

Minutes of the **ADMINISTRATION AND FINANCE COMMITTEE (Capital Plan) MEETING** of the **DISTRICT OF MISSION** held in the Conference Room of the Municipal Hall, 8645 Stave Lake Street, Mission, British Columbia, on Wednesday, January 25, 2012, commencing at 9:05 a.m.

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

Staff Members Present: Glen Robertson, Chief Administrative Officer  
Paul Gipps, Deputy Chief Administrative Officer  
Ken Bjorgaard, Director of Finance  
Kris Boland, Deputy Director of Finance  
Kerry Onken, Deputy Treasurer/Collector  
Debi Decker, Administrative Assistant

The following staff members were in attendance during their portion of the meeting:  
Mike Younie, Manager of Environmental Services  
Mark Heieis, Manager Sustainability and Energy

## 1. CALL TO ORDER

The meeting was called to order.

## 2. ADOPTION OF AGENDA

Moved by Councillor Stevens, seconded by Councillor Hensman and

### RESOLVED:

1. That the following items be added to this agenda under "New Business"
  - a) Police Building – kitchen renovations and police reserve
  - b) Digital document solution for Council and the microphones in the Council Chambers
2. That item 3 (d) Energy Efficiency Upgrade Project, Capital Funding be moved up to first on the agenda; and
3. That the agenda for the Committee of the Whole (Administration and Finance – Capital Plan) meeting held on January 25, 2012, be adopted as amended.

CARRIED

### **3. NEW BUSINESS**

A&F 2012/020  
JAN 25/12

#### **Energy Efficiency Upgrade Project Capital Funding**

A report dated January 24, 2012 from Manager of Sustainability & Energy, Manager of Environmental Services, Director of Finance and the Deputy Director of Finance regarding the energy efficiency upgrade project capital funding was provided for the committee's discussion.

The Manager of Environmental Services explained that this project would help with efficiencies mainly at the Leisure Centre and with lighting at the Municipal Hall, Fire Hall #1, RCMP detachment, and Leisure Centre buildings. This investment in the Leisure Centre would result in a reduction of both energy use and greenhouse gas emissions, and would pay for itself within four to five years.

The Manager confirmed that actual usage will be tracked and monitored until the full pay back and that staff are required to submit a report each year detailing usage to support that the upgrade fixes are working and to support incentive grants. He explained that a full inventory of all municipal assets, including street lights, and all municipal buildings had been itemized, and that the four buildings that were selected were deemed to be the most profitable in terms of having the investment paid back.

The Manager of Environmental Services continued explaining that street lights are a large energy consumer, and that half of the street lights within the District are owned by BC Hydro and the rest being District property. He stated that staff are looking into a strategy for the future and will be looking at the Hydro owned street lights as well as the District owned street lights.

Staff clarified that they were seeking Council's commitment to consider the project based on its own business case merits and not to base the project on possible incentives. Staff confirmed that the project will qualify for incentives from BC Hydro and Fortis BC, although confirmation of the incentives had not yet been received.

Moved by Councillor Tilbury, seconded by Councillor Jewell, and

**RECOMMENDED:** That the request for capital funding for the energy efficiency upgrade project be deferred to the February 6, 2012, Regular Meeting of Council.

**OPPOSED:** Mayor Adlem  
Councillor Hensman  
Councillor Luck  
Councillor Nundal  
Councillor Stevens

**DEFEATED**

A&F 12/021  
JAN 25/12

Moved by Councillor Hensman, seconded by Councillor Nundal, and

**RECOMMENDED:**

1. That Council approve a budget of \$1,000,000 for energy efficiency upgrades for the Leisure Centre, RCMP building, Fire hall #1 and the Municipal Hall for inclusion in the 2012 capital plan;
2. That an owner's engineer be engaged to review the project reports, costs and anticipated savings and to develop a preliminary project plan. The cost of the review will not exceed \$15,000 and is included in the overall project cost. This review will then be presented to Council for final approval to proceed with the project; and
3. That the project be funded from the Community Works Gas Tax Reserve Fund, which may be partially offset by incentives from BC Hydro and Fortis BC.

**OPPOSED:** Councillor Tilbury

**CARRIED**

A&F 2012/022  
JAN 25/12

**Fraser River Heritage Park Operating Budget Request  
Don Brown – Manager Mission Heritage Association**

A report dated December 5, 2011, from the Deputy Treasurer/Collector regarding the Fraser River Heritage Park Operation Budget Request was provided for the committee's information. Mr. Don Brown, the Manager of the Mission Heritage Association was present to give the committee an overview of the Association's budgetary requirements.

The committee discussed the history of the East Mission Heritage Trail and the confusion around the \$6,670 funding for maintenance. Discussion continued around the need for extra maintenance dollars due to changing the scope of the maintenance contract, the use of volunteers and inmates from Ferndale Institute, and it was:

Moved by Councillor Tilbury, seconded by Councillor Jewell and

**RECOMMENDED:** That the Fraser River Heritage Park operating budget request of \$6,670 be deferred in respect to all the other budget items, be put on the priority list and brought back for review when budget discussions resume.

**OPPOSED:** Councillor Nundal  
Councillor Stevens

**CARRIED**

A&F 2012/023  
JAN 25/12

**Status of District of Mission's Updated Development Cost Charge Bylaw**

A report dated January 28, 2012, from the Director of Finance regarding the Status of District of Mission's updated Development Cost Charge Bylaw was provided for the committee's information, and the Director highlighted his report.

The Director of Finance explained the history of the Development Cost Charge (DCC) Bylaw and noted that the new Bylaw that is currently sitting at third reading, would be coming forward to the February 6, 2012, Regular Meeting of Council requesting to be rescinded and that staff would be recommending to Council, an amended version of the Bylaw to receive third reading.

The Director continued that once the amended Bylaw had received third reading, it would be forwarded to the Inspector of Municipalities for statutory approval, and then returned for consideration of adoption by Council. At this time, the new DCC rates would become in effect.

A&F 2012/024  
JAN 25/12

### **2012 Long-Term Capital Plan**

A report dated January 26, 2012, from the Deputy Director of Finance regarding the 2012 Long-Term Capital Plan was provided for the committee's discussion.

The committee discussed the proposed projects at the Landfill (to improve safety and risk, to construct a proper washroom with shower facilities and a compost shelter) and the Leisure Centre curling rink dehumidifier. It was noted that staff had applied for a grant to off-set the cost of the curling rink dehumidifier, and that if the grant was approved and had completion requirements, staff would forward a report to Council at that time.

The Deputy Director of Finance reviewed the unfunded projects list, explaining that these proposed projects did not have a funding source and were not included in the capital plan. He noted that a number of the projects were Leisure Centre mechanical upgrades, recommendations from the Parks and Trails Master Plan, from the Mission Community Library, and a number for Fraser River Heritage Park.

The Director of Finance noted that there was Library reserve held by the Fraser Valley Regional Library where 50% of library salary savings went into. Currently there is approximately \$20,000 - 30,000 in it and the District can request these funds to be spent for library purposes.

The Director continued discussing the reserve funds, indicating that each reserve fund had an optimal or maximum reserve amount and that the majority of the funds were not at their optimal levels.

The Director of Finance clarified that at the end of each year, if there was a surplus in the District's budget, staff would make recommendations to Council as to which reserve accounts the surplus funds should be transferred to. He noted that the Municipality prepares a balanced budget, and does not budget for an annual surplus.

Staff pointed out that the RCMP reserve fund was for any unforeseen cost increases related to the RCMP, such as upgrading guns, the retro pay, etc.

The committee discussed the Equipment Reserve Fund and how its balance was over the optimal maximum amount. Staff confirmed that they would be bringing a report to Council on the Equipment Reserve Fund and whether or not one could transfer any monies from this reserve to another.

The committee discussed the issue of the water and sewer reserve accounts, which receive their revenue from user fee payments. Staff explained that it is preferable to increase incrementally the user fee payments each year rather than a larger increase every few years. It was noted that the water and sewer reserves needed to be built up for future capital infrastructure projects that are in the capital plan, for both regional utilities and municipal utility projects so that external borrowing could be kept to a minimum.

Staff were directed to report back to the committee, the portion of the residential taxes that goes into reserves, or the dollar amount that each resident pays from their taxes that goes to the reserve funds. This information could be included with the tax notices.

The committee discussed the pavement management program and the need for an increase in the yearly budget. It was agreed that this issue should be brought back during the operating budget discussions as this program needed on-going funds, not one-time funding.

Discussion turned towards the asset management program that the District would like to include in their budget. It was questioned whether or not a part-time or three-quarter time position could be enough? Staff noted that this position would cover Engineering, roads, utilities and facilities.

Staff concluded by cautioning the committee that some capital projects have operating costs attached to them, so if a capital project was approved, Council needed to be aware of any operating fund requirements.

Moved by Councillor Tilbury, seconded by Councillor Nundal and

**RECOMMENDED:**

1. That the following unfunded projects be approved for inclusion in the general capital program:
  - a) Curling rink dehumidifier, \$101,000 in 2013, with funding of up to \$101,000 from the General Capital Reserve Fund dependent on available grant funds.
2. That the following projects be approved for inclusion in the waste management capital program:
  - a) Washroom facilities and safety upgrades, \$250,000 (amount to be confirmed) in 2012, with funding from the Refuse Reserve Fund;
  - b) Compost receiving building, \$100,000 in 2012, with funding from the Refuse Reserve Fund; and – need tighter cost estimates before work proceeds – want to see the washroom cost estimates.
3. That the 2012 long-term capital plan be approved as presented for inclusion in the 2012 Financial Plan Bylaw, with the regional water and sewer plans to be updated at a later date.

**CARRIED**

A&F 2012/025  
JAN 25/12

**LATE ITEM - Verbal - RCMP Building – Kitchen Renovations**

The committee discussed the possible renovations to the kitchen located in the RCMP detachment. The Deputy Chief Administrative Officer confirmed that he had spoken with staff at the RCMP and would follow-up.

A&F 2012/026  
JAN 25/12

**LATE ITEM - Verbal - Digital Document Solutions for Council**

The committee discussed the need for newer technology to allow Council members access to agendas, reports, etc. Council requested a report from staff addressing the following comments:

- a) Lap top is too heavy and too challenging to access from home, perhaps use an IPAD or Tablet Computer;
- b) Contact Abbotsford to see what/how they are addressing the problem;

- c) Digital documents are more readable and useable than the current pdfs;
- d) Need to take into account Councillor Steven's needs, re OCR, text and not pdf, etc. New upgrade to Windows has created difficulties for Councillor Stevens;
- e) Spec out what the project would come back out as; and
- f) Don't spend a lot of money.

Councillor Hensman left the meeting at 12:00 noon.

Moved by Councillor Jewell, seconded by Councillor Tilbury and

**RECOMMENDED:**

- 1) That staff provide a detailed report regarding possible computer option solutions and document accessibility for Council; and
- 2) That staff provide a detailed report, including costs, addressing the sound system and reconfiguring issues within the Council Chambers.

**CARRIED**

#### **4. ADJOURNMENT**

AF 2012/027  
JAN 25/12

Moved by Councillor Tilbury, seconded by Councillor Jewell, and

**RESOLVED:** That the meeting be adjourned.

**CARRIED**

The meeting was adjourned at 12:05 p.m.



WALTER (TED) ADLEM  
MAYOR



PAUL GIPPS  
DEPUTY CHIEF ADMINISTRATIVE OFFICER