

DATE OF MEETING DECEMBER 4, 2023

AUTHORED BY SHEILA GURRIE, CORPORATE OFFICER/DIRECTOR,  
LEGISLATIVE SERVICES

SUBJECT **Nanaimo Operations Centre Alternative Approval Process**

## **OVERVIEW**

### **Purpose of Report**

To provide Council with options to proceed with Nanaimo Operations Centre Phase One Borrowing Bylaw 2023 No. 7362.

### **Recommendation**

That Council move forward with a second Alternative Approval Process in relation to “Nanaimo Operations Centre Phase One Borrowing Bylaw 2023 No. 7362” and:

1. determine the total number of electors of the area to which the approval process applies (the whole of the City of Nanaimo) to be 78,892;
2. establish a deadline of 4:30 p.m. on Tuesday, 2024-FEB-20 for receiving elector responses for the Alternative Approval Process in relation to “Nanaimo Operations Centre Phase One Borrowing Bylaw 2023 No. 7362”; and,
3. approve the Elector Response Form as attached to the Staff report titled “Nanaimo Operations Centre Alternative Approval Process” dated 2023-DEC-04.

## **BACKGROUND**

Further to Council direction provided at its Regular Council Meeting held 2023-JUN-19, the City conducted an Alternative Approval Process (AAP) to obtain approval of the electors for the adoption of “Nanaimo Operation Centre Phase One Borrowing Bylaw 2023 No. 7362”. This bylaw would authorize the City to borrow up to \$48,500,000 for phase one construction of the Nanaimo Operations Centre.

Mayor and Council received correspondence on November 15, 2023, questioning the validity of the notice provided for the Nanaimo Operations Centre (Public Works buildings) AAP. Staff reviewed the matter and found that despite the notification requirements outlined in City of Nanaimo Public Notice Bylaw 2022 No. 7325, and the 37 days allotted above the 30 days required for the AAP process, an administrative error was made when the notices were combined and the timing of such notices did not meet the legislative requirements.

The AAP for phase one of the Nanaimo Operations Centre began on September 27<sup>th</sup> and closed on November 3<sup>rd</sup>. Eligible voters had a 37-day period to vote against the borrowing bylaw (the Provincial requirement for an AAP, as outlined in the *Community Charter*, is 30 days). The AAP was advertised through a number of ways including:

- a published Notice in the Nanaimo News Bulletin, City Hall public notice board and the City of Nanaimo website
- an open house information session held 2023-SEP-13
- a published brochure outlining the AAP process
- posters placed at all City owned facilities
- five news releases issued by the City of Nanaimo
- a banner strategically placed on the home page of the City's website
- a number of Facebook, Twitter and Instagram posts
- a number of mentions on a weekly basis in the City's weekly eNewsletter "My Nanaimo This Week"
- a video regarding the Nanaimo Operations Centre posted to YouTube
- two videos on the City's website regarding information on how to participate in the Nanaimo Operation Centre (NOC) AAP and what an AAP is

In addition to the items noted above, staff and Council provided information through responses to a large volume of phone calls, emails and in-person inquiries. Staff followed and attempted to work beyond the requirements provided in the Provincial Guidelines for conducting an AAP.

Response forms, in accordance with the legislation, were available daily in-person at City Hall, or available to print from home. Any person could pick-up or print as many forms as they would like; hand them out to as many as they would like; return the forms for themselves or on behalf of others; or, mail the response forms in to City Hall.

Following the deadline of November 3, 2023, and as outlined in section 86(8) of the *Community Charter* and reiterated in the Provincial Guidelines for the Alternative Approval Process, an AAP is not a vote and therefore there are no provisions to allow for scrutineers to be appointed to verify the acceptance or rejection of response forms by the Corporate Officer. Privacy considerations must be taken into account during the results determination as well. As it is not a vote and not a ballot, the information contained on the response forms is personal information to the individuals completing the form and not anonymous like a ballot. Consent would have to be provided for the information to be shared and would cause barriers to those responding and wishing to be anonymous. The Corporate Officer may be assisted in the review of elector response forms by other staff familiar with the process (e.g. Deputy Corporate officer). Only the Corporate Officer can determine the results and the Corporate Officer's determination is final and conclusive pursuant to section 86(9) of the *Community Charter*.

The legislation only requires the Corporate Officer to review and certify individual response forms if the number of response forms reaches or exceeds the 10% threshold. We received 3,058 response forms in the original AAP and though reviewing each response was unnecessary, there were obvious copy duplicates and non-eligible electors (residents from Parksville, Qualicum Beach and Ladysmith) that were blatant during the count and were removed. The total number of valid response forms was 3,035.

A number of comments were received regarding dissatisfaction with the AAP process and the Nanaimo Operations Centre project itself. The following information is to provide further clarification on *some* concerns we have heard:

### The AAP:

- The Province provides guidelines for best practices on when to hold an AAP versus a Referendum (Assent Vote). When Council determined the process to be followed, Council considered these best practices, the costs associated with them, and took into account that a City service (for example: RCMP/Operations Center, Water Treatment Plant, Fire Station) is a service that is required to continue to serve the community and elector approval is best done through an AAP. City amenities, conversely, generally go to a referendum as they are not needed to maintain operations of the City.
- AAPs offer increased accessibility over Assent Voting (Referendum) by having a minimum 30 days (37 days in the case of the Nanaimo Operations Centre AAP) for electors to express their views rather than being limited to 3 designated days to cast a ballot.
- Each project requiring electoral approval is subject to Council's direction regarding which approval process is used.
- If a project is necessary to continue to provide services to the community the alternative to borrowing the funds (and seeking electoral approval) is a tax increase over a few years, which could be an undesirable alternative.

### The Nanaimo Operations Centre:

#### Attachment C – Nanaimo Operations Project Overview

### Borrowing:

- The maximum amount that may be borrowed under the borrowing bylaw if elector and Council approval is attained is \$48.5 million. For the typical home in Nanaimo with an assessed value of \$808,873, the estimated impact is \$77 per year based on a 20 year borrowing term at 4.78% (at November 27, 2023). The City will draw on the borrowing as the funds are required and only borrow the amount required to complete the project, which may be less than the \$48.5 million. The actual rate at the time of borrowing will vary from the rate used to calculate the estimate impact per typical house and may vary between borrowings.
- Debt servicing costs will be funded through property taxation. Currently the City has two long-term borrowing funded by property taxation – the Port of Nanaimo Centre (VICC) which will be retired in 2026 and 2027 and Fire Station #4 which will be retired 2027. The City also has short-term borrowing included in the 2023 – 2027 Financial Plan.

## **DISCUSSION**

Due to the error in meeting the notice requirements in the legislation and to ensure an open and transparent process, staff recommend a second AAP process commencing in January 2024.

In order to proceed with borrowing to construct phase one of the Nanaimo Operations Centre project, Council is required to have approval of the electors prior to bylaw adoption in accordance with the *Community Charter*.

The new AAP process would involve at minimum the following:

- Information sharing/Communication: Above and beyond the communication efforts noted above for the last AAP, additional newspaper notices would run on a weekly basis in the Nanaimo News Bulletin throughout the AAP timeframe; radio ads outlining the AAP process and information about the Nanaimo Operations Centre project will be done; and other communications strategies such as utilizing “Get Involved Nanaimo” would be undertaken.
- Public Notice: Notification is mandatory as outlined in the City’s Public Notice Bylaw and section 94 of the *Community Charter*. To avoid the holiday season, and ensure more eligible electors can participate, Staff are planning to publish the notices in January. The notices would appear in the Wednesday, 2024-January 10<sup>th</sup> and 17<sup>th</sup> edition of the Nanaimo News Bulletin, and on the City of Nanaimo website. The Notice will also be posted at City Hall.
- Elector Response form Submission Period: Council must establish the deadline for receiving elector responses, a minimum of 30 days after the publications of the second notice and the period set by Council cannot be extended. Tuesday, 2024-FEB-20 is 34 days after the notice publications.
- Determination of Certification of Elector Approval Responses (10 per cent threshold): The Corporate Officer must determine and certify the number of valid Elector Response Forms received by the deadline, and whether electoral approval has been obtained. A report to Council will follow, likely at the 2024-MAR-04 Council meeting.
- Council Decision on Next Steps: Elector approval is deemed to have been obtained if less than 7,889 valid Elector Response Forms in opposition to Bylaw No. 7362 are received prior to 4:30 p.m. on Tuesday, 2024-FEB-20. Council would then be able to consider bylaw adoption. Should 7,889 or more opposition responses be submitted, Council could only move forward with the project through a successful referendum (assent voting).

#### Fair Determination of the Total Number of Electors:

Section 86(3) of the *Community Charter* requires that a fair determination be made of the total number of electors within the City of Nanaimo, which forms the basis of the 10 per cent threshold. It was determined that there are 78,892 electors based on the following:

- 76,522 electors on the City of Nanaimo voter’s list for the 2022 Municipal Election;
- 697 new electors registrations for the 2022 Municipal Election;
- 689 new electors since the Municipal Election (approx. 13 months), based on a 1.9% population increase per year according to census data;
- 82 registered non-resident property electors in the 2022 Municipal Election; and,
- Therefore, the fair determination of electors is 78,892.

Should direction from Council be received to look into other methods of receiving response forms, this could be done; however, it is recommended that it be for future AAPs. The Provincial Guidelines state:

*“Local governments **may** choose to allow electors to submit response forms by e-mail or by fax. These methods for submitting elector response forms are not covered by provincial legislation, and any policies related to electronic submissions would best be set out by local governments in a formal policy document. This policy may also set out certain provisions around electronic submissions, including a requirement that an original signed response form be submitted to the Corporate Officer as soon as reasonably possible after the electronic submission was sent.”*

As noted above, a formal policy would be best to set out these alternative ways of submitting forms that are not covered by the legislation. Work with our IT department to determine the ability to ensure emails are not blocked by our firewall and/or no spamming could occur, yet continuing to maintain cyber security would also need to be determined. The requirement that an original signed response form be submitted to the Corporate Officer as soon as reasonable after the electronic submission was sent, and/or receiving duplicates from drop-off/mail-in/and email would increase the administrative time and may complicate the process for the electors. Any policy regarding electronic submissions would need to be stated on the elector response form.

### **OPTIONS:**

1. That Council move forward with a new Alternative Approval Process in relation to “Nanaimo Operations Centre Phase One Borrowing Bylaw 2023 No. 7362” and:
  1. determine the total number of electors of the area to which the approval process applies (the whole of the City of Nanaimo) to be 78,892;
  2. establish a deadline of 4:30 p.m. on Tuesday, 2024-FEB-20 for receiving elector responses for the Alternative Approval Process in relation to “Nanaimo Operations Centre Phase One Borrowing Bylaw 2023 No. 7362”; and,
  3. approve the Elector Response Form as attached to the Staff report titled “Nanaimo Operations Centre Alternative Approval Process” dated 2023-DEC-04.
    - The advantages of this option: Electors would have 34 days to submit their response form and the AAP process does not require them to appear in person on designated days to express their opinion, making this method of elector consent more convenient for electors and suitable for a project that is considered necessary to the community.
    - The disadvantages of this option: If the AAP is unsuccessful Council will have the option to proceed to a referendum which would then increase costs significantly.
    - Financial Implications: Holding an AAP is done with much lower costs than by conducting a referendum.
2. That Council not move forward with the Alternative Approval Process. Council may wish to not pursue this matter.
  - The advantages of this option: There would be no impact to the City’s borrowing capacity.
  - The disadvantages of this option: The current Public Works, and the Parks Operations Yard are no longer able to meet operational or seismic requirements and therefore Staff would need to return with alternative options to address these issues as this project is considered necessary to the community.

- Financial Implications: There would be no impact to the City's borrowing capacity and future projects could access this borrowing room; however, future upgrades or improvements to the Public Works and Parks Operations Yards could result in higher cost estimates.
3. That Council moves forward through an Assent Voting Process – “Assent Voting” is often referred to as a referendum. Council is not obligated to conduct an AAP, and instead could proceed to an Assent Voting process.
- The advantages of this option: A referendum provides a process similar to an election and can list more than one question on the ballot.
  - The disadvantages of this option: Conducting a referendum involves the same resources and more costs than holding a general election (approximately \$297,000).
  - Financial Implications: The costs and Staff resources associated with Assent Voting are significant and more than a general election.

### **SUMMARY POINTS**

- A challenge to “Nanaimo Operations Centre Phase One Borrowing Bylaw 2023 No. 7362” could be brought forward due to an administrative error with the combined notices completed and the timing of such notices not meeting the legislative requirements.
- The Province provides guidelines for best practices on when to hold an AAP versus a Referendum (Assent Vote).
- AAPs offer increased accessibility over Assent Voting (Referendum) with having the minimum 30 days (37 days in the case of the Nanaimo Operations Centre AAP) for electors to express their views rather than being limited to 3 designated days to cast a ballot.
- Should Council proceed, the new AAP would commence 2024-JAN-18 following the publication of the second notice and elector approval is deemed to have been obtained if less than 7,889 valid Elector Response Forms in opposition to Bylaw No. 7362 are received prior to 4:30 p.m. on Tuesday, 2024-FEB-20.

### **ATTACHMENTS:**

- Attachment A – Draft Elector Response Form
- Attachment B – Draft Notice to Electors
- Attachment C – Nanaimo Operations Centre Overview

**Submitted by:**

Sheila Gurrie,  
Corporate Officer/  
Director, Legislative Services

**Concurrence by:**

Dale Lindsay,  
Chief Administrative Officer

**Concurrence by:**

Laura Mercer,  
Director, Finance

**Concurrence by:**

Bill Sims,  
General Manager, Engineering & Public  
Works



**ALTERNATIVE APPROVAL PROCESS  
ELECTOR RESPONSE FORM**

**ATTACHMENT A**

**“NANAIMO OPERATIONS CENTRE PHASE ONE BORROWING BYLAW 2023 NO. 7362”  
(To authorize the borrowing of up to \$48,500,000 for the first phase of construction of the  
Nanaimo Operations Centre).**

*Pursuant to the Community Charter, I certify that:*

- *I am a person entitled to be registered as an elector (pursuant to the Local Government Act) within the City of Nanaimo;*
- *I have not previously signed an Elector Response Form with respect to this Bylaw; and*
- *I am **OPPOSED** to the adoption of “Nanaimo Operations Centre Phase One Borrowing Bylaw 2023 No. 7362” (To authorize the borrowing of up to \$48,500,000 for phase one construction of the Nanaimo Operations Centre), without first obtaining the assent of the electors in a voting proceeding (referendum).*

NAME OF ELECTOR: \_\_\_\_\_  
(Please Print Full Name)

ELECTOR’S STREET ADDRESS: \_\_\_\_\_

SIGNATURE OF ELECTOR: \_\_\_\_\_

DATE: \_\_\_\_\_

<b>To be completed by Non-Resident Property Electors only</b>
I am entitled to register as a non-resident property elector as an owner of the property legally described as: _____

For this elector response form to be counted, it must be submitted in person or by mail to be received by the Corporate Officer, Legislative Services Department **NO LATER THAN 4:30 P.M. 2024-FEB-20.**

Postmark **WILL NOT** be accepted as date of submission. **ORIGINAL SIGNATURES ARE REQUIRED SO THE ELECTOR RESPONSE FORM MAY NOT BE RETURNED BY EMAIL OR BY FAX.**

Approval of the electors by alternate approval process is obtained if less than 7,889 elector responses are received by the stated deadline.

Legislative Services Department  
455 Wallace Street, Nanaimo, BC V9R 5J6  
Phone (250) 755-4405

Office hours are 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding statutory holidays.

*“Freedom of Information and Protection of Privacy Act (FOIPPA) Information collected on this form is done so under the general authority of the Community Charter and FOIPPA and is protected in accordance with FOIPPA. Personal information will only be used by authorized staff to fulfill the purpose for which it was originally collected, or for a use consistent with that purpose.”*



**INFORMATION REGARDING QUALIFICATIONS FOR ELECTORS**

**Resident electors:**

- 18 years of age or older;
- A Canadian citizen;
- Have lived in BC for the last 6 months;
- Resident of the City of Nanaimo;
- Not disqualified by any enactment from voting in an election or otherwise disqualified by law.

**Non-Resident Property Elector:**

- Not entitled to register as a resident elector in the City of Nanaimo;
- 18 years of age or older;
- A Canadian citizen;
- Have lived in BC for the last 6 months;
- Have owned real property in the City of Nanaimo for at least 30 days;
- Not disqualified by any enactment from voting in an election or otherwise disqualified by law;
- **If there is more than one registered owner of the property (either as joint tenants or tenants in common), only one of those individuals may, with the written consent of the majority of the owner, register as a non-resident property elector, and,**
- **A person may only register as a non-resident property elector in relation to one parcel of real property in a jurisdiction.**

**NOTE: No corporation is entitled to be registered as an elector or have a representative registered as an elector and no corporation is entitled to vote.**

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*An accurate copy of this elector response form may be utilized (either single-sided or double-sided), provided it is made prior to any electors signing such form, so that only elector response forms with original signatures are submitted.*



# NOTICE TO ELECTORS OF THE CITY OF NANAIMO OF AN ALTERNATIVE APPROVAL PROCESS

## ATTACHMENT B

### “NANAIMO OPERATIONS CENTRE PHASE ONE BORROWING BYLAW 2023 NO. 7362”

#### A Bylaw to authorize the borrowing of up to \$48,500,000 for the first phase of construction of the Nanaimo Operations Centre.

**Notice is Hereby Given That**, pursuant to the *Community Charter*, the Council of the City of Nanaimo intends to adopt “NANAIMO OPERATIONS CENTRE PHASE ONE BORROWING BYLAW 2023 NO. 7362” that will be repaid over a period not to exceed twenty (20) years.

If adopted, the bylaw will authorize Council to borrow up to \$48,500,000 to finance the cost of Phase 1 of construction of the Nanaimo Operations Centre, which will include the following projects:

- i) \$40,000,000 to construct a Fleet and Maintenance Facility, a truck wash and dump facility, and site servicing for 2020 Labieux Road;
- ii) \$4,500,000 to construct storm water management facilities at 2300 Bowen Road for storm water from 2020 Labieux Road;
- iii) \$1,250,000 to retrofit an existing fire training apparatus located at 2020 Labieux Road to facilitate the required additional site utilization; and
- iv) \$2,750,000 to construct a multi-use pathway at 2300 Bowen Road in lieu of frontage improvements normally associated with development at 2020 Labieux Road.

The bylaw, if adopted, will also empower Council to acquire all such real property, easements, rights of way, licenses, rights or authorities as may be requisite or desirable for or in connection with the construction of the projects listed above. This includes the planning, study, design and construction of the first phase of the Nanaimo Operations Centre, including services generally to buildings, works and operations facilities to serve the City of Nanaimo. The loan, if borrowed, will have to be repaid over a period not exceeding twenty (20) years.

A copy of the proposed bylaw and other information regarding the construction of Phase 1 of the Nanaimo Operations Centre are available for viewing on the City website at [www.nanaimo.ca](http://www.nanaimo.ca), or at the Legislative Services Department at City Hall, 455 Wallace Street, Nanaimo, BC, from January 10, 2024, to February 20, 2024, during regular office hours: Monday – Friday from 8:30 a.m. – 4:30 p.m. excluding statutory holidays.

**Further Notice is Hereby Given That** the City may proceed with the borrowing and undertaking of Phase 1 of the construction of the Nanaimo Operations Centre and related projects unless, by the deadline, at least 10% of the electors of the City of Nanaimo sign and submit an elector response form opposing the borrowing and indicating that Council must obtain the assent of the electors (referendum).

For the purpose of this elector response opportunity, the number of elector responses required to prevent the City from proceeding with the borrowing bylaw without the assent of electors (referendum) is determined to be at least 7,889. A report respecting the basis on which this determination was made is available upon request.

#### **Elector Response Forms**

The response of the electors must be in the form established by the Council of the City of Nanaimo. Elector Response Forms are available from Legislative Services at City Hall, 455 Wallace Street, Nanaimo, BC V9R 5J6, on the City website at [www.nanaimo.ca](http://www.nanaimo.ca), or by phoning (250) 755-4405, Monday through Friday, 8:30 a.m. to 4:30 p.m. excluding statutory holidays.

An accurate copy of the elector response form may be utilized (either single-sided or double-sided), provided that the copy is made prior to any electors signing such form, so that only elector response forms with original signatures are submitted.

#### **Elector Response Form Deadline**

**Commencing January 18, 2024**, Elector Response Forms may be submitted in person or by mail to be received by the Corporate Officer, Legislative Services Department located at City Hall, 455 Wallace Street, Nanaimo, BC V9R 5J6 **NO LATER THAN 4:30 P.M. 2024-FEB-20**. Elector response forms must be in possession of the Corporate Officer by this time, as postmarks **WILL NOT** be accepted as date of submissions.

**ORIGINAL SIGNATURES ARE REQUIRED SO THE ELECTOR RESPONSE FORMS MAY NOT BE RETURNED BY EMAIL OR BY FAX.**

#### **Eligible Electors**

The only persons entitled to sign an elector response form are the electors within the municipal boundaries of the City of Nanaimo, which is the area to which the approval process applies. Eligible electors are persons who meet all of the following Resident or Non-Resident Property Elector qualifications:

##### **A Resident Elector must:**

- be 18 years of age or older;
- be a Canadian citizen;
- have been a resident of British Columbia for at least 6 months immediately before signing the elector response form;
- be a resident of the City of Nanaimo;
- not be disqualified by any enactment from voting in an election or otherwise disqualified by law; and,
- sign the elector response form and provide their municipal address.

##### **A Non-Resident Property Elector must:**

- not be entitled to register as a resident elector in the City of Nanaimo;
- be 18 years of age or older;
- be a Canadian citizen;
- have been a resident of British Columbia for at least 6 months immediately before signing the elector response form;
- have owned real property in the City of Nanaimo for at least 30 days before signing the elector response form;
- not be disqualified by any enactment from voting in an election or otherwise disqualified by law;
- not be registered as a non-resident property elector in relation to any other parcel of real property within the City of Nanaimo; and,
- Provide their name and the address of the property in relation to which they are registering.

**NOTE: If there is more than one registered owner of the property (either as joint tenants or tenants in common), only one of those individuals may, with written consent of the majority of the owner, register as a non-resident property elector. No corporation is entitled to be registered as an elector or have a representative registered as an elector and no corporation is entitled to vote.**

More information may be obtained on the Alternative Approval Process by contacting Sheila Gurrie, Corporate Officer, at the City of Nanaimo City Hall at 455 Wallace Street, Nanaimo, BC V9R 5J6, or by telephone at (250) 755-4405.

Sheila Gurrie, City Clerk and Corporate Officer  
City of Nanaimo

## ATTACHMENT C

### NANAIMO OPERATIONS CENTRE PROJECT OVERVIEW

#### Project Description

Our current Public Works and Parks Operations Yards are well past their usable lifespan, and no longer suitable to serve our growing community. Now nearly 60 years old, these facilities were originally built to serve a community of less than 45,000 people in 1980. The City of Nanaimo is now over 100,000 people strong and growing.

The Nanaimo Operations Centre (NOC) is proposed to be a utilitarian facility, without frills; basic and fit for purpose intended serve Nanaimo for many generations. This facility is designed with functionality, efficiency, safety, adaptability, and sustainability as priorities.

The project is phased, Phase One includes the following:

- Foundational work including a new fleet maintenance facility, truck wash facilities and underground utility servicing for future phases.
- Green stormwater infrastructure at the Operations Centre and next door at Fire Rescue Station 2.
- Fire Training Tower Fuel Conversion to convert the City's fire training tower from hazardous and environmentally poor wood burning, to an efficient gas system.
- New trail to complete the circular route of trails at Beban Park, in place of an otherwise required sidewalk spanning the length of the Operations Centre.

Future phases include: An Administration building, Storage buildings, Stores and Supply building renovations, and upgrades to Parks, Recreation and Culture facilities.

#### Frequently Asked Questions

##### **1. *Why is the work needed?***

The original Public Works buildings were constructed in the 1960's and then evolved as the City population grew from less than 45,000 in 1980 to over 100,000 in 2021. Much of the additional space was added using construction trailers, which are intended for temporary use.

The original buildings and additions have exceeded their useful life, are seismically vulnerable, and cost a considerable amount to sustain. The mechanic bays are too small to fit some fleet vehicles, including fire and sanitation trucks.

Substantial efforts have been made to accommodate increasing community operational needs by converting unsuitable spaces or adding additional trailer units to create working room. The overall result is a facility that struggles or fails to meet existing operational needs, environmental regulations, as well as building code or accessibility and gender equity requirements.

With the population of Nanaimo expected to be in the range of 126,000-141,000 in 25 years, there will be an increasing demand for services that cannot feasibly be met with the existing facility.

**2. What is the cost of the Nanaimo Operations Centre Project?**

The budget for Phase One of the project has been set at \$48.5 Million. This budget consists of separate budgets for each element of the Nanaimo Operations Centre project:

**Nanaimo Operations Centre  
Budget Projection Details**

	NOC Foundational Work	NOC Stormwater Management	Fire Training Tower Fuel Conversion	Beban Park Trail
<b>Construction</b>	\$22,000,000	\$2,700,000	\$775,000	\$1,700,000
<b>Project Delivery:</b> Includes costs for design, insurance, third-party (hydro, tel.) utilities, permitting, etc.	\$6,900,000	\$540,000	\$155,000	\$345,000
<b>Anticipated Escalation:</b> Projected inflation to midpoint of construction	\$5,800,000	\$400,000	\$150,000	\$250,000
<b>Contingency</b>	\$5,300,000	\$860,000	\$170,000	\$455,000
<b>Maximum Borrowing</b>	\$40,000,000	\$4,500,000	\$1,250,000	\$2,750,000

No budget has been set for future phases; however, cost estimates completed previously have suggested the costs could be approximately \$115 Million. Preparing cost estimates that far into the future is problematic, so any sense of the numbers beyond a few years is subject to substantial change.

**3. If Phase One moves forward, is the City locked into the future phases?**

No, Phase One has been developed as a stand-alone project knowing that continuing with additional phases will be a decision for the future. However, Phase One addresses only some of the highest priority needs, the administration building in a future phase is also urgently needed.

**4. Why fund the project through borrowing?**

The project is an expensive long-term asset that will serve generations to come. To provide intergenerational fairness it is appropriate to spread that cost and impact out over a longer time period.

**5. What is expected of the new facility in an earthquake?**

Both the Fleet Maintenance facility and the Administration building will be designed to a “post-disaster” standard as they are facilities that are necessary for the provision of essential services in the event of a disaster. The City will be a key participant in the response to a major event; including the restoration of water, sewer, fire protection and transportation services. Without a functioning base of operations after a disaster, the City may not be able to fulfill its responsibilities.

Other components of the facility or buildings at the site will be built to the normal building code requirements.

**6. *Is there a premium constructing to a post disaster standard?***

Yes, there is an anticipated premium of approximately \$1.8 Million for constructing two post-disaster (the Fleet Maintenance facility as well as the Administration building) rather than 'standard' buildings; however, given the importance of sustaining core City functions in a post disaster scenario, it is well worth it.

**7. *Why Does the Project Include a Trailway in Beban Park?***

All development requires construction of "frontage works and services", which usually consists of a sidewalk, roadworks, and street lighting. The project team felt there was better community value to construct these 'works and services' in Beban Park in the form of a trailway instead of a concrete sidewalk on Labieux Road in front of the current Public Works Yard.

**8. *Why Does the Project Include Fuel Conversion to the Fire Training Tower?***

Smoke from burning wood during training impacts operations staff and their ability to carry out their duties at Public Works. With the Fleet Maintenance facility located near the tower, the problem becomes worse. Also, for fire fighters, conversion to gas reduces the exposure to toxins found in wood smoke and reflects evolving North American standards for training.

**9. *What is the timing of The Project?***

Phase One is expected to take about three years from start to finish. If it starts in 2024, it would be expected to finish around 2027/2028.

Future phases of the NOC Project are expected to lag behind Phase One by several years. The preliminary timeline suggests that it might be ready for detailed design 2027/2028.