

Minutes of the **Freestanding Committee of the Whole (Corporate Services Committee - Budget) meeting** of the **DISTRICT OF MISSION** held in the Council Chambers of the Municipal Hall, 8645 Stave Lake Street, Mission, British Columbia, on Wednesday, October 14, 2015 commencing at 1:00 p.m.

Committee Members Present: Mayor Randy Hawes  
Councillor Pam Alexis  
Councillor Carol Hamilton  
Councillor Jim Hinds  
Councillor Rhett Nicholson  
Councillor Danny Plecas  
Councillor Jenny Stevens

Staff Members Present: Ron Poole, Chief Administrative Officer  
Barry Azevedo, Manager of Environmental Services  
Kris Boland, Manager of Finance  
Rick Grant, Assistant Operations Manager  
\*Hirod Gill, Manager of Engineering Design & Planning  
Tracy Kyle, Director of Engineering & Public Works  
Kerri Onken, Deputy Treasurer/Collector  
Maureen Sinclair, Director of Parks, Recreation & Culture  
Scott Ross, Manager of Accounting Services  
\*Chief Watkinson, Mission Fire/Rescue Service  
Mike Younie, Deputy Chief Administrative Officer  
Debi Decker, Administrative Assistant  
Jenny Hill, Administrative Assistant  
\*Present for a portion of the meeting

## 1. CALL TO ORDER

The meeting was called to order.

## 2. ADOPTION OF AGENDA

Moved by Councillor Hamilton, seconded by Councillor Hinds, and

RESOLVED:

That the October 14, 2015 Corporate Services committee agenda be adopted.

CARRIED

Councillor Hamilton assumed the chair.

### 3. CORPORATE SERVICES

COW 15/059  
OCT 14/15

#### **Agenda Overview Presentation**

The Deputy Treasurer/Collector gave a presentation on the 2016 budgeting process including where we are in that process, what to expect at future budget meetings and gave a summary of the reports on today's agenda.

COW 15/060  
OCT 14/15

#### **Proposed 2016 Residential Utility Rate Recommendations and Comparison to Other Municipalities**

A report dated October 14, 2015 from the Manager of Finance regarding the proposed 2016 residential utility rate recommendations and comparison utility rate information from other municipalities was provided for the Committee's information.

With regards to the utility rate comparisons with other municipalities, staff confirmed that Mission's recycling fees appeared to be higher, but that the District provides additional services that other municipalities do not provide, such as:

- The annual compost give away to residents;
- Hazardous waste collections; and
- Spring Clean-up Week.

Staff also noted that the majority of the communities in the comparison listing are within Metro Vancouver and are part of MMBC, which the District is not part of.

The Committee discussed the District's landfill and the added expenditures related to the upkeep, maintenance and long-term cell closure costs. Also discussed were the pros and cons of maintaining its own landfill versus shipping waste to an outside landfill.

COW 15/061  
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#### **2016 Water Utility Financial Plan (Draft)**

A report was provided from the Manager of Finance dated October 14, 2015 for discussion and the Committee's consideration to approve the 2016 Water Utility Operating Financial Plan (draft) and Water Utility Capital Plan, including a proposed 1% water user rate increase, for inclusion into the District's 2016 - 2020 Financial Plan.

The Manager of Finance gave a presentation on the Water Utility Operating Financial Plan and the Water Utility Capital Plan which contained the following information:

- Regional water and sewer financial plans being presented at the November 12<sup>th</sup> Joint Shared Services Committee meeting for discussion and approval.
- Mission's cost sharing percentages for 2016, calculated on the 2015 water usage, to be received early 2016.
- A 1% proposed increase to the water rate for 2016 or a \$4.80 increase.
- Monthly charge of \$41.00 for residential flat rate users.

Discussion ensued on the proposed spending packages and the water model update with clarification that asset management looks at the servicing and infrastructure and how long the asset will last, where the modeling is to see if there is enough water volume or pressure for future growth.

Following discussions, it was:

Moved by Councillor Hinds, and

RECOMMENDED:

1. That the 2016 Water Utility Operating Financial Plan (Draft) and Water Utility Capital Plan, as attached to the report dated October 14, 2015 entitled "2016 Water Utility Financial Plan (Draft)" from the Manager of Finance be approved for inclusion in the District's 2016-2020 Financial Plan;
2. That the following operating spending packages be approved for inclusion in the 2016 Water Utility Financial Plan:
  - a) Increase the system administration budget by \$5,564;
  - b) Increase the meter reading budget by \$3,000; and
  - c) Create a budget of \$2,000 for Ruskin system testing;
3. That \$50,000 for the currently unfunded water model update be approved for inclusion in the 2016 Capital Plan, with funding from the Water Capital Reserve Fund; and
4. That a proposed water user rate increase of 1% for 2016 be approved in principle and presented for feedback at the upcoming public budget consultation meeting on November 2, 2015.

CARRIED

COW 15/062  
OCT 14/15

#### **Residential Water Meter Rates**

A report dated October 14, 2015 from the Deputy Treasurer/Collector was provided in response to an inquiry from the Committee regarding the residential meter water rates for discussion and information purposes.

The residential water meter rates were discussed, with staff confirming that the pilot project of tracking water usage in older homes is underway, with an expectation of data being presented to Council with the 2017 budget discussions.

COW 15/063  
OCT 14/15

#### **2016 Sewer Utility Financial Plan (Draft)**

A report dated October 14, 2015 from the Manager of Finance was provided for the Committee's discussion and consideration to approve the 2016 Sewer Utility Operating Financial Plan (draft) and the Sewer Utility Capital Plan, including a proposed 4% sewer user rate increase.

The Manager of Finance gave a presentation on the Sewer Utility Operating Financial Plan and the Sewer Utility Capital Plan which contained the following information:

- The JAMES Treatment Plan is considered "regional sewer" whereas all of Mission's sewer lines, mains, pumps, etc. is "non-regional sewer".
- The updated administrative cost recovery methodology and the sewer utility paying a more equitable amount.
- Fraser River Twinning Project preliminary and detailed design costs proposed to be advanced within the capital plan.
- The collection of development cost charges versus the need for the infrastructure prior to development.

- Sewer capital reserves being depleted within 15 years, not including any asset management projects that may need to be funded.
- A 4% proposed increase to the sewer rate for 2016 or a \$14.64 increase.
- A monthly charge of \$32.00 for residential flat rate users.

Following discussions, it was:

Moved by Councillor Alexis, and

**RECOMMENDED:**

1. That the 2016 Sewer Utility Operating Financial Plan (Draft) and Sewer Utility Capital Plan, as attached to the report dated October 14, 2015 entitled "2016 Sewer Utility Financial Plan (Draft)" from the Manager of Finance be approved for inclusion in the District's 2016-2020 Financial Plan;
2. That the following operating spending packages be approved for inclusion in the 2016 Sewer Utility Operating Financial Plan:
  - a) Increase the sewer connection maintenance budget by \$20,000; and
  - b) Increase the lift station maintenance budget by \$20,000;
3. That for the Fraser River sanitary sewer crossing twinning project, Council approve advancing \$300,000 of the existing budget from 2019/2020 to 2017 for preliminary design, and another \$350,000 be advanced from 2020 to 2019 for detailed design;
4. That \$60,000 for the currently unfunded sanitary sewer model update be approved for inclusion in the 2016 Sewer Utility Capital Plan, with funding from the Sewer Capital Reserve Fund; and
5. That a proposed sewer user rate increase of 4% for 2016 be approved in principle and presented for feedback at the upcoming public budget consultation meeting on November 2, 2015.

**CARRIED**

COW 15/064  
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**2016 Waste Management Utility Financial Plan (Draft)**

A report was provided from the Manager of Finance dated October 14, 2015 for discussion and the Committee's consideration to approve the 2016 Waste Management Utility Financial Plan (draft), including a proposed 1% increase to other landfill tipping fees for various materials, for inclusion into the District's 2016 - 2020 Financial Plan.

The Manager of Finance gave a presentation on the Waste Management Utility Financial Plan which contained the following information:

- An updated Design and Operating Plan for the landfill expected to be completed by the end of 2015.
- Abbotsford/Mission Recycling Depot projects on hold pending the outcome of the MMBC program.
- No increase to curbside refuse and recycling/composting user rates.
- A 1% proposed increase to landfill tipping fees for various materials for 2016.

Following discussions, it was:

Moved by Mayor Hawes, and

**RECOMMENDED:**

1. That the 2016 Waste Management Utility Operating and Capital Plans (Draft) as attached to the report dated October 14, 2015 entitled "2016 Waste Management Utility Financial Plan (Draft)" from the Manager of Finance be approved for inclusion in the District's 2016-2020 Financial Plan; and
2. That the following proposed 2016 waste management utility rate increases be approved in principle and presented for feedback at the upcoming public budget consultation meeting:
  - a) No increase to curbside garbage collection rates and curbside recycling/composting collection rates;
  - b) No increase to landfill tipping fees for refuse; and
  - c) A 1% increase in landfill tipping fees for various other materials.

**CARRIED**

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**Proposed Drainage Utility Financial Plan**

A report was provided by the Manager of Finance dated October 14, 2015 for the Committee's discussion and consideration to approve the establishment of a Drainage Capital Reserve Fund and the creation of a user funded drainage utility.

The Manager of Finance gave a presentation on the proposed Drainage Utility Financial Plan, the establishment of a Drainage Capital Reserve Fund, and the creation of a user funded drainage utility, which contained the following information:

- Using existing expenses within the public works budget to start the drainage utility operating plan.
- Moving the portion of the existing transfers to the General Capital Reserve that are related to drainage projects to the Drainage Capital Reserve.
- Drainage utility revenue coming from diking levies, recoveries, fees and charges, and taxation.
- Flat rate versus assessment based drainage utility fee to be charged for all Mission properties.
- Asset Management study, proposed capital projects and capital reserves.
- The need to educate residents about the new drainage utility and reserve fund.

Following discussions, it was:

Moved by Councillor Plecas, and

**RECOMMENDED:**

1. That the District's drainage system be established as a user-funded utility in the 2016 budget, similar to the District's existing water, sewer and waste management utilities;
2. That the District's existing 2016 operating budget amounts related to the drainage system form the initial basis for the 2016 drainage utility operating budget, and that this budget be funded by the District's existing diking levies, plus a drainage utility fee that is equivalent to a corresponding decrease in general municipal property taxes;

3. That the following drainage operating spending packages be approved for inclusion into the 2016 Draft Drainage Utility Financial Plan:
  - a) Increase the drainage system inspection program budget in the amount of \$100,000; and
  - b) Annual transfers of \$98,785 to the Drainage Capital Reserve Fund;
4. That staff report back to Council with options regarding how to levy the drainage utility user fee to individual properties;
5. That the proposed drainage utility capital budget from Appendix C attached to the Manager of Finance's report dated October 14, 2015 form the initial capital plan for the proposed drainage utility;
6. That the proposed Drainage Capital Reserve Fund Establishment Bylaw #5518-2015 be included at an upcoming Regular Council Meeting for first three readings;
7. That upon adoption of the proposed Drainage Capital Reserve Fund Establishment Bylaw #5518-2015, \$100,000 be transferred from the General Capital Reserve Fund to the proposed Drainage Capital Reserve Fund to provide initial funding for critical drainage capital projects, and that a bylaw to formalize this transfer, as required by the *Community Charter*, be included at an upcoming Regular Council Meeting for first three readings; and
8. That the District's 2016-2020 Financial Plan be amended accordingly.

CARRIED

#### 4. ADJOURNMENT

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Moved by Mayor Hawes, seconded by Councillor Alexis, and

RESOLVED: That the meeting be adjourned.

CARRIED

The meeting was adjourned at 3:19 p.m.



RANDY HAWES,  
MAYOR



MICHAEL YOUNIE,  
CORPORATE OFFICER