, year 2013, funded from \$5,000 from grants and \$12,600 from the General Capital Reserve Fund, with the grant funds to be maximized to the extent available;
 - b) Tunbridge Park development, \$50,000, year 2013, funded from the developer contributions account; and

- c) Fraser House retaining wall, \$50,553, year 2013, funded from the General Capital Reserve fund.

CARRIED

The Committee discussed the need for additional funds for the paving program other than the major general capital reserve fund. It was noted that of the suggested \$2.8 million dollars for pavement management, \$1.6 million is currently funded annually, leaving an unfunded amount of \$1.2 million.

General discussions ensued on utilizing reserve funds for a one-time infusion into the pavement management program; and/or utilizing debt retirement savings; and/or explore implementing a gas tax for pavement management program.

Staff were directed:

As part of the debt retirement report (see motion A/F 12-068 – Overview of the 2013 General Capital Plan and Reserve Projections), staff are to include information in regards to funding the pavement rehabilitation program as follows:

- a) using multiple combinations of reserves and debt savings,
- b) in 2013 use \$1 million, or other amount, from the Equipment Reserve Fund towards the program, and
- c) in 2014 retire the approximately \$5 million Leisure Centre debt and use these debt servicing savings for the program.

A general discussion on asset management including asset replacement theory and how this relates to the capital plans ensued, along with the need for an Asset Manager to tie all these areas together.

4. ADJOURNMENT


AF 12/072
SEPT 6/12

Moved by Councillor Sevens, seconded by Councillor Jewell, and

RESOLVED: That the meeting be adjourned.

CARRIED

The meeting was adjourned at 6:20 p.m.


WALTER (TED) ADLEM
MAYOR


PAUL GIPPS
DEPUTY CHIEF ADMINISTRATIVE OFFICER