



AGENDA "IN CAMERA" COUNCIL MEETING

Monday, July 9, 2018, 4:00 P.M. - 6:30 P.M.
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC
SCHEDULED RECESS AT 5:30 P.M.

Pages

1. ADOPTION OF AGENDA

That Council, in accordance with Section 90(1)(n) of the Community Charter, adopt the agenda as presented (or as amended).

Summary of Agenda Items and Proposed CC Reasons to Close Meeting:

1. Adoption of Agenda - 90(1)(n)

3(a). [REDACTED] - 90(1)(k)

3(b). Update re: Affordable Housing Site Options - 90(1)(e)

4(a). [REDACTED] - 90(1)(e)

4(b). Deputy Financial Officer Appointment - 90(1)(a)

4(c). 5290 Rutherford Road - Request for Offers - 90(1)(e)

4(d). Correspondence dated, June 26, 2018, from District of Lantzville re: Meeting with Council regarding the Lantzville/Nanaimo Water Agreement - 90(1)(k)

4(e). [REDACTED] - 90(1)(c)

Section 90(1):

(a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;

(c) labour relations or other employee relations;

(e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality;

(k) 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; and,

(n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

2. ADOPTION OF MINUTES

- | | | |
|----|---|---------|
| a. | <u>Minutes</u> Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC on Monday, 2018-JUN-11 at 4:00 p.m. | 5 - 8 |
| b. | <u>Minutes</u> Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC on Monday, 2018-JUN-18 at 4:00 p.m. | 9 - 13 |
| c. | <u>Minutes</u> Minutes of the "In Camera" Council Meeting held in the Board Room, 411 Dunsmuir Street, Nanaimo, BC on Tuesday, 2018-JUN-19 at 2:30 p.m. | 14 - 15 |
| d. | <u>Minutes</u> Minutes of the "In Camera" Council Meeting held in the Board Room, 411 Dunsmuir, Nanaimo, BC on Monday, 2018-JUN-21 at 9:00 a.m. | 16 - 17 |
| e. | <u>Minutes</u> Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC on Monday, 2018-JUN-25 at 3:00 p.m. | 18 - 20 |

3. PRESENTATIONS

- | | | |
|----|---|--|
| a. | <div style="background-color: #cccccc; height: 15px; width: 360px; margin-bottom: 5px;"></div> <div style="background-color: #cccccc; height: 15px; width: 590px; margin-bottom: 5px;"></div> <div style="background-color: #cccccc; height: 15px; width: 75px;"></div> | |
| b. | <u>Update re: Affordable Housing Site Options</u> To be introduced by Dale Lindsay, Director of Community Development. | |

4. REPORTS

a.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

b. Deputy Financial Officer Appointment

25 - 26

To be introduced by Sheila Gurrie, City Clerk.

Purpose: To obtain Council approval to appoint a Deputy Financial Officer.

Recommendation: That Council:

1. appoint Ms. Jamie Slater, Acting Manager, Revenue Services as Deputy Financial Officer until 2019-JUN-30 to fulfill the duties as set out in Section 149 of the *Community Charter*.

2. establish the order in which the Deputy Financial Officers perform the duties in absence of the Financial Officer as follows:

(a) Wendy Fulla, Manager of Business, Asset and Financial Planning.

(b) Jamie Slater, Acting Manager, Revenue Services.

Rise and Report:

Rise and report at a future Open Council meeting.

c. 5290 Rutherford Road - Request for Offers

27 - 30

To be introduced by Dale Lindsay, Director of Community Development.

Purpose: To provide Council with an update on the marketing of five fee-simple City-owned lots at 5290 Rutherford Road through a Request for Offers process.

Recommendation: That the report titled "5290 Rutherford Road – Request For Offers", dated 2018-JUL-09, be received for information.

Rise and Report:

To be released upon approval of the Request for Offers at an Open Council meeting.

- d. Correspondence dated, June 26, 2018, from District of Lantzville re: Meeting with Council regarding the Lantzville/Nanaimo Water Agreement

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The District of Lantzville provided correspondence dated June 26, 2018, requesting that Council host an "In Camera" meeting on July 13, 2018, at 9:00 a.m. to discuss the Lantzville/Nanaimo Water Agreement and that in advance of the meeting, Council send topics for discussion about proposed changes to the Lantzville/Nanaimo Water Agreement to the District of Lantzville.

e.

[REDACTED]

5. ADJOURNMENT OF "IN CAMERA" MEETING

"IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
MONDAY, 2018-JUN-11 AT 4:00 P.M.

Members: Councillor I. W. Thorpe, Chair
Councillor S. D. Armstrong
Councillor M. D. Brennan
Councillor J. Hong
Councillor J. A. Kipp
Councillor W. M. Yoachim (arrived 4:38 p.m.)

Absent: Mayor W. B. McKay
Councillor G. W. Fuller
Councillor W. L. Bestwick

Others: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Staff: D. Lindsay, Director of Community Development
K. Fry, Fire Chief and Director of Public Safety (arrived 4:15 p.m., vacated 4:55 p.m.)
S. Gurrie, City Clerk
S. Snelgrove, Recording Secretary

1. CALL THE "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 4:12 p.m.

3. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as presented. The motion carried unanimously.

4. ADOPTION OF MINUTES:

It was moved and seconded that the following Minutes be adopted as circulated:

- Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC, on Monday, 2018-MAY-07 at 4:30 p.m.
- Minutes of the Special "In Camera" Council Meeting held in the Shaw Auditorium, 80 Commercial Street, Nanaimo, BC, on Friday, 2018-MAY-25 at 9:00 a.m.; and,

- Minutes of the Special "In Camera" Council Meeting held in the Shaw Auditorium, 80 Commercial Street, Nanaimo, BC, on Friday, 2018-MAY-25, at 1:00 p.m.

The motion carried unanimously.

K. Fry, [REDACTED] entered the Douglas Rispin Room at 4:15 p.m.
[REDACTED]

5. PRESENTATIONS:

(a) [REDACTED]
[REDACTED]
[REDACTED]

Councillor Yoachim entered the Douglas Rispin Room at 4:38 p.m.
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] K. Fry and [REDACTED] vacated the Douglas Rispin Room at 4:55 p.m.

6. REPORTS:

(a) Deputy Corporate Officer Appointments

Introduced by Sheila Gurrie, City Clerk.

It was moved and seconded that Council:

1. renew the appointment of Ms. Sky Snelgrove, Steno Coordinator, and appoint Laura Mercer, Manager of Accounting Services as Deputy Corporate Officers until 2019-JUN-30 to fulfill the duties as set out in Section 148 of the *Community Charter*;
2. rescind the appointment of Mr. Brad McRae as Deputy Corporate Officer;
3. rescind the appointment of Mr. Victor Mema as Deputy Corporate Officer; and,
4. establish the order in which the Deputy Corporate Officers perform the duties in the absence of the Corporate Officer as follows:
 - (a) Sky Snelgrove, Steno Coordinator
 - (b) Laura Mercer, Manager Accounting Services

The motion carried unanimously.

Rise and Report:

It was moved and seconded that Council release the report titled "Deputy Corporate Officer Appointments," dated 2018-JUN-11 at a future open Council meeting. The motion carried unanimously.

(b) Financial Officer and Deputy Financial Officer Appointments

It was moved and seconded that Council:

1. rescind the appointment of Victor Mema as Chief Financial Officer;
2. appoint Ms. Laura Mercer, Manager of Accounting Services, as Financial Officer in order to fulfill the duties as set out in Section 149 of the *Community Charter*; and,
3. renew the appointment of Ms. Wendy Fulla, Manager of Business, Asset and Financial Planning, as the Deputy Financial Officer until 2019-JUN-30 to fulfill the duties as set out in Section 149 of the *Community Charter*.

The motion carried unanimously.

It was moved and seconded that Council release the report titled "Financial Officer and Deputy Financial Officer Appointments," dated 2018-JUN-11 at a future open Council meeting. The motion carried unanimously.

(c) Dissolution of the Nanaimo Economic Development Corporation

Introduced by Dale Lindsay, Director of Community Development.

It was moved and seconded that Council:

1. authorize the Director of the Nanaimo Economic Development Corporation to dissolve the company under Division 2 of Part 10 of the *Business Corporations Act*, execute all necessary documents to wind up its affairs, facilitate the transfer of assets and assumptions of debts and liabilities to the Corporation of the City of Nanaimo; and,
2. authorize the Mayor and Corporate Officer to execute the Assumption and Distribution Agreement.

The motion carried unanimously.

It was moved and seconded that Council release the report titled "Dissolution of the Nanaimo Economic Development Corporation," dated 2018-JUN-11. The motion carried unanimously.

(d) Property Disposition – Part in Plan 174RW of Lot 7 – Nanaimo River Road

Introduced by Dale Lindsay, Director of Community Development.

It was moved and seconded that Council:

1. provide 'Approval in Principle' to dispose of Part in Plan 174RW of Lot 7 – Nanaimo River Road to [REDACTED];
2. direct Staff to publish a Notice of Disposition; and,
3. direct Staff to return to an open Council meeting, once the Notice has been published, seeking approval to the property disposition.

The motion carried unanimously.

It was moved and seconded that Council release the report titled "Property Disposition – Part in Plan 174RW of Lot 7 – Nanaimo River Road," dated 2018-JUN-11, upon the conclusion of the property disposition [REDACTED]
[REDACTED] The motion carried unanimously.

[REDACTED]
[REDACTED]
[REDACTED]

Councillor Kipp vacated the Douglas Rispin Room at 5:09 p.m.
Councillor Brennan vacated the Douglas Rispin Room at 5:09 p.m.
The In Camera meeting recessed at 5:09 p.m.
The In Camera meeting reconvened at 5:21 p.m.

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

(f) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

7. ADJOURNMENT:

It was moved and seconded at 5:53 p.m. that the "In Camera" Meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

"IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
MONDAY, 2018-JUN-18, AT 4:00 P.M. – 6:30 P.M.

Members: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor M. D. Brennan
Councillor G. W. Fuller (arrived 4:06 p.m.)
Councillor J. Hong
Councillor I. W. Thorpe
Councillor W. M. Yoachim (arrived 4:07 p.m.)

Absent: Councillor W. L. Bestwick
Absent: Councillor J. A. Kipp

Staff: D. Lindsay, Director of Community Development (vacated 4:39 p.m.,
returned 4:48 p.m., vacated 4:52 p.m., returned 5:02 p.m.)
J. Van Horne, Director of Human Resources
B. Corsan, Deputy Director of Community Development (vacated
4:39 p.m., returned 4:48 p.m.)
S. Gurrie, City Clerk (vacated 6:02 p.m., returned 6:37 p.m.)
K. Gerard, Recording Secretary (vacated 6:02 p.m.)

Others: [REDACTED]

1. CALL THE "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 4:00 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Replace – Regular Council Meeting Minutes from Monday, 2018-MAY-28 at 4:30 p.m.
with attached "In Camera" Council Meeting Minutes, 2018-MAY-28.

(b) Sheila Gurrie, City Clerk, advised that the Agenda Items would be re-ordered as follows:

1. Agenda Item 4(f) – Correspondence from the District of Lantzville, dated 2018-APR-03 be moved to Agenda Item 4(g);
2. Agenda Item 4(g) – [REDACTED] be moved to Agenda Item 4(h); and,
3. Agenda Item 4(h) – John Van Horne, Human Resources – Verbal Update [REDACTED] be moved to Agenda Item 4(f).

3. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as amended. The motion carried unanimously.

4. ADOPTION OF MINUTES:

It was moved and seconded that the Minutes of the "In Camera" Council Meeting held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, on Monday, 2018-MAY-28 at 4:30 p.m. be adopted as circulated. The motion carried unanimously.

Councillor Fuller entered the Douglas Rispin Room at 4:06 p.m.
Councillor Yoachim entered the Douglas Rispin Room at 4:07 p.m.

5. REPORTS:

(a) [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

D. Lindsay and B. Corsan vacated the Douglas Rispin Room at 4:39 p.m.

(b) [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

B. Corsan and D. Lindsay, entered the Douglas Rispin Room at 4:48 p.m.

(c) [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

D. Lindsay vacated the Douglas Rispin Room at 4:52 p.m.

(d) 1 Port Drive – Termination of Team Tracks Licence Agreement.

Introduced by Bill Corsan, Deputy Director of Community Development.

It was moved and seconded that Council approve the payment of [REDACTED] to the Island Corridor Foundation for the discharge of the Team Tracks licence agreement. The motion carried unanimously.

It was moved and seconded that the report titled "1 Port Drive – Termination of Team Tracks Licence Agreement", dated 2018-JUN-18, be released upon notification of the termination of the agreement by Island Corridor Foundation. The motion carried unanimously.

(e) Discharge of the Seaspans Right-of-Way at 1 Port Drive

Introduced by Bill Corsan, Deputy Director of Community Development.

Bill Corsan, Deputy Director of Community Development provided Council with a presentation regarding the discharge of the Seaspan right-of-way, future plans for the site and request the Snuneymuxw First Nations are communicated with in all future development plans.

It was moved and seconded that Council provide approval in principle to discharge the Seaspan Right-of-Way at 1 Port Drive through the transfer of [REDACTED] and the fee-simple interest of 5.5 acres of upland and 3 acres of water lot to the Washington Marine Group. The motion carried unanimously.

It was moved and seconded that the report titled "Discharge of the Seaspan Right-Of-Way at 1 Port Drive", dated 2018-JUN-18, be released following formal approval of the transaction at an Open Council Meeting. The motion carried unanimously.

The "In Camera" Meeting recessed at 5:20 p.m.
The "In Camera" Meeting reconvened at 5:37 p.m.

[illegible]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(g) Correspondence from the District of Lantzville, dated 2018-APR-03

It was moved and seconded that Council direct Staff to arrange a Council to Council meeting to discuss the City of Nanaimo and District of Lantzville Water Agreement. The motion carried unanimously.

(h) [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6. ADJOURNMENT:

It was moved and seconded at 6:38 p.m. that the "In Camera" Meeting terminate. The motion carried unanimously.

CERTIFIED CORRECT:

CHAIR

CORPORATE OFFICER

"IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
BOARDROOM, SERVICE AND RESOURCE CENTRE,
411 DUNSMUIR STREET, NANAIMO, BC
TUESDAY, 2018-JUN-19 AT 2:30 P.M. – 4:00 P.M.

Present: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor M. D. Brennan
Councillor J. Hong (vacated 3:40 p.m.)
Councillor I. W. Thorpe
Councillor W. M. Yoachim

Absent: Councillor W. L. Bestwick
Councillor G. W. Fuller
Councillor J. A. Kipp

Staff: J. Van Horne, Director of Human Resources

1. CALL THE "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 2:31 p.m.

2. INTRODUCTION OF LATE ITEMS:

(a) Remove Agenda Item 3(a) – Interview #1 1:00 p.m. – 2:30 p.m.

3. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as amended. The motion carried unanimously.

4. PRESENTATIONS:

(a) Interview #2 2:30 p.m. – 4:00 p.m.

John Van Horne, Director of Human Resources, introduced [REDACTED] as a candidate for the Interim Chief Administrative Officer position.

Councillor Hong vacated the Boardroom at 3:40 p.m.

5. ADJOURNMENT:

It was moved and seconded at 4:02 p.m. that the "In Camera" Meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER

"IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
BOARDROOM, SERVICE AND RESOURCE CENTRE,
411 DUNSMUIR STREET, NANAIMO, BC
THURSDAY, 2018-JUN-21 AT 9:00 A.M. – 12:30 P.M.

Members: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor M. D. Brennan
Councillor G. W. Fuller
Councillor J. Hong
Councillor I. W. Thorpe

Absent: Councillor W. L. Bestwick
Councillor J. A. Kipp
Councillor W. M. Yoachim

Staff: J. Van Horne, Director of Human Resources
S. Gurrie, City Clerk

1. CALL THE "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 9:00 a.m.

2. INTRODUCTION OF LATE ITEMS:

(a) Add Agenda Item 3(c) – Council Deliberation and Direction to Staff.

3. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as amended. The motion carried unanimously.

4. PRESENTATIONS:

(a) Interview #3 9:00 a.m. – 10:30 p.m.

John Van Horne, Director of Human Resources, introduced [REDACTED] as a candidate for the Interim Chief Administrative Officer position.

(b) Interview #4 10:30 a.m. – 12:00 p.m.

John Van Horne, Director of Human Resources, introduced Jake Rudolph as a candidate for the Interim Chief Administrative Officer position.

(c) _____

| Government | Percentage |
|---------------------|------------|
| Current government | 85% |
| Previous government | 15% |

| Service | Percentage |
|----------------|------------|
| Online banking | 95% |
| Mobile banking | 92% |
| ATM | 88% |
| Branch | 85% |
| Phone banking | 78% |
| Social media | 65% |

[illegible]

5. ADJOURNMENT:

It was moved and seconded at 12:36 p.m. that the "In Camera" Meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

"IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
MONDAY, 2018-JUN-25 AT 3:00 P.M. – 4:30 P.M.

Present: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor M. D. Brennan
Councillor G. W. Fuller
Councillor J. Hong
Councillor J. A. Kipp
Councillor I. W. Thorpe

Absent: Councillor W. L. Bestwick
Councillor W. M. Yoachim

Staff: D. Lindsay, Director of Community Development
J. Van Horne, Director of Human Resources (arrived 4:16 p.m.)
K. Fry, Fire Chief & Director of Public Safety (vacated 3:31 p.m.)
L. Mercer, Manager Accounting Services (arrived 3:32 p.m., vacated 4:16 p.m.)
W. Fulla, Manager Business, Asset & Financial Planning (arrived 3:32 p.m., vacated 4:16 p.m.)
S. Gurrie, City Clerk
G. Whitters, Steno Legislative Services (vacated 4:16 p.m.)
J. Vanderhoef, Recording Secretary (vacated 4:16 p.m.)

Others:

[REDACTED]

1. CALL THE "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 3:00 p.m.

2. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as presented. The motion carried unanimously.

[REDACTED] entered the Douglas Rispin Room at 3:01 p.m.

3. PRESENTATIONS:

(a)

| Age Group | Number of People |
|-----------|------------------|
| 18-24 | 850 |
| 25-34 | 950 |
| 35-44 | 650 |
| 45-54 | 950 |
| 55-64 | 950 |
| 65-74 | 950 |
| 75-84 | 950 |
| 85+ | 900 |

It was moved and seconded that Council rise and report 2018-JUN-26 through a press release regarding the Supreme Court Hearing on Discontent City. The motion carried unanimously.

Councillor Kipp requested that the press release include what the City has done proactively, in the past years, regarding housing issues.

██████████ and K. Fry vacated the Douglas Rispin Room at 3:31 p.m.
L. Mercer, W. Fulla and ██████████ entered the Douglas Rispin Room at 3:32 p.m.

(b)

| Bar Index | Approximate Length (%) |
|-----------|------------------------|
| 1 | 85 |
| 2 | 75 |
| 3 | 100 |
| 4 | 45 |
| 5 | 100 |
| 6 | 100 |
| 7 | 95 |
| 8 | 100 |
| 9 | 55 |
| 10 | 100 |
| 11 | 100 |
| 12 | 55 |
| 13 | 100 |
| 14 | 100 |
| 15 | 60 |

J. Vanderhoef, G. Whitters, W. Fulla, L. Mercer and ██████████ vacated the Douglas Rispin Room at 4:16 p.m.

J. Van Horne entered the Douglas Rispin Room at 4:16 p.m.

(c)

4. ADJOURNMENT:

It was moved and seconded at 4:22 p.m. that the "In Camera" Meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

DATE OF MEETING July 9, 2018

AUTHORED BY SHEILA GURRIE, CITY CLERK AND CORPORATE OFFICER

SUBJECT DEPUTY FINANCIAL OFFICER APPOINTMENT

OVERVIEW

Purpose of Report

To obtain Council approval to appoint a Deputy Financial Officer.

Reason for “In Camera”

Community Charter Section 90(1)

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality.

Recommendation

That Council:

1. appoint Ms. Jamie Slater, Acting Manager, Revenue Services as Deputy Financial Officer until 2019-JUN-30 to fulfill the duties as set out in Section 149 of the *Community Charter*.
2. establish the order in which the Deputy Financial Officers perform the duties in absence of the Financial Officer as follows:
 - a) Ms. Wendy Fulla, Manager of Business, Asset and Financial Planning
 - b) Ms. Jamie Slater, Acting Manager, Revenue Services

Resolution to Rise and Report

Rise and report at a future open Council meeting.

BACKGROUND

The Deputy Financial Officer (DFO) appointments would carry out any essential duties outlined in the *Community Charter* when the Financial Officer is absent. The appointment does not come with any additional pay and would have to be renewed by Council on or before 2019-JUN-30, if required.

OPTIONS

That Council:

1. appoint Ms. Jamie Slater, Acting Manager, Revenue Services as Deputy Financial Officer until 2019-JUN-30 to fulfill the duties as set out in Section 149 of the *Community Charter*.
2. establish the order in which the Deputy Financial Officers perform the duties in absence of the Financial Officer as follows:
 - c) Ms. Wendy Fulla, Manager of Business, Asset and Financial Planning
 - d) Ms. Jamie Slater, Acting manager, Revenue Services

- **Budget Implications:** There are no budget implications. |

SUMMARY POINTS

- Deputy Financial Officer appointments are for a one year term ending 2019-JUN-30.
- Deputy Financial Officers perform the duties of the Financial Officer in their absence.

Submitted by:

Sheila Gurrie
City Clerk and Corporate Officer

“In Camera” Information Report

City of Nanaimo

File Number: LD003221

DATE OF MEETING July 9, 2018

AUTHORED BY NANCY SKEELS, PROPERTY AGENT, REAL ESTATE

SUBJECT 5290 RUTHERFORD ROAD – REQUEST FOR OFFERS

OVERVIEW

Purpose of Report

To provide Council with an update on the marketing of five fee-simple City-owned lots at 5290 Rutherford Road through a Request for Offers process.

Reason for “In Camera”

Community Charter Section 90(1):

(e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality.

Recommendation

That the report titled “5290 Rutherford Road – Request for Offers” dated 2018-JUL-09 be received for information.

Resolution to Rise and Report

To be released upon approval of the Request for Offers at an Open Council meeting.

DISCUSSION

The City acquired 5290 Rutherford Road, 0.99ha (2.5 acres), on 2015-DEC-18 for \$850,000, (the “Property”) (Attachment A). The Property was acquired to complete a new connector road into the Linley Valley West neighbourhood. Public consultation determined the preferred option for the Linley Valley West access to be a roundabout at Rutherford Road and Nelson Road, including a connector road linking to Linley Valley Drive. A tender for the roundabout and access road was awarded in the spring of 2017 with construction completed in the fall, resulting in 0.42ha (1.04 acres) of surplus land that the City can dispose of.

At the 2017-JUL-10 “In Camera” Council meeting, Staff were directed to subdivide the remainder of the Property to create five fee-simple lots and dispose of them individually through a Request for Offer process.

The Property is now in the process of being subdivided into four single-family lots and one multi-family lot in a similar manner to the existing residential neighbourhood (Attachment B). A fair market appraisal for each lot was prepared. Lots 1 to 4 were appraised at \$300,000 and Lot 5 is estimated to market at \$360,000, for a total disposition value of \$1,560,000. The cost of preparing the land is estimated to be \$425,000. Funding for this work was included in the 2017-2021 Financial Plan.

Staff will initiate marketing of the Property through a Request for Offers.

Request for Offers

The Request for Offers brochure will be prepared the week of 2018-JUL-16, which will set the asking price at the market value or above for each lot. Offers less than fair market value will not be considered. A deadline to receive offers will be set for 2018-AUG-17. The purchaser will enter into a presale agreement with the City and a deposit will be required. The Request for Offers will be posted on the City website, BC Bid, the local newspaper, will be distributed to residential brokers through the Vancouver Island Real Estate Board (VIREB) mail list, and a sign will also be posted on the Property.

The submissions will be evaluated by Staff and a recommendation brought back to Council.

SUMMARY POINTS

- The City acquired 5290 Rutherford Road on 2015-DEC-18 for \$850,000.
- The purpose of the acquisition was to facilitate a new roundabout and access road to the Linley Valley West lands at the intersection of Rutherford Road and Nelson Road.
- The project was completed in fall 2017, which has resulted in 0.42ha (1.04 acres) of surplus land that the City can dispose of.
- At the 2017-JUL-10 "In Camera" Council meeting, Council provided approval to subdivide the surplus property into four single-family lots and one multi-family lot and dispose of them individually through a Request for Offer process.
- The subdivision process has begun and an appraisal for the five lots estimates a total market value of \$1,560,000. The cost of preparing the land is estimated to be \$425,000.
- Staff will initiate marketing of the Property through a Request for Offers process. A deadline to receive offers will be set for 2018-AUG-17.
- The submissions will be evaluated by Staff and a recommendation brought back to Council.

ATTACHMENTS

ATTACHMENT A: Location Plan
ATTACHMENT B: Proposed Subdivision Plan

Submitted by:

Bill Corsan
Deputy Director, Community Development

Concurrence by:


Dale Lindsay
Director, Community Development

ATTACHMENT A



LOCATION PLAN

Civic: 5290 Rutherford Road

 Subject Property



ATTACHMENT B



PROPOSED SUBDIVISION PLAN

Civic: 5290 Rutherford Road





District of Lantzville

Incorporated June 2003

June 26, 2018

Chief Administrative Officer
City of Nanaimo
455 Wallace Street
Nanaimo, BC V9T 5J6

Re: Lantzville/Nanaimo Water Agreement Meeting

This letter is to confirm that Council has selected Friday, July 13, 2018 at 9:00 am from the date options provided for the Lantzville/ Nanaimo Water Agreement meeting, and recommends that the meeting be held at a location to be chosen by the City of Nanaimo.

It was originally proposed and agreed that topics of discussion for the meeting be submitted in advance by both parties, so that each party can be prepared and result in an effective and productive meeting. The District of Lantzville submits the following topics for discussion:

1. Under Definition (h), instead of Schedule C, it should state Schedule A. Schedule C is the map that shows the Boundary of Lantzville. Schedule A identifies the pressure zones.
(Housekeeping)
2. Under Definition (l), instead of Schedule C, it should state Schedule A. Schedule C is the map that shows the Boundary of Lantzville. Schedule A identifies the pressure zones.
(Housekeeping)
3. Under 6.6 remove the words, "as a result of new development".
4. Remove section 6.7. (Housekeeping)

We look forward to receiving the City of Nanaimo topics for discussion about proposed changes to the Lantzville/Nanaimo Water Agreement, and confirmation of the meeting location.

We propose that each municipality post an agenda as a special Council meeting, with the first item being a motion to close the meeting; have select staff attend (CAO, Director of Public Works, Corporate Officer) with our respective Councils; and have meeting space available to permit recesses to caucus to enable each Council to vote and finalize any of the proposed changes, if required.

Should you have any questions, please contact me at 250.390.4006 or ronaldcampbell@lantzville.ca.

Yours truly,

Ronald Campbell, CLGA
Chief Administrative Officer

c. District of Lantzville Council; Fred Spears, Director of Public Works

File: 2280.20.9

T:\DISTRICT OF LANTZVILLE\Correspondence\2018\Arising from Council Meeting\CoN Council Water Agreement Meeting 25 Jun 2018.docx

Tel: 250.390.4006 Fax: 250.390.5188

district@lantzville.ca www.lantzville.ca

7192 Lantzville Road, PO Box 100, Lantzville, BC V0R 2H0



ADDENDUM
"IN CAMERA" COUNCIL MEETING

Monday, July 9, 2018, 3:00 P.M. - 6:30 P.M.
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC
SCHEDULED RECESS AT 5:30 P.M.

Pages

1. ADOPTION OF AGENDA

a. Add - Community Charter Section 90(1):

(g) litigation or potential litigation affecting the municipality; and,

(i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

3. PRESENTATIONS

a.

[REDACTED]

4. REPORTS

f.

[REDACTED]

[REDACTED]

*g. Add - Memorandum of Understanding Between the City and School District 68
re: Fifth Street Properties*

To be introduced by Dale Lindsay, Director of Community Development and
Richard Harding, Director of Parks and Recreation.



AGENDA
SPECIAL "IN CAMERA" COUNCIL MEETING

Friday, July 13, 2018
9:00 A.M. - 12:00 P.M.
Nanaimo River Room
Vancouver Island Conference Centre
80 Commercial Street
Nanaimo, BC

Pages

1. ADOPTION OF AGENDA

That Council, in accordance with Section 90(1)(n) of the Community Charter, adopt the agenda as presented (or as amended).

Summary of Agenda Items and Proposed CC Reasons to Close Meeting:

1. Adoption of Agenda - 90(1)(n)

3.(a) Discussions with District of Lantzville Council re: Water Agreement - 90(1)(k)

Section 90(1):

(k) 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; and,

(n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

2. ADOPTION OF MINUTES

3. PRESENTATIONS

a. Discussions with District of Lantzville Council re: Water Agreement

2

[Note: Correspondence from District of Lantzville, dated 2018-JUN-26, attached for reference.]

4. REPORTS

5. ADJOURNMENT OF SPECIAL "IN CAMERA" MEETING



District of Lantzville

Incorporated June 2003

June 26, 2018

Chief Administrative Officer
City of Nanaimo
455 Wallace Street
Nanaimo, BC V9T 5J6

Re: Lantzville/Nanaimo Water Agreement Meeting

This letter is to confirm that Council has selected Friday, July 13, 2018 at 9:00 am from the date options provided for the Lantzville/ Nanaimo Water Agreement meeting, and recommends that the meeting be held at a location to be chosen by the City of Nanaimo.

It was originally proposed and agreed that topics of discussion for the meeting be submitted in advance by both parties, so that each party can be prepared and result in an effective and productive meeting. The District of Lantzville submits the following topics for discussion:

1. Under Definition (h), instead of Schedule C, it should state Schedule A. Schedule C is the map that shows the Boundary of Lantzville. Schedule A identifies the pressure zones.
(Housekeeping)
2. Under Definition (l), instead of Schedule C, it should state Schedule A. Schedule C is the map that shows the Boundary of Lantzville. Schedule A identifies the pressure zones.
(Housekeeping)
3. Under 6.6 remove the words, "as a result of new development".
4. Remove section 6.7. (Housekeeping)

We look forward to receiving the City of Nanaimo topics for discussion about proposed changes to the Lantzville/Nanaimo Water Agreement, and confirmation of the meeting location.

We propose that each municipality post an agenda as a special Council meeting, with the first item being a motion to close the meeting; have select staff attend (CAO, Director of Public Works, Corporate Officer) with our respective Councils; and have meeting space available to permit recesses to caucus to enable each Council to vote and finalize any of the proposed changes, if required.

Should you have any questions, please contact me at 250.390.4006 or ronaldcampbell@lantzville.ca.

Yours truly,

Ronald Campbell, CLGA
Chief Administrative Officer

c. District of Lantzville Council; Fred Spears, Director of Public Works

File: 2280.20.9

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Tel: 250.390.4006 Fax: 250.390.5188

district@lantzville.ca www.lantzville.ca

7192 Lantzville Road, PO Box 100, Lantzville, BC V0R 2H0



AGENDA
SPECIAL "IN CAMERA" COUNCIL MEETING

Monday, July 23, 2018

4:00 P.M. - 4:30 P.M.

DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

Pages

1. ADOPTION OF AGENDA

That Council, in accordance with Section 90(1)(n) of the Community Charter, adopt the agenda as presented (or as amended).

Summary of Agenda Items and Proposed CC Reasons to Close Meeting:

1. Adoption of Agenda - 90(1)(n)

3(a)

- 90(1)(d)(f)(g)(i)

3(b) Karen Fry, Fire Chief and Director of Public Safety, to provide verbal update re:
Upcoming Actions Regarding the Fire Order. - 90(1)(d)(f)(g)

Section 90(1):

- (d) the security of property of the municipality;
- (f) law enforcement, if the Council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment;
- (g) litigation or potential litigation affecting the municipality;
- (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and,
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

2. ADOPTION OF MINUTES

3. PRESENTATIONS

a.

b. Karen Fry, Fire Chief and Director of Public Safety, to provide verbal update re:
Upcoming Actions Regarding the Fire Order

4. ADJOURNMENT OF SPECIAL "IN CAMERA" MEETING



AGENDA "IN CAMERA" COUNCIL MEETING

Monday, August 13, 2018, 3:30 P.M. - 6:30 P.M.
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC
SCHEDULED RECESS AT 5:30 P.M.

Pages

1. ADOPTION OF AGENDA

That Council, in accordance with Section 90(1)(n) of the Community Charter, adopt the agenda as presented (or as amended).

Summary of Agenda Items and Proposed CC Reasons to Close Meeting:

1. Adoption of Agenda - 90(1)(n)

4(a) Deputy Financial Officer Appointment - 90(1)(a)

4(b) Fifth Street Properties Project - Memorandum of Understanding - 90(1)(e) and 90(2)(b)

4(c) Lantzville/Nanaimo Water Agreement - 90(1)(k)

4(d) [REDACTED] - 90(1)(e)(g)

Community Charter Section 90(1):

(a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;

(e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality;

(g) litigation or potential litigation affecting the municipality;

(k) 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;

(n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2); and,

Community Charter Section 90(2):

(b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

2. ADOPTION OF MINUTES

- | | | |
|----|---|---------|
| a. | <u>Minutes</u> | 5 - 6 |
| | Minutes of the Special "In Camera" Council Meeting held in the Shaw Auditorium, 80 Commercial Street, Nanaimo, BC, on Thursday, 2018-JUL-05, at 7:59 p.m. | |
| b. | <u>Minutes</u> | 7 - 12 |
| | Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC, on Monday, 2018-JUL-09, at 3:00 p.m. | |
| c. | <u>Minutes</u> | 13 - 15 |
| | Minutes of the "In Camera" Council Meeting held in the Nanaimo River Room, 80 Commercial Street, Nanaimo, BC, on Friday, 2018-JUL-11, at 9:00 a.m. | |
| d. | <u>Minutes</u> | 16 - 19 |
| | Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC, on Monday, 2018-JUL-23, at 4:00 p.m. | |

3. PRESENTATIONS

4. REPORTS

- | | | |
|----|---|---------|
| a. | <u>Deputy Financial Officer Appointment</u> | 20 - 21 |
| | To be introduced by Sheila Gurrie, City Clerk. | |
| | <i>Purpose: To obtain Council approval to appoint a Deputy Financial Officer.</i> | |
| | Recommendation: That Council: | |
| | 1. appoint Ms. Jamie Slater, Acting Manager, Revenue Services as Deputy Financial Officer until 2019-JUN-30 to fulfill the duties as set out in Section 149 of the <i>Community Charter</i> . | |
| | 2. establish the order in which the Deputy Financial Officers perform the duties in absence of the Financial Officer as follows: | |

- (a) Wendy Fulla, Manager of Business, Asset and Financial Planning.
- (b) Jamie Slater, Acting Manager, Revenue Services.

Rise and Report:

Rise and report at a future Open Council meeting.

b. Fifth Street Properties Project - Memorandum of Understanding 22 - 29

To be introduced by Dale Lindsay, Director of Community Development and Richard Harding, Director of Parks and Recreation.

Purpose: To obtain Council approval for the Memorandum of Understanding for the Fifth Street Properties Project at 502 Howard Avenue, 505 Howard Avenue, and 564 Fifth Street.

Recommendation: That Council approve the Memorandum of Understanding titled "Fifth Street Properties Comprehensive Land Use Planning and Development Project" between the City of Nanaimo, Nanaimo Ladysmith Public Schools and BC Housing Management Commission as presented.

Rise and Report:

That Council release information regarding the Fifth Street Properties Project once the Memorandum of Understanding is finalized.

c. Lantzville/Nanaimo Water Agreement 30 - 46

[Note: A copy of the Lantzville/Nanaimo Water Agreement dated 2014-SEP-08 is attached for reference.]

d. Homelessness Updates

To be introduced by Jake Rudolph, Chief Administrative Officer.

1. Discontent City 47 - 48

To be introduced by Karen Fry, Fire Chief.

2. Interim Temporary Housing Discussion 49 - 91

To be introduced by Dale Lindsay, Director of Community Development.

3. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

5. ADJOURNMENT OF "IN CAMERA" MEETING

SPECIAL "IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
THURSDAY, 2018-JUL-05 AT 7:59 P.M.

Members: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor W. L. Bestwick
Councillor M. D. Brennan
Councillor J. A. Kipp
Councillor I. W. Thorpe

Absent: Councillor G. W. Fuller
Councillor J. Hong
Councillor W. M. Yoachim

Staff: D. Lindsay, Director of Community Development
K. Fry, Fire Chief and Director of Public Safety
S. Gurrie, City Clerk
J. Vanderhoef, Recording Secretary

1. CALL THE SPECIAL "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 7:59 p.m.

2. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as presented. The motion carried unanimously.

3. REPORTS:

(a) Discussion Regarding Vancouver Island Health Authority Order

Discussion regarding the order made by Dr. Hasselback, Medical Health Officer, Vancouver Island Health Authority, on 2018-JUL-05, requiring the following be provided by 2018-JUL-10, for residents of Discontent City:

- Portable toilets required to a sufficient number
- Hand sanitation be provided
- Potable water be provided
- Solid waste management continue



4. ADJOURNMENT:

It was moved and seconded at 8:47 p.m. that the "In Camera" Meeting terminate.
The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

"IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
MONDAY, 2018-JUL-09 AT 3:00 P.M. – 6:30 P.M.

Members: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor W. L. Bestwick
Councillor M. D. Brennan
Councillor G. W. Fuller (vacated 3:45 p.m., returned 4:20 p.m.)
Councillor J. Hong (via telephone 3:00 p.m., disconnected 3:47 p.m., arrived 3:49 p.m.)
Councillor J. A. Kipp
Councillor I. W. Thorpe

Absent: Councillor W. M. Yoachim

Staff: D. Lindsay, Director of Community Development (arrived 3:01 p.m.)
J. Van Horne, Director of Human Resources (arrived 5:51 p.m.)
W. Fulla, Manager, Business, Asset and Financial Planning (arrived 4:18 p.m., vacated 4:48 p.m.)
K. Fry, Fire Chief and Director of Public Safety (entered 3:01 p.m., vacated 4:18 p.m.)
B Sims, Director of Public Works and Engineering (arrived 3:01 p.m.)
J. Horn, Social Planner (arrived 4:48 p.m., vacated 6:55 p.m.)
N. Skeels, Property Agent (arrived 4:48 p.m., vacated 6:55 p.m.)
K. Kronstal, Social Planner (arrived 4:48 p.m., vacated 6:55 p.m.)
S. Gurrie, City Clerk
K. Gerard, Recording Secretary (vacated 6:39 p.m.)

Others:

1. CALL THE "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 3:00 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Add – *Community Charter* Section 90(1)(i) and (g).
- (b) Add Agenda Item 3(a) - [REDACTED]
[REDACTED] and Reorder Agenda Items 3(a) and 3(b) to follow.
- (c) Add Agenda Item 4(f) - [REDACTED]
- (d) Add Agenda Item 4(g) – Memorandum of Understanding Between the City of Nanaimo and School District 68 regarding the Fifth Street Properties.

3. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as amended. The motion carried unanimously.

4. ADOPTION OF MINUTES:

It was moved and seconded that the following minutes be adopted as circulated:

- Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC on Monday, 2018-JUN-11 at 4:00 p.m.
- Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC on Monday, 2018-JUN-18 at 4:00 p.m.
- Minutes of the "In Camera" Council Meeting held in the Board Room, 411 Dunsmuir Street, Nanaimo, BC on Tuesday, 2018-JUN-19 at 2:30 p.m.
- Minutes of the "In Camera" Council Meeting held in the Board Room, 411 Dunsmuir, Nanaimo, BC on Monday, 2018-JUN-21 at 9:00 a.m.
- Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC on Monday, 2018-JUN-25 at 3:00 p.m.

The motion carried unanimously.

[REDACTED] entered the Douglas Rispin Room at 3:01 p.m.

5. PRESENTATIONS:

- (a) Update from [REDACTED] re: Discontent City of Nanaimo

[REDACTED]

[REDACTED]

[REDACTED]

Councillor Fuller vacated the Douglas Rispin Room at 3:45 p.m.
Councillor Hong entered the Douglas Rispin Room 3:49 p.m.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Councillor Fuller entered the Douglas Rispin Room at 4:20 p.m.
K. Fry vacated the Douglas Rispin Room at 4:18 p.m.
W. Fulla arrived the Douglas Rispin Room at 4:18 p.m.

(b)

It was moved and seconded that Council provide the Nanaimo Recycling Exchange with 25 year capital funding up to \$521,000 per year and provide \$600,000 in initial funding to cover operations at the Nanaimo Recycling Exchange for one year. The motion was defeated.

Opposed: *Councillors Armstrong, Bestwick, Fuller, Hong, Kipp and Thorpe*

It was moved and seconded that Council rise and report on the following motion being defeated:

"It was moved and seconded that Council provide the Nanaimo Recycling Exchange with 25 year capital funding up to \$521,000 per year and provide \$600,000 in initial funding to cover operations at the Nanaimo Recycling Exchange for one year."

The motion carried unanimously.

W. Fulla and B. Sims vacated the Douglas Rispin Room at 4:48 p.m.

J. Horn, N. Skeels and K. Kronstal entered the Douglas Rispin Room at 4:48 p.m.

6. REPORTS:

(a)

[REDACTED]

[REDACTED]

Councillor Bestwick vacated the Douglas Rispin Room at 5:33 p.m.

[REDACTED]

[REDACTED]

[REDACTED] vacated the Douglas Rispin Room at 5:39 p.m.
J. Van Horne and B. Sims entered the Douglas Rispin Room at 5:51 p.m.
Councillor Bestwick entered the Douglas Rispin at 5:51 p.m.

The "In Camera" Meeting recessed at 5:48 p.m.
The "In Camera" Meeting reconvened at 6:04 p.m.

(b) Deputy Financial Officer Appointment

Due to time constraints this Agenda Item has been referred to the next schedule
"In Camera" Meeting, 2018-AUG-13.

(c) 5290 Rutherford Road – Request for Offers

Due to time constraints this Agenda Item was not addressed.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

K. Kronstal, N. Skeels, J. Horn vacated the Douglas Rispin Room at 6:55 p.m.

(e) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

(f) [REDACTED]
[REDACTED]

(g) Memorandum of Understanding between the City and School District 68 re:
Fifth Street Properties

It was moved and seconded that Council:

1. support in principle the development of a comprehensive development plan for 502, 505 Howard Avenue and 564 Fifth street; and,
2. direct Staff to prepare a Memorandum of Understanding regarding the planning and redevelopment of these lands with School District No.68, Board of Education, (Nanaimo-Ladysmith) and BC Housing, for Council's consideration.

The motion carried unanimously.

7. ADJOURNMENT:

It was moved and seconded at 6:56 p.m. that the "In Camera" Meeting terminate. The motion carried unanimously.

C H A I R


CERTIFIED CORRECT:

CORPORATE OFFICER

"IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
NANAIMO RIVER ROOM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
FRIDAY, 2018-JUL-13 AT 9:00 A.M.

Present: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor W. L. Bestwick (arrived 9:03 a.m., vacated 9:56 a.m.)
Councillor M. D. Brennan
Councillor G. W. Fuller (vacated 10:03 a.m.)
Councillor J. A. Kipp (vacated 10:03 a.m.)
Councillor I. W. Thorpe

Absent: Councilor J. A. Hong
Councillor W. M. Yoachim


Others: 

Staff: B. Sims, Director of Engineering and Public Works (vacated 10:02 a.m.)
K. Fry, Fire Chief and Director of Public Safety (arrived 9:36 a.m., vacated 10:02 a.m.)
S. Gurrie, City Clerk
K. Gerard, Recording Secretary

1. CALL THE "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 9:01 a.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Mayor McKay advised that he would be bringing forward a late item regarding reaffirming Council's decision to supply water to Discontent City under Agenda Item 5(a) – Other Business.
- (b) Mayor McKay advised that he would be bringing forward a late item  under Agenda Item 5(b) – Other Business.

3. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as amended. The motion carried unanimously.

Councillor Bestwick entered the Nanaimo River Room at 9:03 a.m.

4. PRESENTATIONS:

(a) Discussions with District of Lantzville Council re: Water Agreement



Bill Sims, Director of Engineering and Public Works, stated that the Waterworks Rate and Regulation Bylaw was changed to establish the rate charged to Lantzville for the water used.

It was moved and seconded that Council receive the correspondence from the District of Lantzville, dated 2018-JUN-26. The motion carried unanimously.

K. Fry entered the Nanaimo River Room at 9:36 a.m.

[REDACTED] vacated the Nanaimo River Room at 9:36 a.m.

5. OTHER BUSINESS:

(a) Reaffirm Decision of Water Supply to 1 Port Drive

Council discussion took place regarding water supply to 1 Port Drive, contaminated soil, ocean and cross contamination, sewage and drainage options [REDACTED]

[REDACTED]

[REDACTED]

Councillor Bestwick vacated the Nanaimo River Room at 9:56 a.m.

It was moved and seconded that Council comply with Island Health Authority's order to provide low flow water at 1 Port Drive. The motion carried unanimously.

Opposed: Councillor Fuller and Kipp

B. Sims and K. Fry vacated at the Nanaimo River Room at 10:02 a.m.

Councillors Fuller and Kipp vacated the Nanaimo River Room at 10:03 a.m., and quorum was lost.

6. ADJOURNMENT:

The Special "In Camera" Council meeting was terminated due to loss of quorum at 10:04 a.m.

(b)

[REDACTED]

[REDACTED]

CERTIFIED CORRECT:

CHAIR

CORPORATE OFFICER

"IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
MONDAY, 2018-JUL-23 AT 4:00 P.M.

Members: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor W. L. Bestwick (vacated 5:14 p.m.)
Councillor M. D. Brennan (entered 4:05 p.m.)
Councillor G. W. Fuller
Councillor J. Hong
Councillor J. A. Kipp (vacated 5:06 p.m.)
Councillor I. W. Thorpe
Councillor W. M. Yoachim (entered 4:17 p.m., vacated 4:28 p.m.)

Staff: J. Rudolph, Chief Administrative Officer (vacated 5:50 p.m.)
D. Lindsay, Director of Community Development (vacated 5:43 p.m.)
J. Van Horne, Director of Human Resources (entered 4:56 p.m.)
B. Sims, Director of Public Works and Engineering (vacated 5:43 p.m.)
K. Fry, Fire Chief and Director of Public Safety (vacated 5:43 p.m.)
S. Snelgrove, Deputy Corporate Officer
G. Whitters, Recording Secretary (vacated 4:20 p.m.)

Others [REDACTED]

1. CALL THE "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 4:00 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Add Agenda Item 3(c) – John Van Horne, Director of Human Resources, to provide a verbal update [REDACTED]
- (b) Add Agenda Item 3(d) – John Van Horne, Director of Human Resources, [REDACTED]

3. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda, as amended. The motion carried.

Opposed: Councillor Fuller

4. PRESENTATIONS:

- (a) [REDACTED] to provide a verbal update re: Court Proceedings for Discontent City
-

Introduced by Jake Rudolph, Chief Administrative Officer.

Councillor Brennan entered the Douglas Rispin Room at 4:05 p.m.

[REDACTED] provided Council with a verbal update regarding the recent Supreme Court proceedings for Discontent City including that it is expected to take 2-3 weeks for Courts to make a final decision and that the City of Nanaimo will be given an opportunity to review and respond to the Court's decision.

[REDACTED]
the Fire Order issued by Alan Millbank, Inspector, was approved. The organizers and occupants of Discontent City were given seven days to comply. The compliance deadline for the fire order is Wednesday, July 25, 2018.

Council discussion took place regarding:

- ensuring compliance with the fire order;
- options if the fire order is not complied with;
- water usage at Discontent City;
- the health and safety orders issued by the provincial government; and,
- [REDACTED]

- (b) Karen Fry, Fire Chief and Director of Public Safety, to provide verbal update re: Upcoming Actions Regarding the Fire Order
-

Karen Fry, Fire Chief and Director of Public Safety, provided Council with a verbal update regarding the fire order which included the following points:

Councillor Yoachim and [REDACTED] entered the Douglas Rispin Room at 4:17 p.m.

- Some of the stipulations of the fire order include:
 - 1 meter separation between tents;
 - 3 meter separation between tents and vegetation;
 - removal of all tarps;
 - appropriate egress routes;
 - tents all facing the same direction;
 - removal of couches, furniture, lumber, combustibles, etc. from site; and,
 - appropriate storage of propane.
- a dumpster was brought in;
- daily inspections are being conducted;
- tents are being used for storage;
- tenants of Discontent City stated that tents are needed for shade; and,
- alternatives for shaded areas such as popup tents, and a picnic shelter/space.

G. Whitters vacated the Douglas Rispin Room at 4:20 p.m.

Council discussion took place regarding the cleaning of toilets daily at Discontent City and monitoring their usage. A meter has been placed on their water supply and preparation of an action plan and next steps that includes cooperation between all parties was discussed.

The "In Camera" meeting recessed at 4:28 p.m.

The "In Camera" meeting reconvened at 4:56 p.m.

- (b) Karen Fry, Fire Chief and Director of Public Safety, to provide verbal update re: Upcoming Actions Regarding the Fire Order - Continued

Council discussion continued regarding sharps containers, recent results of searching for affordable housing site options and reporting back to Council regularly. Strategies used by other municipalities regarding tent cities was also discussed.

Councillor Kipp vacated the Douglas Rispin Room at 5:06 p.m.

Councillor Bestwick vacated the Douglas Rispin Room at 5:14 p.m.

It was moved and seconded that when deemed necessary by the Chief Administrative Officer the City of Nanaimo contract a communications specialist to help with communications on the topic of Discontent City. The motion carried.

Opposed: Councillors Fuller and Hong

By unanimous consent, Council agreed that if a decision is needed to be made or more information can be provided, a Special Meeting of Council will be held sometime between 2018-JUL-30 and 2018-AUG-03.

K. Fry, D. Lindsay, B. Sims vacated the Douglas Rispin Room at 5:43 p.m.

- (c)

[REDACTED]

J. Rudolph vacated the Douglas Rispin Room at 5:50 p.m.

- (d)

[REDACTED]

[REDACTED]

5. ADJOURNMENT:

It was moved and seconded at 5:57 p.m. that the "In Camera" Meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

DATE OF MEETING July 9, 2018

AUTHORED BY SHEILA GURRIE, CITY CLERK AND CORPORATE OFFICER

SUBJECT DEPUTY FINANCIAL OFFICER APPOINTMENT

OVERVIEW

Purpose of Report

To obtain Council approval to appoint a Deputy Financial Officer.

Reason for “In Camera”

Community Charter Section 90(1)

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality.

Recommendation

That Council:

1. appoint Ms. Jamie Slater, Acting Manager, Revenue Services as Deputy Financial Officer until 2019-JUN-30 to fulfill the duties as set out in Section 149 of the *Community Charter*.
2. establish the order in which the Deputy Financial Officers perform the duties in absence of the Financial Officer as follows:
 - a) Ms. Wendy Fulla, Manager of Business, Asset and Financial Planning
 - b) Ms. Jamie Slater, Acting Manager, Revenue Services

Resolution to Rise and Report

Rise and report at a future open Council meeting.

BACKGROUND

The Deputy Financial Officer (DFO) appointments would carry out any essential duties outlined in the *Community Charter* when the Financial Officer is absent. The appointment does not come with any additional pay and would have to be renewed by Council on or before 2019-JUN-30, if required.

OPTIONS

That Council:

1. appoint Ms. Jamie Slater, Acting Manager, Revenue Services as Deputy Financial Officer until 2019-JUN-30 to fulfill the duties as set out in Section 149 of the *Community Charter*.
2. establish the order in which the Deputy Financial Officers perform the duties in absence of the Financial Officer as follows:
 - c) Ms. Wendy Fulla, Manager of Business, Asset and Financial Planning
 - d) Ms. Jamie Slater, Acting manager, Revenue Services

- **Budget Implications:** There are no budget implications. |

SUMMARY POINTS

- Deputy Financial Officer appointments are for a one year term ending 2019-JUN-30.
- Deputy Financial Officers perform the duties of the Financial Officer in their absence.

Submitted by:

Sheila Gurrie
City Clerk and Corporate Officer

DATE OF MEETING | AUGUST 13, 2018 |

AUTHORED BY | DALE LINDSAY, DIRECTOR, COMMUNITY PLANNING, AND,
RICHARD HARDING, DIRECTOR, PARKS AND RECREATION |

SUBJECT | **FIFTH STREET PROPERTIES PROJECT – MEMORANDUM OF UNDERSTANDING** |

OVERVIEW

Purpose of Report

To obtain Council approval for the Memorandum of Understanding for the Fifth Street Properties Project at 502 Howard Avenue, 505 Howard Avenue, and 564 Fifth Street.

Reason for “In Camera”

Community Charter Section 90(1):

- (e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality;

Community Charter Section 90(2):

- (b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party;

Recommendation

That Council approve the Memorandum of Understanding titled “Fifth Street Properties Comprehensive Land Use Planning and Development Project” between the City of Nanaimo, Nanaimo Ladysmith Public Schools and BC Housing Management Commission as presented.

Resolution to Rise and Report

That Council release information regarding the Fifth Street Properties Project once the Memorandum of Understanding is finalized.

BACKGROUND

On 2018-JUL-04, Council met with the Nanaimo Ladysmith Public Schools Board of Education for a joint meeting as per the Collaboration Agreement (2012). At that meeting, City staff, School District staff and BC Housing presented a proposal for a partnership project with respect to the properties owned by each party at 502 Howard Avenue, 505 Howard Avenue, and 564 Fifth Street.

Both the Board and Council recommended that staff develop a Memorandum of Understanding (MOU) to demonstrate their commitment to work together, maintain their respective legal and

financial interests, but also “vision” the properties without a pre-conceived notion of how the land be developed.

On 2018-JUL-09, Council passed the following motion:

1. Support in principle the development of a comprehensive development plan for 502, 505 Howard Avenue, and 564 Fifth Street; and,
2. Direct Staff to prepare a Memorandum of Understanding regarding the planning and redevelopment of these lands with the School District No. 68, Board of Education, (Nanaimo-Ladysmith) and BC Housing, for Council’s consideration.

The Board of Education met that same day and also passed a motion endorsing staff to proceed and develop a MOU.

Staff have drafted the Memorandum of Understanding in collaboration with the School District and BC Housing and it is presented here (Attachment A). |

OPTIONS

1. That Council approve the Memorandum of Understanding titled “Fifth Street Properties Comprehensive Land Use Planning and Development Project” between the City of Nanaimo, Nanaimo Ladysmith Public Schools and BC Housing Management Commission as presented.
 - **Budget Implication:** BC Housing is funding all planning costs. City and NLPS to commit staff costs and costs for venues associated with meetings and public consultation.
 - **Legal Implication:** This is a non-binding agreement that can be terminated at any time by written notice.
 - **Policy Implication:** The Harewood Neighbourhood Plan supports the development of these properties.
 - **Engagement Implication:** This project showcases the three parties working together with stakeholders and neighbours to develop a key area of the city.
 - **Strategic Priorities Implication:** Economic Health through strong partnerships. Social Equity and Cultural Vitality through providing access to resources and encouraging participation in community life.
 - **Political Implication:** Working in partnership shows the public bodies working together.
2. That Council recommend amendments to the Memorandum of Understanding, and approve as amended.
 - **Budget Implication:** BC Housing is funding all planning costs. City and NLPS to commit staff costs and costs for venues associated with meetings and public consultation.
 - **Legal Implication:** This is a non-binding agreement that can be terminated at any time by written notice.
 - **Policy Implication:** The Harewood Neighbourhood Plan supports the development of these properties.
 - **Engagement Implication:** This project showcases the three parties working together with stakeholders and neighbours to develop a key area of the city.

- **Strategic Priorities Implication:** Economic Health through strong partnerships. Social Equity and Cultural Vitality through providing access to resources and encouraging participation in community life.
Political Implication: Working in partnership shows the public bodies working together
3. That Council deny the approval of the Memorandum of Understanding.
- **Budget Implication:** Not approving the MOU will free up staff resources that can be utilized elsewhere.
 - **Legal Implication:** None.
 - **Policy Implication:** Not working in partnership will most like delay the development of these properties.
 - **Engagement Implication:** Not working with partners is inconsistent with the City's and Council's goals and priorities.
 - **Political Implication:** Not working on these key property files will have implications on their development. |

SUMMARY POINTS

- Staff have drafted an MOU as the first step for the Fifth Street Properties Comprehensive Land Use Planning & Development Project as directed by the Council motion made on 2018-JUL-09.
- The properties included in the proposal are 502 and 505 Howard Avenue and 564 Fifth Street.
- Staff have worked together with the School District and BC Housing to develop a MOU that works for all three parties for a comprehensive land use plan with the goal to complete the process by the fall of 2019.
- BC Housing is funding the planning process. |

ATTACHMENTS



Submitted by:

Dale Lindsay
Director, Community Development |

Richard Harding
Director, Parks and Recreation |

LANTZVILLE/NANAIMO WATER AGREEMENT

THIS AGREEMENT dated for reference this 8th day of September, 2014.

BETWEEN:

CITY OF NANAIMO
455 Wallace Street
Nanaimo, BC V9R 5J6

(hereinafter called "Nanaimo")

OF THE FIRST PART

AND:

DISTRICT OF LANTZVILLE
PO Box 100
7192 Lantzville Road
Lantzville, BC V0R 2H0

(hereinafter called "Lantzville")

OF THE SECOND PART

WHEREAS:

- A. Nanaimo operates a water supply system within its boundaries;
- B. Lantzville has established facilities for the purposes of constructing, operating and maintaining a water system for the supply and distribution of water within its boundaries and wishes to secure a supply of water in bulk;
- C. Under section 23 of the *Community Charter*, S.B.C. 2003, c. 26, a municipal council has the authority to enter into agreements with other public authorities respecting activities and services within the power of a party to the agreement, including agreements respecting the undertaking, provision and operation of activities and services;
- D. Lantzville and Nanaimo wish to work together to provide water in bulk from the Nanaimo Water System to serve Lantzville and to strengthen this cooperative relationship through Lantzville's participation in the cost of other services provided through the Regional District of Nanaimo on the terms and conditions set out in this Agreement;
- E. Lantzville has consented to Nanaimo providing a supply of water under this Agreement;

NOW THEREFORE in consideration of the premises and the mutual covenants and agreements contained herein, the parties hereby covenant and agree each with the other as follows:

1.0 Definitions

In this Agreement:

- (a) "Additional Term" means the additional term as set out in section 12.2;
- (b) "Commencement Date" means the date upon which Lantzville certifies the construction of the Lantzville Water System as completed to Lantzville's satisfaction, and notifies Nanaimo with a copy of a Lantzville Council resolution that the Lantzville Water System is ready to accept the Water;
- (c) "Connection Fee" means the connection fee for Water payable by Lantzville under article 4.0 (Fees) of this Agreement;
- (d) "Connection Point" means the connection points on the Water Main between the Nanaimo Water System and the Lantzville Water System, as identified in Schedule "A" attached to this Agreement;
- (e) "Event of Default" means:
 - (i) a failure by Lantzville to pay a fee, cost or charge payable under this Agreement within thirty (30) days of the date such fee, cost or charge is payable by Lantzville; or
 - (ii) a breach of sections 6.2, 6.3, 9.1 or 9.3 of this Agreement.
- (f) "Force Majeure" means any prevention, delay, stoppage, or interruption in the performance of any obligation of a party due to strike, lockout, labour dispute, act of God, inability to obtain labour or materials, laws, ordinances, rules, regulations or orders of governmental authorities, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond the reasonable control of the party obligated to perform, but shall not include any inability by that party to perform because of its lack of funds;
- (g) "Lantzville Water System" means the water system owned and operated by Lantzville to serve Premises within Lantzville boundaries;
- (h) "Lower Lantzville Area" means that part of Lantzville identified as such on Schedule "C";
- (i) "Nanaimo Water System" means the water system owned by Nanaimo from which it supplies Water under this Agreement and all appurtenant works, facilities and services;
- (j) "Premises" means each and every residential, commercial and all other lands and buildings that receive Water from the Lantzville Water System, and in the case of lands and buildings with more than one permitted use, each such use shall constitute a "Premises";
- (k) "Term" means the term of this Agreement as set out in section 12.1, and other than in section 12.1 a reference to "Term" is also a reference to the "Additional Term";
- (l) "Upper Lantzville Area" means that part of Lantzville identified as such on Schedule "C";

- (m) "Water" means water supplied by Nanaimo in bulk under this Agreement for treatment and redistribution by Lantzville;
- (n) "Water Main" means the water main or water mains to be constructed by Lantzville to connect the Lantzville Water System with the Nanaimo Water System and service the areas within Lantzville as generally identified in Schedule "A" and includes the Connection Point and all related connections, extensions, upgrades, fire hydrants and appurtenances; and
- (o) "Water Shortage" means meteorological or other severe circumstances beyond the reasonable control of Nanaimo (including an event of Force Majeure) resulting in a decline in the availability of Water available to meet the peak Water needs of persons served by the Nanaimo Water System and the Lantzville Water System.

2.0 Water Supply

- 2.1 Nanaimo agrees to supply Water to the Lantzville Water System for the Term and any extension thereof commencing on the Commencement Date, on the terms and conditions in this Agreement.
- 2.2 Lantzville and Nanaimo agree that Lantzville shall, at its cost, on or before the Commencement Date, connect the Lantzville Water System to the Nanaimo Water System at the Connection Point for the purpose of supplying Water to the Lantzville Water System pursuant to this Agreement.
- 2.3 For certainty, Lantzville has no financial liability to Nanaimo under this Agreement until the Commencement Date.

3.0 Conditions Precedent

- 3.1 It is a condition precedent to the obligations of Nanaimo under this Agreement that:
 - (a) Lantzville complete construction of the Lantzville Water System including the connection of the Lantzville Water System to the Nanaimo Water System under section 2.2 and any features of the Connection Point necessary to allow the passage of Water; and
 - (b) approval of this Agreement by the councils of Nanaimo and Lantzville.

4.0 Fees

- 4.1 Lantzville shall pay to Nanaimo, within thirty (30) days of connection of the Water Main to the portion of the Lantzville Water System serving the Upper Lantzville Area, a Connection Fee in the sum of one million three hundred and thirty thousand, two hundred and fifty-eight dollars and fifty cents (\$1,330,258.50) representing two hundred and twenty-five (225) Premises in Upper Lantzville currently connected to the Lantzville Water System; and

- 4.2 Lantzville shall pay a Connection Fee for each new Connection of Premises to the Lantzville Water System in respect of any of the two hundred and eleven (211) additional Premises in Upper Lantzville served by wells and not currently connected to the Lantzville Water System, in accordance with section 4.6.
- 4.3 Lantzville shall pay to Nanaimo, within thirty (30) days of connection of the Water Main to the portion of the Lantzville Water System serving the Lower Lantzville Area, a Connection Fee for each existing residential, commercial and industrial Premises connected in the Lower Lantzville Area in accordance with section 4.5, provided that despite anything in this Agreement, including, without limitation, sections 2.2 and 5.1, Nanaimo shall be under no obligation to supply water to any premises in Lower Lantzville until Nanaimo has notified Lantzville in writing that it has secured additional water supply.
- 4.4 Throughout the Term, Lantzville shall pay a Connection Fee for each new Connection of Premises to the Lantzville Water System in accordance with section 4.5. Lantzville shall pay the Connection Fees on July 1 for connections between January 1 and June 30 of each year of the Term, and January 1 for connections between July 1 and December 31 of each year of the Term. Lantzville shall provide to Nanaimo with respect to each year of the Term a report detailing the number and type of connections made, and such report shall be provided no later than March 31 in the year following the year to which the report relates.
- 4.5 Except as provided under section 4.6, Connection Fees payable by Lantzville in respect of the Connection of the Premises to the Lantzville Water System shall be equal to the development cost charge payable for comparable premises within the City of Nanaimo pursuant to the City of Nanaimo's Water Supply Development Cost Charge Bylaw 2008 No. 7070, as amended from time to time, or any enactment that may replace it.
- 4.6 In the case of Connection Fees payable by Lantzville under section 4.2 of this Agreement, the Connection Fees payable during the first five (5) years of the Term shall be those prescribed in Schedule "B". Connection Fees payable by Lantzville during the remaining fifteen (15) years of the Term shall be equal to the development cost charge payable for comparable premises within the City of Nanaimo pursuant to City of Nanaimo's Water Supply Development Cost Charge Bylaw 2008 No. 7070, as amended from time to time, or any enactment that may replace it.
- 4.7 Lantzville shall pay Nanaimo for all Water supplied under this Agreement in accordance with the rates prescribed from time to time in the City of Nanaimo's Waterworks Rate and Regulation Bylaw 2006 No. 7004, or any bylaw that may replace it, and in accordance with all terms and conditions prescribed thereunder.
- 4.8 Invoices for water rendered by Nanaimo in a calendar year or an amount of a Connection Fee that remains unpaid at the end of the calendar year will be deemed to be in default and subject to an interest charge equal to the amount applicable to all other users of the Nanaimo Water System.

- 4.9 Except for the purposes of sections 4.1 of this Agreement, in this article "Connection" means installation of a water pipe and associated plumbing extending from a water distribution line of the Lantzville Water System to the property line of the parcel to be connected to the Lantzville Water System and provided water service.

5.0 Quantity and Quality

- 5.1 Nanaimo shall, subject to article 7.0 of this Agreement, make available to Lantzville at all times during the Term and any renewal period, sufficient volumes of Water to allow Lantzville to supply Premises connected in accordance with this Agreement through the Lantzville Water System to the Water Main with flows of Water not greater than the average per capita daily flows of Water that Nanaimo supplies to its own residential and commercial consumers.

- 5.2 Nanaimo shall:

- (a) make all reasonable efforts to ensure the Water supplied under this Agreement meets the *Canadian Drinking Water Quality Guidelines* and
- (b) comply with all other laws and regulations applicable to the supply of Water under this Agreement.

- 5.3 Once Lantzville accepts the Water at the Connection Point, Lantzville is, with respect to the Water, the "water supplier" as defined in and for the purposes of the *Drinking Water Protection Act*, and Nanaimo shall not be held liable for the quality of water beyond its own infrastructure in the Nanaimo Water System.

- 5.4 Lantzville shall at its cost:

- (a) monitor the levels of chlorine residuals of Water supplied under this Agreement and at its own cost shall provide treatment to maintain such levels in accordance with all applicable laws and requirements;
- (b) conduct all bacteriological water testing and other testing necessary to comply with all applicable laws and requirements, including without limitation the requirements of the *Drinking Water Protection Act*, and all applicable requirements of the Vancouver Island Health Authority, and to otherwise assure itself that it is able to deliver Water that is potable prior to distribution to Premises;
- (c) provide any additional treatment necessary to ensure the Water distributed to Premises by Lantzville through the Lantzville Water System meets the requirements of the *Drinking Water Protection Act* (British Columbia) and other applicable law.

- 5.5 Despite section 6.6 of this Agreement, Lantzville may use Water from the Nanaimo Water System within that part of Lower Lantzville on the low side of the pressure reducing valve that separates the high and low pressure areas of Lantzville for the purpose of firefighting and other emergency purposes.

- 5.6 Lantzville shall, at its own cost, install a water meter on the low side of the pressure reducing valve referred to in section 5.5 in a location agreed to by Nanaimo, acting reasonably.
- 5.7 Lantzville shall report to Nanaimo on a quarterly basis on or before the 15th day of April, July, September and January the readings from the water meter installed under section 5.6, and shall pay for any such Water supplied during such quarter in accordance with section 4.7 of this Agreement.

6.0 Lantzville Acknowledgements, Covenants and Agreements

- 6.1 Lantzville acknowledges, as a principle on which Nanaimo has entered this Agreement, that the amount paid by consumers for Water in Lantzville should not be lower than the amount paid by consumers in Nanaimo.
- 6.2 Lantzville shall not sell or supply Water from the Nanaimo Water System except to Premises within the boundaries of Lantzville.
- 6.3 Lantzville shall not sell or supply Water from the Nanaimo Water System to Premises whose owner or occupier is in the business of selling or supplying Water that is not consumed on the Premises, including a bulk water hauler or water bottling plant.
- 6.4 Lantzville agrees that it shall be a condition of this Agreement that water supplied to Lantzville under this Agreement is not provided to Premises for major agricultural production or golf courses.
- 6.5 Lantzville shall maintain in operation the existing wells specified in Schedule "D" and shall take reasonable actions to maintain the production of those wells at at least 2014 levels.
- 6.6 Despite anything in this Agreement, including, without limitation, sections 2.2 and 5.1, until Nanaimo has notified Lantzville in writing that it has secured sufficient additional water supply, connections to the Water Main shall be limited to a total of four hundred and thirty-six (436) Premises located within Upper Lantzville referred to in sections 4.1 and 4.2 of this Agreement, plus connection of 50 Premises per year in Upper Lantzville as a result of new development. For certainty, if less than 50 Premises per year in Upper Lantzville are connected, the remaining Premises connection entitlement will accrue to be used by Lantzville in any future year during the Term or any Additional Term for connection at a time determined by Lantzville.
- 6.7 For the purpose of this section, "development" means the construction of new Premises or the subdivision of land resulting in the creation of new parcels to create new Premises.
- 6.8 Lantzville will provide reasonable support to Nanaimo to secure additional water supply.

7.0 Force Majeure and Water Shortage

- 7.1 Lantzville acknowledges and agrees that Nanaimo is entitled to reduce or temporarily terminate the supply of Water on a basis consistent with other users within an affected distribution area without compensation to Lantzville in the event of a Water Shortage or event of Force Majeure.
- 7.2 Where Nanaimo anticipates that there will be a Water Shortage, Nanaimo shall advise Lantzville of this circumstance without undue delay and shall appoint representatives to meet with representatives of Lantzville to discuss solutions.
- 7.3 In reducing the Water supply under section 7.1, Nanaimo shall endeavour to equalize the effect of the water reduction on uses and consumers within Nanaimo and Lantzville.
- 7.4 Lantzville acknowledges and agrees that Lantzville is at all times responsible for all of its water storage requirements, including without limitation any requirements relating to firefighting or other emergencies whether imposed by an association of fire insurance underwriters or otherwise.

8.0 Watering Conservation and Restrictions

- 8.1 Lantzville acknowledges, as a principle on which this Agreement is based, that restrictions on Water use in Lantzville should be consistent with those in place in Nanaimo in force from time to time governing the use of the Nanaimo Water System.
- 8.2 Lantzville shall take reasonable operational measures and consider taking legislative measures at Nanaimo's request to reduce the waste of Water and water consumption within its boundaries consistent with measures taken within the boundaries of Nanaimo.

9.0 Maintenance and Repair

- 9.1 Lantzville shall repair, operate and maintain the Lantzville Water System in accordance with good engineering practices and all applicable laws.
- 9.2 To the extent related to the supply of Water in accordance with this Agreement, Nanaimo shall repair, operate and maintain the Nanaimo Water System in a good state of repair in accordance with good engineering practices and all applicable laws.
- 9.3 Without limiting section 9.1 Lantzville shall maintain all wells connected to the Lantzville Water System in accordance with good engineering practices and all applicable laws, and shall take all reasonable steps to prevent contamination of the Nanaimo Water System.
- 9.4 Lantzville shall reimburse Nanaimo within thirty (30) days of receiving an invoice for all costs associated with the operation and maintenance of the Water Main and all costs of operating and maintaining any facilities, works or services constructed or located within Nanaimo that are for the sole benefit of the Lantzville Water System.

10.0 Costs of Studies

- 10.1 Lantzville shall pay the cost of any feasibility studies required to determine the need for additional facilities or modifications or alterations to existing facilities required for the supply of Water to Lantzville, even if such facilities, modifications or alterations would be required to be located, constructed, installed or enlarged within the boundaries of Nanaimo.

11.0 Construction of Main Extension

- 11.1 Lantzville shall, at Lantzville's sole cost, design, construct, install and replace, as necessary, the Water Main.
- 11.2 Lantzville shall pay to Nanaimo any actual costs incurred by Nanaimo in relation to the design and construction of the Water Main, including the costs of any staff time appropriately allocated thereto.
- 11.3 Costs payable under section 11.2 shall include the costs of:
- (a) architect, engineering, legal and other professional services in connection with the Water Main project;
 - (b) the costs of construction;
 - (c) all land acquisition costs for the purpose of obtaining a statutory right of way or other interest in land necessary for the Water Main, including, if necessary, costs of appraisers and expropriation processes; and
 - (d) communications infrastructure, programming and electronic monitoring equipment associated with the Connection Point(s) to enable monitoring of water use within Nanaimo's SCADA system;

in relation to the Water Main project.

- 11.4 Lantzville shall engage the services of a professional engineering consultant acceptable to both parties to determine in consultation with Nanaimo:
- (a) the preferred Water Main extension to the Connection Point;
 - (b) the engineering specifications for the Water Main;
 - (c) the timing of construction of the Water Main and its connection to the Lantzville Water System;
 - (d) to oversee the completion of the Water Main; and
 - (e) to certify the Water Main as having been constructed in accordance with the engineering specifications

and the professional engineering consultant shall be considered Lantzville's agent.

- 11.5 Nanaimo agrees to cooperate in good faith with Lantzville to secure a design for a Water Main that is both cost effective and meets the standards of good engineering practice, having regard to the effect of the Water Main project on both water systems, and to manage the Water Main project in a manner consistent with its management of similar projects in Nanaimo.
- 11.6 Subject to agreement otherwise on the timing of the payment of the design and construction costs associated with the Water Main, Lantzville shall reimburse Nanaimo for such costs within thirty (30) days of receiving an invoice for such costs from Nanaimo as work progresses on the construction project.
- 11.7 Lantzville shall cause the Water Main to be constructed, installed, commissioned and, to the extent the Water Main is within the city limits of Nanaimo, transferred to Nanaimo upon completion and certification by a professional engineering consultant under section 11.4(e) of this Agreement.

12.0 Term

- 12.1 The Term of this Agreement shall be for a twenty (20) year period commencing on the Commencement Date, and for certainty Nanaimo's obligation to supply Water under this Agreement and Lantzville's obligation to pay Nanaimo only arise from and after the Commencement Date.
- 12.2 This Agreement may be extended beyond the Term for one Additional Term of twenty (20) years by the District of Lantzville delivering written notice to Nanaimo at least 6 months prior to the end of the Term. The Additional Term shall be on the same terms and conditions as this Agreement except that there shall be no further renewal right.

13.0 Water Supply Advisory Committee

- 13.1 Lantzville shall be entitled to designate one (1) representative for appointment to the City of Nanaimo Water Supply Advisory Committee.

14.0 Future Nanaimo Water System Capital Costs

- 14.1 To the extent costs of the design, construction, installation or enlargement of the Nanaimo Water System related to the supply of Water to Lantzville under this Agreement are not otherwise covered by the amounts otherwise paid to Nanaimo by Lantzville, Lantzville shall pay such costs to Nanaimo, within thirty (30) days of receiving an invoice from Nanaimo for such costs.

15.0 Cost Sharing For Other Services

- 15.1 Lantzville will participate in the following Regional District of Nanaimo services at contribution levels reasonably consistent with other participating areas:
- (a) Economic Development Service;

- (b) Port Theatre Service; and
- (c) Drinking Water and Watershed Protection Service.

16.0 Indemnity

- 16.1 Nanaimo will indemnify and save harmless Lantzville, its elected officials, officers, employees, contractors and agents against and from any and all actions, causes or action, suits, damages, losses, costs (including costs of professional advisors and solicitors on a solicitor and own client basis), charges, fees, fines, claims or demands arising Nanaimo's breach of this Agreement, or the negligence or wrongful act of Nanaimo its officers, employees, subcontractors, agents or others for whom it is responsible at law except to the extent that such liability arises from the negligence or wrongful act of Lantzville, or others for whom Lantzville is responsible at law.
- 16.2 Lantzville will indemnify and save harmless Nanaimo, its elected officials, officers, employees, contractors and agents against and from any and all actions, causes or action, suits, damages, losses, costs (including costs of professional advisors and solicitors on a solicitor and own client basis), charges, fees, fines, claims or demands arising from Lantzville's breach of this Agreement, or the negligence or wrongful act of Lantzville its officers, employees, subcontractors, agents or others for whom it is responsible at law except to the extent that such liability arises from the negligence or wrongful act of Nanaimo, or others for whom Nanaimo is responsible at law.
- 16.3 Without limiting section 16.2 Lantzville shall indemnify and save harmless Nanaimo from any interruption to the service to be provided under this Agreement arising from:
- (a) normal maintenance, repair or upgrading of the water system;
 - (b) failure, breakdown or malfunction of the Lantzville Water System or any act of God or other cause beyond the reasonable control of Nanaimo, except to the extent of negligence by Nanaimo or its officers, employees, agents or contractors.
- 16.4 Sections 16.1, 16.2 and 16.3 shall survive the expiry or earlier termination of this Agreement.

17.0 Insurance

- 17.1 Nanaimo and Lantzville shall each:
- (a) obtain and maintain during the term of this Agreement Commercial General Liability Insurance including Broad Form Completed Operations Coverage, naming the other party as an Additional Insured and covering losses to third parties for bodily injury or death, property damage and unlicensed vehicles including attached equipment, for a minimum amount of five million dollars (\$5,000,000.00) per occurrence with a deductible not greater than ten thousand dollars (\$10,000.00);
 - (b) ensure that all policies where the other party is named as an Additional Insured contain a Cross Liability clause; and

- (c) ensure that their respective insurance policy(ies) are not cancelled or materially changed without the insurer giving not less than thirty (30) days' written notice to the other party.

18.0 Assignment

- 18.1 No party to this Agreement may assign its interest in this Agreement without the prior written consent of the other party.

19.0 Further Documents

- 19.1 The parties hereto shall execute such further and other documents and do such further and other things as might be necessary to carry out and give effect to the intent of this Agreement, including executing any rights of way or easement agreements.

20.0 Termination

- 20.1 Nanaimo may terminate this Agreement on six months' written notice to Lantzville in the case of an Event of Default which has not been cured within sixty (60) days of notice of the default being delivered to Lantzville.

21.0 Rights and Powers

- 21.1 Nothing contained or implied herein shall prejudice or affect the rights and powers of Lantzville or Nanaimo in the exercise of their respective functions under any public and private statute, bylaws, orders and regulations, all of which may be fully and effectively exercised as if this Agreement had not been executed and delivered by the parties, and the interpretation of this Agreement shall be subject to and consistent with statutory restrictions imposed upon Lantzville or Nanaimo under the *Local Government Act* and the *Community Charter*.

22.0 Relationship

- 22.1 Nothing in this Agreement shall be interpreted as creating an agency, partnership or joint venture relationship between Lantzville and Nanaimo.

23.0 Arbitration

- 23.1 If a dispute arises under this Agreement, then the parties shall make good faith efforts to resolve the dispute between themselves. If the dispute is not resolved within fifteen (15) days, then the Chief Administrative Officers, or their deputies, shall meet within fifteen (15) days to attempt to resolve the dispute.
- 23.2 If a dispute arises under sections 9.4, 11.2 or 14.1 regarding any amounts that may be payable by Lantzville, then such dispute shall, at the request of either party be submitted to arbitration under the *Commercial Arbitration Act*, by a professional engineer selected by the parties. If the parties cannot agree on the choice of the arbitrator, then each party will

select a representative who shall jointly select the arbitrator. The costs of the arbitrator shall be shared equally between the parties, and the results of the arbitration shall be binding on the parties.

24.0 Notice

24.1 Unless otherwise specified herein, any notice required to be given under this Agreement by any party will be deemed to have been given if mailed by prepaid registered mail or delivered to the address of the other party set forth on the first page of this Agreement or at such other address as the other party may from time to time direct in writing, and any such notice will be deemed to have been received if mailed, seventy-two (72) hours after the time of mailing and, if delivered, upon the date of delivery. If normal mail service is interrupted by strike, slow down, force majeure or other cause, then a notice sent by mail will not be deemed to be received until actually received, and the party sending the notice must deliver such notice in order to ensure prompt receipt thereof.

25.0 Binding Effect

25.1 This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors, and permitted assignees.

26.0 Waiver

26.1 The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

27.0 Headings

27.1 Section and paragraph headings are inserted for identification purposes only and do not form a part of the Agreement.

28.0 Language

28.1 Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

29.0 Law Applicable

29.1 This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia. Any reference to an enactment is deemed to be a reference to the enactment as amended from time to time, and any enactment that may replace it.

30.0 Amendment

30.1 This Agreement may not be modified or amended except by the written agreement of the parties.

31.0 Notice of Violations

31.1 Each party shall promptly notify the other party of any matter which is likely to continue or give rise to a violation of its obligations under this Agreement.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

CITY OF NANAIMO by its authorized
signatories this 20th day of August, 2014

Name: _____

George Anderson / Acting Mayor

Name: _____

Chris Jackson
Corporate Officer

DISTRICT OF LANTZVILLE by its authorized
signatories this 9th day of September, 2014

Name: _____

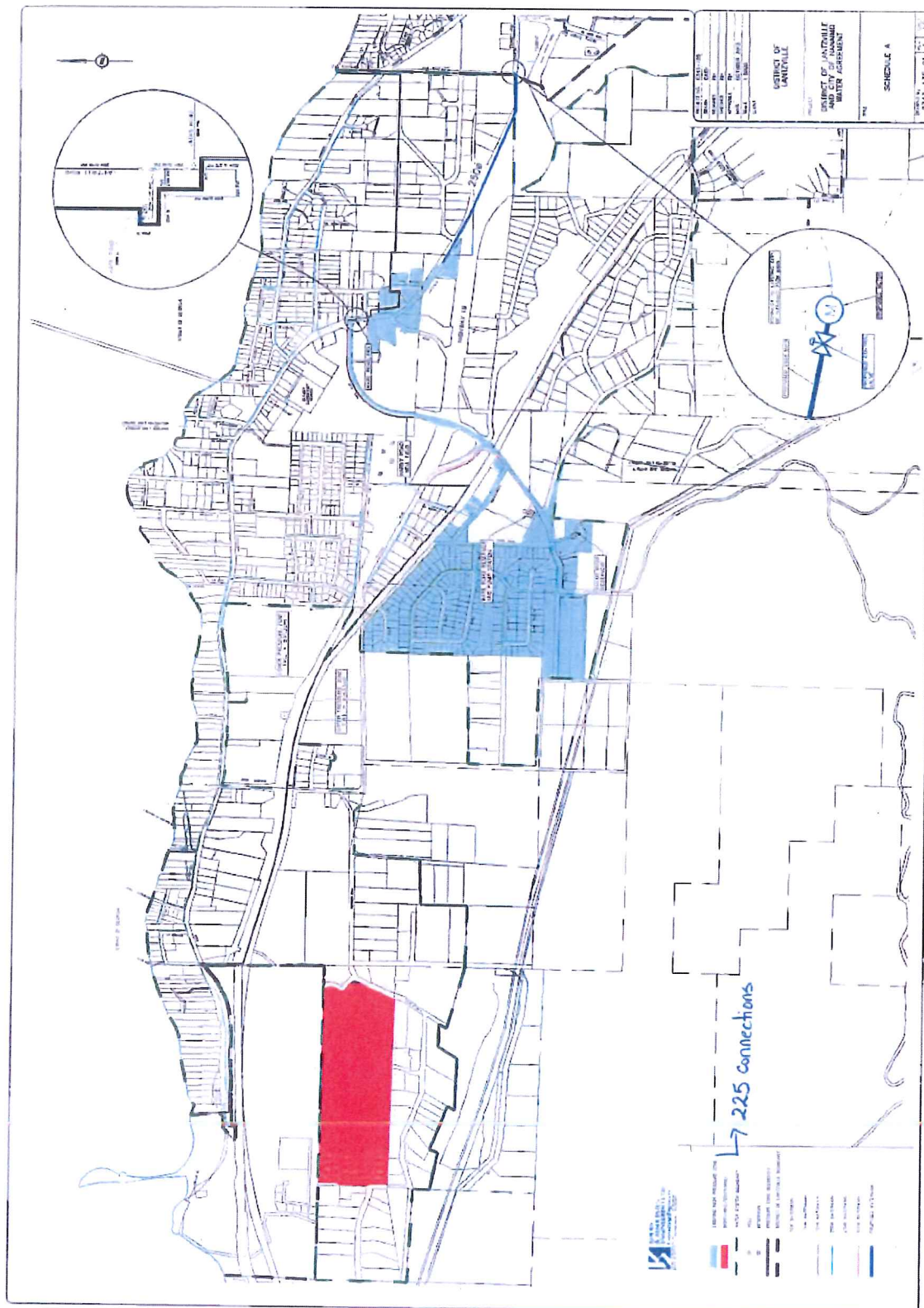
Jack de Jong, Mayor

Name: _____

Twyla Giraff, CAO
Deputy Director of Corp. Admin

SCHEDULE "A"

Connection Points



SCHEDULE "B"

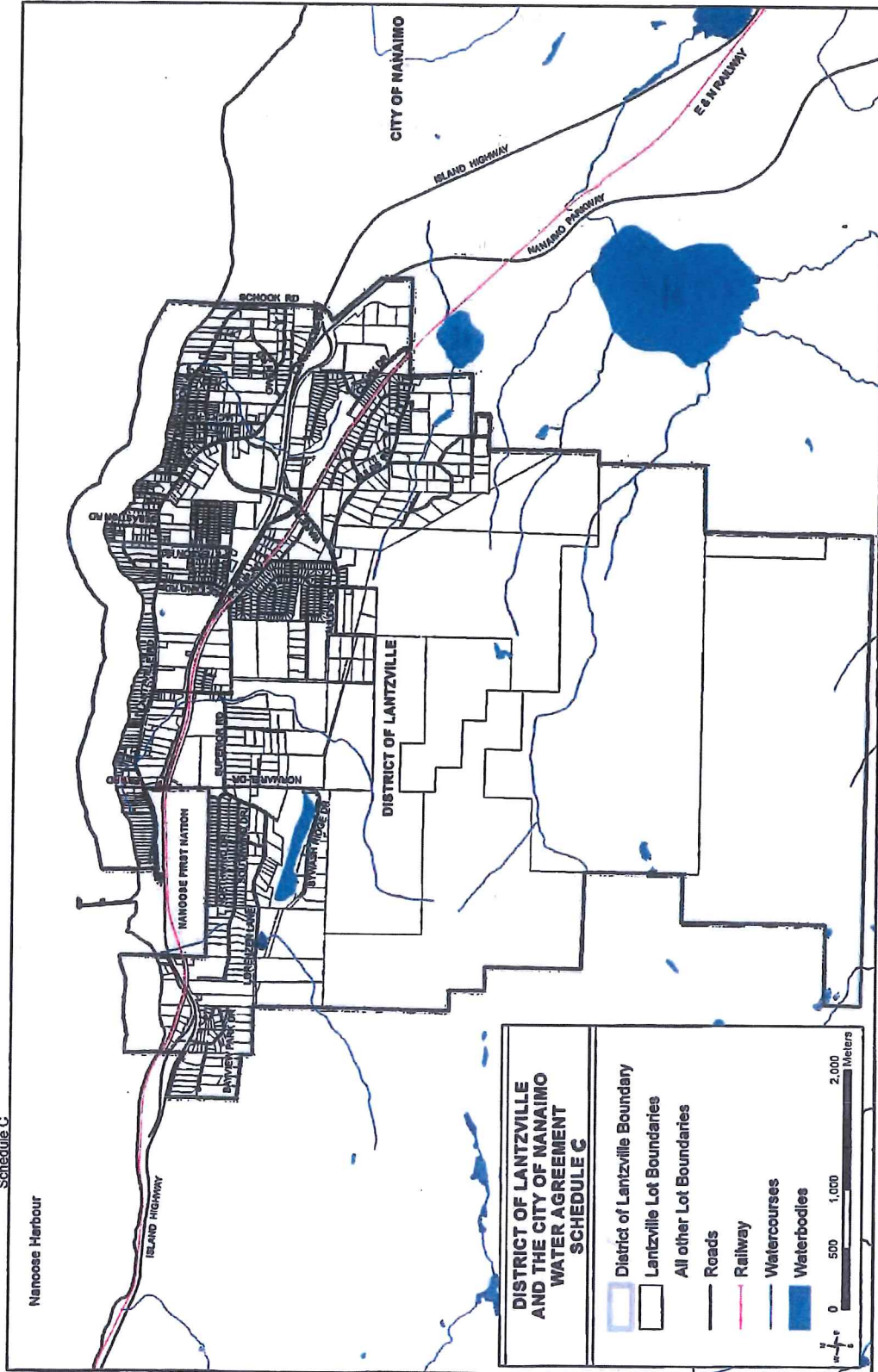
Connection Fees

1. The terms "Single Family", "Dwelling Unit", "Multi-Family", "Gross Floor Area", "Commercial", "Institutional", "Industrial", "Mobile Home Park", "Service Connection" and "Campground" used in this Schedule "B" have the same meaning as provided in the City of Nanaimo's Water Supply Development Cost Charge Bylaw 2008 No. 7070, as amended from time to time, or any enactment that may replace it.
2. The Connection Fees payable by Lantzville are as follows:
 - (a) Single Family - \$5,912.26 per Dwelling Unit;
 - (b) Multi-Family - \$35.47 per square metre of Gross Floor Area;
 - (c) Commercial- \$34.36 per square metre of Gross Floor Area;
 - (d) Institutional- \$34.36 per square metre of Gross Floor Area;
 - (e) Industrial - \$8.77 per square metre of Gross Floor Area;
 - (f) Mobile Home Park - \$3,611.38 per Service Connection;
 - (g) Campground - \$849.74 per Service Connection.

SCHEDULE "C"

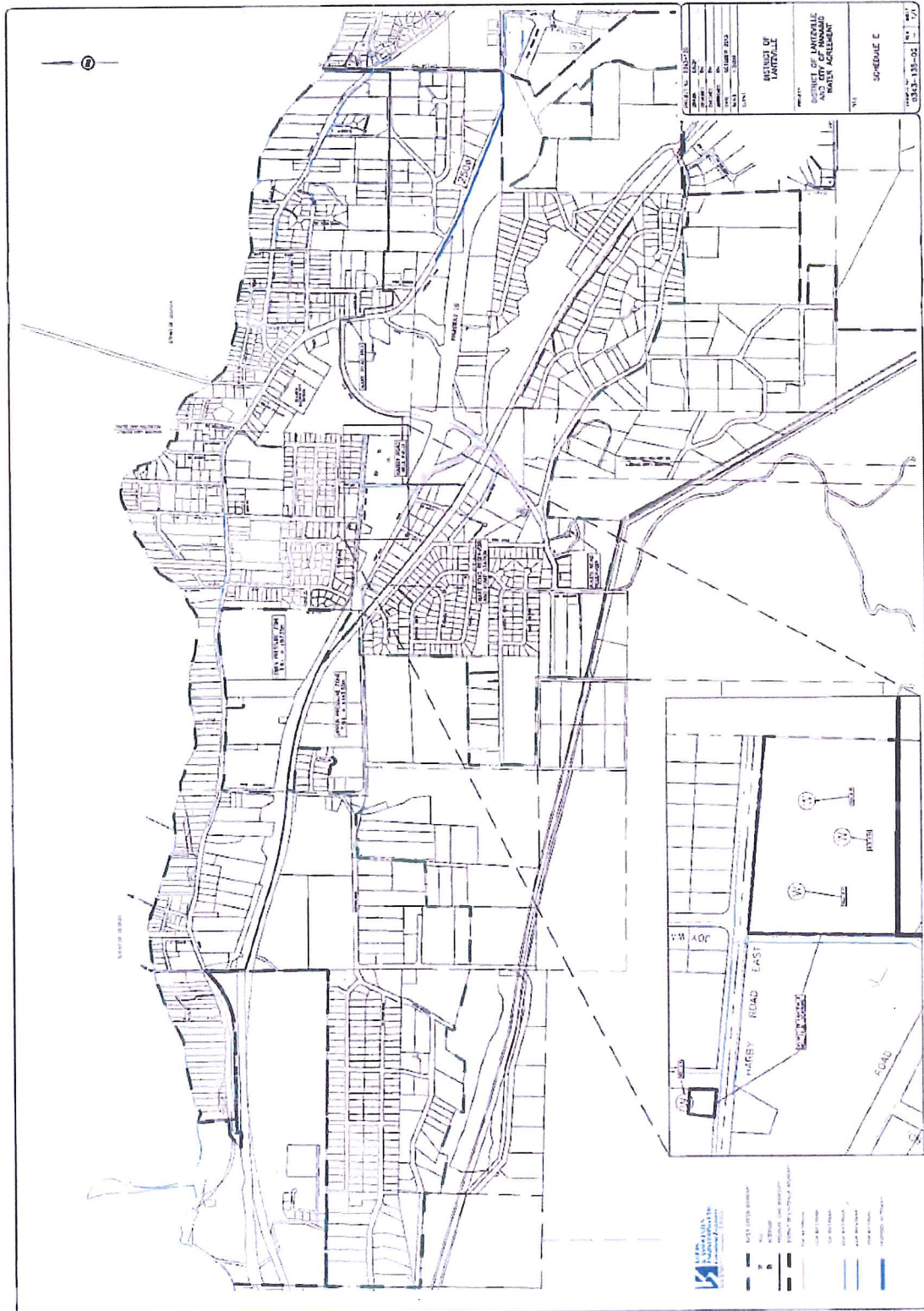
Map of Lantzville

Schedule C



SCHEDULE "D"

Existing Lantzville Wells



Council Briefing Note #2: Situational Update – 1 Port Drive

| | | |
|---|------------------------------|--|
| Date | Friday, August 3, 2018 | |
| Date of Last Briefing | July 26, 2018 | Briefing Note – Sit Update |
| Current Number of Structures on Site | 158 (last week 178) | <ul style="list-style-type: none"> Some tents being used as storage only, others with friendship or family groups, singles, vehicles for sleeping, RVs Numbers appear down this week |
| Estimated Number of Occupants | 200 | <ul style="list-style-type: none"> Difficult to estimate, many individuals coming and going, visiting The site has a very diverse group of individuals residing and visiting. New people seen on site weekly, some that were originally on site have left and others remain. |
| Status of Fire Order | Non-Compliant | <ul style="list-style-type: none"> Fire department staff continue to conduct daily site inspections to communicate with occupants on the requirements of the Fire Order. (RCMP on site to keep the peace) 30 yard bin on site for discarding materials to comply with fire order Court date for application of an 'enforcement' of the order set for August 13. This will be heard by the same justice. (earliest date available) Advocates continue to focus on removing 'tarps' as an issue. There are 10 items on the fire order and most are outstanding. As an example, there are people living in the bushes, excessive combustible materials (hoarding), furniture, evidence of fires, emergency access and egress issues and flammable tarps over tents. |
| Status of Court Application for Eviction | Awaiting Decision | <ul style="list-style-type: none"> No change – awaiting Court decision. Inter-Agency working group developing a response plan to the 2 different scenarios (stay or leave) |
| VIHA & Medical Health Officer Order | | <ul style="list-style-type: none"> 5 Portable Toilets on site (serviced daily and reported to be full) Potable flowing water provided [REDACTED] [REDACTED] [REDACTED] [REDACTED] |

Council Briefing Note #2: Situational Update – 1 Port Drive

| | | |
|-----------------------------------|--|---|
| | | <ul style="list-style-type: none">• [REDACTED] |
| Inter-Agency Working Group | | <ul style="list-style-type: none">• [REDACTED]• Purpose of group to provide coordination of service providers, strike sub-committees to work on short/long action plans, and coordinate communications.<ul style="list-style-type: none">■ [REDACTED]■ [REDACTED] |
| Social Media /Threats | | <ul style="list-style-type: none">• [REDACTED] |



AGENDA
SPECIAL "IN CAMERA" COUNCIL MEETING

Monday, August 13, 2018

1:00 P.M. - 2:00 P.M.

DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

Pages

1. ADOPTION OF AGENDA

That Council, in accordance with Section 90(1)(n) of the Community Charter, adopt the agenda as presented (or as amended).

Summary of Agenda Items and Proposed CC Reasons to Close Meeting:

1. Adoption of Agenda - 90(1)(n)

3(a). [REDACTED]
[REDACTED] - 90(1)(i)

4(a). [REDACTED]
90(1)(i)

Section 90(1):

(i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and,

(n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

2. ADOPTION OF MINUTES

3. PRESENTATIONS

a. [REDACTED]

4. REPORTS

a.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

5. ADJOURNMENT OF SPECIAL "IN CAMERA" MEETING



ADDENDUM
"IN CAMERA" COUNCIL MEETING

Monday, August 13, 2018, 3:30 P.M. - 6:30 P.M.
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC
SCHEDULED RECESS AT 5:30 P.M.

Pages

4. REPORTS

b.



c. Lantzville/Nanaimo Water Agreement

1. *Add - Presentation from Bill Sims, Director Engineering and Public Works, regarding Lantzville/Nanaimo Water Agreement*

7 - 11

Lantzville/Nanaimo Water Agreement Proposed Changes Council Discussion August 13, 2018

Reflecting District of Lantzville proposals in letter dated June 26, 2018

1. Under Definition (h), instead of Schedule C, it should state Schedule A. Schedule C is the map that shows the Boundary of Lantzville. Schedule A identifies the pressure zones. (Housekeeping)

Existing agreement

(h) "Lower Lantzville Area" means that part of Lantzville identified as such on Schedule **"C"**;

Lantzville proposal

(h) "Lower Lantzville Area" means that part of Lantzville identified as such on Schedule **"A"**;

Staff comment:

Agree.

Schedule A shows the water system, and would be more appropriate in Definition (h)

2. Under Definition (1), instead of Schedule C, it should state Schedule A. Schedule C is the map that shows the Boundary of Lantzville. Schedule A identifies the pressure zones. (Housekeeping)

Existing agreement

(1) "Upper Lantzville Area" means that part of Lantzville identified as such on Schedule **"C"**;

Lantzville proposal

(1) "Upper Lantzville Area" means that part of Lantzville identified as such on Schedule **"A"**;

Staff comment:

Agree.

Schedule A shows the water system, and would be more appropriate in Definition (I)

3. Under 6.6 remove the words, "as a result of new development".

Existing agreement

6.6 Despite anything in this Agreement, including, without limitation, sections 2.2 and 5.1, until Nanaimo has notified Lantzville in writing that it has secured sufficient additional water supply, connections to the Water Main shall be limited to a total of four hundred and thirty-six (436) Premises located within Upper Lantzville referred to in sections 4.1 and 4.2 of this Agreement, plus connection of 50 Premises per year in Upper Lantzville **as a result of new development....**

Staff comment: Agree.

This sentence creates ambiguity: believe it was originally intended to mean '50 premises as a result of new development', and not restricting water connections to only new development. (Could be read either way)

Lantzville proposal

6.6 Despite anything in this Agreement, including, without limitation, sections 2.2 and 5.1, until Nanaimo has notified Lantzville in writing that it has secured sufficient additional water supply, connections to the Water Main shall be limited to a total of four hundred and thirty-six (436) Premises located within Upper Lantzville referred to in sections 4.1 and 4.2 of this Agreement, plus connection of 50 Premises per year in Upper Lantzville....

4. Remove section 6.7. (Housekeeping)

Existing agreement

6.7 For the purpose of this section, "development" means the construction of new Premises or the subdivision of land resulting in the creation of new parcels to create new Premises.

Lantzville proposal

- Delete this section.

Staff comment:

- This is only 'Housekeeping' if Council agrees that the term 'as a result of new development' should be removed, as it is tied to 6.6



AGENDA
SPECIAL "IN CAMERA" COUNCIL MEETING

Thursday, September 6, 2018

5:30 P.M. - 7:00 P.M.

DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

Pages

1. ADOPTION OF AGENDA

That Council, in accordance with Section 90(1)(n) of the Community Charter, adopt the agenda as presented (or as amended).

Summary of Agenda Items and Proposed CC Reasons to Close Meeting:

- 1. Adoption of Agenda - 90(1)(n)
- 4(a). Discontent City Update - 90(1)(f)(g)
- 4(b). Bylaw 7000 - 90(1)(c)
- 4(c). Nanaimo Port Authority City Representative - 90(1)(a)
- 4(d). Purchasing - 90(1)(k)
- 4(e). Automated Waste - 90(1)(k)

Section 90(1):

(a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;

(c) labour relations or other employee relations;

(f) law enforcement, if the Council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment;

(g) litigation or potential litigation affecting the municipality;

(k) 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; and,

(n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

2. ADOPTION OF MINUTES

3. PRESENTATIONS

4. REPORTS

a. Discontent City Update

3 - 5

To be introduced by Jake Rudolph, Chief Administrative Officer.

Purpose: Discussion on Discontent City.

b. Bylaw 7000

To be introduced by Jake Rudolph, Chief Administrative Officer.

Purpose: Discussion and next steps regarding Bylaw 7000.

[Note: Report to be presented to Council at the 2018-SEP-17 "In Camera" Council Meeting.]

c. Nanaimo Port Authority City Representative

[Note: Report to be presented to Council at the 2018-SEP-17 "In Camera" Council Meeting.]

d. Purchasing

To be introduced by Jake Rudolph, Chief Administrative Officer.

Purpose: Discussion regarding purchasing policy and process.

e. Automated Waste

To be introduced by Jake Rudolph, Chief Administrative Officer.

Purpose: Discussion regarding automated waste role out.

5. ADJOURNMENT OF SPECIAL "IN CAMERA" MEETING

Council Briefing Note #4: Situational Update – 1 Port Drive

| | | |
|---|-------------------------|--|
| Date | Friday, August 31, 2018 | |
| Date of Last Briefing | August 10, 2018 | Briefing Note #3– Situational Update |
| Current Number of Structures on Site | 175 (last count 182) | <ul style="list-style-type: none"> Additional vehicles on site including a large yellow school bus with lumber piled outside Some tents being used as storage only, others with friendship or family groups, singles, vehicles for sleeping, RVs |
| Estimated Number of Occupants | ~200 | <ul style="list-style-type: none"> Difficult to estimate: [REDACTED] Definite different groups of individuals within the site. |
| Status of Fire Order | Non-Compliant | <ul style="list-style-type: none"> Fire department staff continue to conduct twice-weekly site inspections to communicate with occupants and liaison team on the requirements of the Fire Order. [REDACTED] Occupants are still non-compliant as a whole, some tent sites are in compliance – more tarps on site over tent structures Calls for service (Fire Dept) since August 1: 19 medical first responder, 5 fire related Explosion on site 08/31/2018 related to materials found inside fireworks ignited inside a tent. [REDACTED] |
| Status of Court Application for Eviction | Awaiting Decision | <ul style="list-style-type: none"> No change – awaiting Court decision. Inter-Agency working group developing a response plan to the 2 different scenarios (stay or leave) |
| VIHA & Medical Health Officer Order | | <ul style="list-style-type: none"> [REDACTED] Garbage pick up – 558 bags in August picked up to date [REDACTED] Portable Toilets emptied daily (full) |
| Inter-Agency Working Group | | <ul style="list-style-type: none"> [REDACTED] |

Council Briefing Note #4: Situational Update – 1 Port Drive

| | | |
|-----------------------|--|---|
| | | <ul style="list-style-type: none"> • [REDACTED] • [REDACTED] • [REDACTED] • [REDACTED] • Purpose of group to provide coordination of service providers, strike sub-committees to work on short/long action plans, and coordinate communications. • [REDACTED] |
| Social Media /Threats | | <ul style="list-style-type: none"> • [REDACTED] • [REDACTED] • [REDACTED] |



AGENDA "IN CAMERA" COUNCIL MEETING

Monday, September 17, 2018, 4:00 P.M. - 7:00 P.M.
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC
SCHEDULED RECESS AT 5:30 P.M.

Pages

1. ADOPTION OF AGENDA

That Council, in accordance with Section 90(1)(n) of the Community Charter, adopt the agenda as presented (or as amended).

Summary of Agenda Items and Proposed CC Reasons to Close Meeting:

- 1. Adoption of Agenda - 90(1)(n)
- 4(a) Discontent City Updates - 90(1)(e)
- 4(b) Council Appointed Tax Sale Bidder - 90(1)(e)
- 4(c) Bylaw 7000 Amendments - 90(1)(c)
- 4(d) [REDACTED] - 90(1)(c)
- 4(e) Seaspan Update - 90(1)(k)
- 4(f) [REDACTED] - 90(1)(g)
- 4(g) City Representative to the Nanaimo Port Authority Board - 90(1)(a)
- 4(h) [REDACTED] - 90(1)(i)

Section 90(1):

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;
- (c) labour relations or other employee relations;
- (e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality;
- (g) litigation or potential litigation affecting the municipality;
- (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;
- (k) 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; and,
- (n) the consideration of whether a Council meeting should be closed under a provision

of this subsection or subsection (2).

2. ADOPTION OF MINUTES

a. Minutes

5 - 6

Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC on Monday 2018-AUG-13 at 1:00 p.m.

b. Minutes

7 - 12

Minutes of the "In Camera" Council Meeting held in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC on Monday 2018-AUG-13 at 3:30 p.m.

3. PRESENTATIONS

4. REPORTS

a. Discontent City Update

To be introduced by Jake Rudolph, Chief Administrative Officer.

Purpose: Discussion on Discontent City.

b. Council Appointed Tax Sale Bidder

13 - 16

To be introduced by Laura Mercer, Manager, Accounting Services.

Purpose: To allow the Manager of Real Estate or designate to bid on properties at Tax Sale to avoid the complications associated with a third party bidder and give the current owner every opportunity available to extend the redemption period under the Local Government Act.

Recommendation: That Council authorize the Manager of Real Estate, or designate, to bid at the annual Tax Sale to be held 2018-SEP-24, [REDACTED] of the general taxable assessed value of each property.

Rise and Report:

Recommendation to not release the bidding limits approved for Tax Sale properties.

c. Bylaw 7000 Amendments

17 - 60

To be introduced by John Van Horne, Director of Human Resources.

Purpose: To summarize the process utilized by Council to review Bylaw 7000 and identify issues for Council to consider prior to adoption of the amended Bylaw.

Recommendation: That Council provide direction to staff regarding the issues

[REDACTED]

[REDACTED]

[REDACTED]

5. ADJOURNMENT OF "IN CAMERA" MEETING

SPECIAL "IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
MONDAY, 2018-AUG-13 AT 1:00 P.M.

Members: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor W. L. Bestwick (entered 1:05 p.m.)
Councillor M. D. Brennan
Councillor G. W. Fuller
Councillor J. Hong (entered 1:05 p.m.)
Councillor J. A. Kipp
Councillor I. W. Thorpe
Councillor W. M. Yoachim (entered 2:09 p.m., vacated 2:13 p.m.)

Staff: S. Gurrie, City Clerk
J. Vanderhoef, Recording Secretary

Others: [REDACTED] [REDACTED]

1. CALL THE SPECIAL "IN CAMERA" MEETING TO ORDER:

The Special "In Camera" Meeting was called to order at 1:00 p.m.

2. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as presented. The motion carried unanimously.

[REDACTED] entered the Douglas Rispin Room at 1:01 p.m.
Councillors Bestwick and Hong entered the Douglas Rispin Room at 1:05 p.m.

3. PRESENTATIONS:

(a) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

4. REPORTS:

- (a) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

It was moved and seconded that the Special "In Camera" Council Meeting recess at 1:12 p.m. The motion carried unanimously.

The Special "In Camera" Council Meeting recessed at 1:12 p.m.

The Special "In Camera" Council meeting reconvened in the Shaw Auditorium at 2:13 p.m.

[REDACTED]
[REDACTED]

Councillor Yoachim vacated the Shaw Auditorium at 2:14 p.m.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

5. ADJOURNMENT:

It was moved and seconded at 2:27 p.m. that the "In Camera" Council Meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER

"IN CAMERA" MINUTES
COUNCIL MEETING TO DISCUSS CONFIDENTIAL MATTERS
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
MONDAY, 2018-AUG-13 AT 3:30 P.M. – 6:30 P.M.

Members: Mayor W. B. McKay, Chair
Councillor S. D. Armstrong
Councillor W. L. Bestwick
Councillor M. D. Brennan
Councillor G. W. Fuller
Councillor J. Hong
Councillor J. A. Kipp (vacated 4:44 p.m.)
Councillor I. W. Thorpe
Councillor W. M. Yoachim

Staff: J. Rudolph, Chief Administrative Officer
D. Lindsay, Director of Community Development (vacated 4:05 p.m.,
entered 4:20 p.m.)
B. Sims, Director of Engineering and Public Works (vacated 5:32 p.m.)
Supt. C. Miller, OIC, Nanaimo Detachment RCMP (arrived 4:20 p.m.)
K. Fry, Fire Chief (arrived 4:20 p.m.)
B. Corsan, Deputy Director of Community Development (vacated
4:05 p.m., entered 4:20 p.m.)
S. Gurrie, City Clerk
K. Gerard, Recording Secretary

1. CALL THE "IN CAMERA" MEETING TO ORDER:

The "In Camera" Meeting was called to order at 3:32 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Agenda Item 4(b) – Fifth Street Properties Project – Memorandum of Understanding - Replace - Memorandum of Understanding with the attached version.
- (b) Agenda Item 4(c) – Lantzville/Nanaimo Water Agreement - Add – Presentation from Bill Sims, Director of Engineering and Public Works, regarding Lantzville/Nanaimo Water Agreement.
- (c) Agenda Item 4(d)(1) - Discontent City – [REDACTED]
- (d) Mayor McKay advised he would be bringing forward a late item regarding Appointment of Alternative Representative for the upcoming Municipal Insurance Association of British Columbia, Annual General Meeting.
- (e) Councillor Kipp advised that he would be bringing forward a late item regarding emails and issues of stalking of Councillors, cyber and otherwise.

It was moved and seconded that the Agenda Items be re-ordered as follows:

- Appointment of Alternative Representative – Municipal Insurance Association of British Columbia become Agenda Item 6(d);
- [REDACTED] – move to Agenda Item 6(e); and,
- Issues of Stalking of Councillors, Cyber or Otherwise, become Agenda Item 6(f).

The motion carried unanimously.

3. ADOPTION OF AGENDA:

It was moved and seconded that Council, in accordance with Section 90(1)(n) of the *Community Charter*, adopt the agenda as amended. The motion carried unanimously.

4. ADOPTION OF MINUTES:

It was moved and seconded that the following minutes be adopted as circulated:

- Minutes of the Special "In Camera" Council Meeting held Thursday, 2018-JUL-05 at 7:59 p.m. in the Shaw Auditorium, 80 Commercial Street, Nanaimo, BC.
- Minutes of the "In Camera" Council Meeting held Monday, 2018-JUL-09 at 3:00 p.m. in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC.
- Minutes of the "In Camera" Council Meeting held Friday, 2018-JUL-13 at 9:00 a.m. in the Nanaimo River Room, 80 Commercial Street, Nanaimo, BC.
- Minutes of the "In Camera" Council Meeting held Monday, 2018-JUL-23 at 4:00 p.m. in the Douglas Rispin Room, 80 Commercial Street, Nanaimo, BC.

The motion carried unanimously.

5. REPORTS:

(a) Deputy Financial Officer Appointment

Introduced by Sheila Gurrie, City Clerk.

It was moved and seconded that Council:

1. appoint Ms. Jamie Slater, Acting Manager, Revenue Services, as Deputy Financial Officer until 2019-JUN-30 to fulfill the duties as set out in Section 149 of the *Community Charter*.
2. establish the order in which the Deputy Financial Officers perform the duties in absence of the Financial Officer as follows:
 - (a) Wendy Fulla, Manager of Business, Asset and Financial Planning.
 - (b) Jamie Slater, Acting Manager, Revenue Services.

The motion carried.

Opposed: Councillor Kipp

It was moved and seconded that Council rise and report regarding the Deputy Financial Officer Appointments at a future Open Council meeting. The motion carried unanimously.

(b) Fifth Street Properties Project - Memorandum of Understanding

Dale Lindsay, Director of Community Development, introduced and spoke regarding:

- draft Memorandum of Understanding has been completed and reviewed by all parties;
- clarifies the properties, ownership and land use plan, location, housing, recreation services and could include medical, library and daycare;
- Fall of 2019 planned for completion; and,
- [REDACTED]

It was moved and seconded that Council approve the Memorandum of Understanding titled "Fifth Street Properties Comprehensive Land Use Planning and Development Project" between the City of Nanaimo, Nanaimo Ladysmith Public Schools and BC Housing Management Commission as presented. The motion carried unanimously.

It was moved and seconded that Council direct Staff to release the Memorandum of Understanding once it is finalized. The motion carried unanimously.

D. Lindsay and B. Corsan vacated the Douglas Rispin Room at 4:05 p.m.

(c) Lantzville/Nanaimo Water Agreement

Introduced by Bill Sims, Director of Engineering and Public Works.

Council discussion included;

- connection fees, amount of new development connections in Upper Lantzville, commercial/business connections and proposed changes;
- amount of buy in fees based on 2014 compared to 2019 valuation; and,
- Development Cost Charge Bylaw, user rate fees, and cost charges in the future to areas outside of the City of Nanaimo limits who use City of Nanaimo water.

It was moved and seconded that Council agree to the amendments requested by the District of Lantzville as proposed in the City of Nanaimo/District of Lantzville Water Agreement. The motion carried.

Opposed: *Councillors Bestwick, Fuller, Kipp and Yoachim*

(d) Appointment of Alternative Representative – Union of British Columbia Municipalities Conference

It was moved and seconded that the Councillor Thorpe will represent the City of Nanaimo at the Municipal Insurance Association of British Columbia, Annual General Meeting. The motion carried unanimously.

D. Lindsay, B. Corsan, K. Fry and Supt. C. Miller entered the Douglas Rispin Room at 4:20 p.m.

(e) Homelessness Updates

Introduced by Jake Rudolph, Chief Administrative Officer.

1. Discontent City

Karen Fry, Fire Chief, provided an update regarding homelessness and the fire order which included:

- Court ruled against the City of Nanaimo and the fire safety enforcement order was denied;
- [REDACTED]
- [REDACTED] the fire order but the occupants still need to comply and are not allowed to obstruct fire inspectors from entering Discontent City;
- the judge stated that the City of Nanaimo has taken minimal steps to address safety of the occupants;
- safety inspections will continue to be done daily [REDACTED]
- [REDACTED]
- number of tents is increasing and it is difficult to get an exact number of the occupants; and,
- [REDACTED]

[REDACTED]

Councillor Kipp vacated at 4:44 p.m.

Councilor Yoachim vacated the Douglas Rispin Room at 5:07 p.m.

2.

Councillor Yoachim returned to the Douglas Rispin Room at 5:29 p.m.

The "In Camera" Meeting recessed at 5:32 p.m.
The "In Camera" meeting reconvened at 6:03 p.m.

3. Affordable Housing Site Options

Dale Lindsay, Director of Community Development, and Bill Corsan, Deputy Director of Community Development, provided a presentation regarding Affordable Housing Site Options.

Council discussion regarding types of low barrier housing, BC Housing's criteria, and City owned properties that are available..

(c) Lantzville/Nanaimo Water Agreement (continued)

It was moved and seconded Council rise and report regarding the Lantzville/Nanaimo Water Agreement once amendments have been completed. The motion carried unanimously.

(f) Council Kipp re: Emails and Issues of Stalking of Councillors, Cyber and Otherwise

Council discussion took place regarding recent emails sent to Council.

6. ADJOURNMENT:

It was moved and seconded at 6:58 p.m. that the "In Camera" Meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER

DATE OF MEETING September 17, 2018

AUTHORED BY JAMIE SLATER, MANAGER, REVENUE SERVICES

SUBJECT COUNCIL APPOINTED TAX SALE BIDDER

OVERVIEW

Purpose of Report

To allow the Manager of Real Estate or designate to bid on properties at Tax Sale to avoid the complications associated with a third party bidder and give the current owner every opportunity available to extend the redemption period under the *Local Government Act*.

Reason for “In Camera”

Section 90(1)(e) the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality.

Recommendation

That Council authorize the Manager of Real Estate, or designate, to bid at the annual Tax Sale to be held 2018-SEP-24, [REDACTED] of the general taxable assessed value of each property.

Resolution to Rise and Report

Recommendation to not release the bidding limits approved for Tax Sale properties.

BACKGROUND

The *Local Government Act* requires the City to sell, by public auction, all properties with delinquent (3 years outstanding) taxes. The annual Tax Sale takes place on the last Monday of September of each year. The minimum bid must equal or be greater than the “Upset Price”, which is the sum of all outstanding taxes, penalties, interest, and administration costs. If there are no successful bidders, the property defaults to the City. The registered owner has one year after the property is sold at Tax Sale to pay the Upset Price plus interest to redeem the property.

Though the intent of Tax Sale is to recover property taxes due, it is always done with the hope that people are not displaced or lose their home. When properties are purchased by the City, additional options are available to assist the current owner in redeeming their property. Additional time extensions are permitted under the *Local Government Act* when the municipality is the purchaser and there are improvements on the property. These extensions are not permitted when the properties are purchased by a third party.

Prior to Tax Sale, City staff makes many efforts to contact each owner to inform them of the process and urge them to make the necessary payments to avoid the sale. This is done by public announcements, letters and/or phone calls. Through these efforts, the list of properties is greatly reduced, ranging from 5 to 22 properties at the sale over the last 5 years.

Section 648 of the *Local Government Act* allows Council to authorize a person to bid at Tax Sale up to a maximum amount. Should Council adopt this recommendation, each property at the sale would be bought by the City (unless outbid).

Some of the rights of the current owner remain; they continue to occupy the property in the same manner as prior to the sale. A charge is added to their property at Land Titles which details that the property was sold at a Tax Sale. The owner still has 1 year to redeem the property.

With the municipality as the purchaser and providing that there are improvements to the property, the ‘one year’ redemption period may be extended if a 50% payment is made within that first year. This option was exercised in 2008 when a property on Bowen Road could only pay-over \$700 prior to the redemption period ending. Fortunately, there were no third parties involved so the redemption period was extended per section 661 of the *Local Government Act* and the owner was able to redeem the property in the extended period. This was again utilized for a property sold at tax sale in 2014.

The Tax Sale process can be complicated and the law surrounding it has not been fully tested in the courts. Although the *Local Government Act* theoretically sets out the responsibilities of the municipality in Tax Sale, where disputes have arisen Courts have regularly sided with the original owner. This generally has imposed a higher duty on municipalities than is contained in the *Act*. Having a third party purchaser at Tax Sale introduces an additional level of complexity that could potentially result in additional costs to the City.

The purpose of this recommended procedure is to discourage third party bidders. It will be applied to each property at the sale unless significant and relevant circumstances are brought to Council’s attention prior to the sale. Council authorized a City bidder beginning with the 2011 tax sale and Staff believes that the outcome has been very successful.

Other municipalities have successfully utilized a City bidder. These municipalities include Victoria, Tofino and Coquitlam. In the case of properties in rural areas, there is no Tax Sale auction. After three years, the property is automatically deemed to be purchased by the Province without the opportunity for a third party bidder.

Interest

The interest rate paid to the purchaser of a Tax Sale property is currently 6.45% as prescribed by the Province of BC. Interest is charged on the purchase price and must be paid prior to redemption. This interest amount is then payable to the purchaser. The unintended consequence of this recommendation is the interest amount payable could increase if there is a third party bidder who raises the bid over the upset price. Again, it would be the responsibility of the owner to pay this additional interest amount.

Valuation

The total general taxable assessment is made up of land value plus improvements (e.g. a house). It is recommended that a [REDACTED] of this value be used as a maximum bid amount. Using this figure reduces the dependence on a single value for an improvement that

could potentially be destroyed (e.g. a house fire), or using solely the value of the land which potentially excludes the strata properties from this bylaw.

Risk

Many of the properties that go to Tax Sale have encumbrances upon them in addition to those of the City. These can be mortgages, liens, judgments and other claims. Upon sale, most of the encumbrances are forfeited. Those placed by the Crown remain attached to the property and become the responsibility of the buyer.

At risk is the possibility of acquiring a non-redeemed property with all its encumbrances. This is the same risk the City currently has as the default purchaser of properties. Usually, all properties sold at Tax Sale have been redeemed. In the event that a property is unredeemed and transfers to the City, the transaction would be funded from the Property Acquisition Reserve.

If the City purchases these properties at Tax Sale, there is the risk of becoming landlords to various renters. Steps may need to be taken to evict former occupants who have become our tenants. The properties the City acquires could be deemed “unsightly” or “nuisance” properties. The cost to restore these properties would be the responsibility of the City as the City would then be the owner. As noted above, the City already potentially has this risk as the default purchaser.

There may be times when it could be preferable for the City not to bid and instead allow the property to transfer to a third party. Unfortunately, these are always unique situations that cannot be covered by policy and may not be discovered until the last minute. |

OPTIONS

1. | Authorize the Manager of Real Estate or designate to bid at the annual Tax Sale to be held 2018-SEP-24, [REDACTED] of the general taxable assessed value of each property.
2. Do not authorize a City Bidder. This will limit redemption options for an owner of a property sold at tax sale. |

SUMMARY POINTS

- | The City is required to sell by auction all properties with delinquent taxes (3 years of outstanding taxes).
- The legislation provides additional options for an owner to redeem their property when the City is the purchaser.
- A City bidder has been authorized to bid at tax sale since 2011 |

Submitted by:

Jamie Slater
Manager, Revenue Services |

Concurrence by:

Laura Mercer
Manager, Accounting Services |

DATE OF MEETING | SEPTEMBER 17, 2018 |

AUTHORED BY | JOHN VAN HORNE, DIRECTOR OF HUMAN RESOURCES

SUBJECT | **Bylaw 7000 Amendments** |

OVERVIEW

Purpose of Report

To summarize the process utilized by Council to review Bylaw 7000 and identify issues for Council to consider prior to adoption of the amended Bylaw.

Reason for “In Camera”

Section 90(1)(c) Employee and Labour Relations

Recommendation

That Council provide direction to staff regarding the issues raised in this report.

Resolution to Rise and Report

Council can discuss the proposed amendments when the Bylaw is presented for three readings and adoption.

BACKGROUND

Since at least 2009, *Management Terms and Conditions of Employment Bylaw 2005 No. 7000* (“Bylaw 7000” or the “Bylaw”) has come before Council for review fairly often. The most recent changes to the Bylaw occurred in 2013, when Council revised the method by which exempt staff salary increases were determined. The current version is attached as Attachment A.

In 2016, the Core Services Review (“CSR”) included one specific recommendation related to the Bylaw:

Amend the Management Terms & Conditions of Employment Bylaw to reduce the banking of vacation days.

[REDACTED]

Since the CSR report was presented to Council, the following steps have taken place regarding Bylaw 7000:

- Bylaw 7000 was on the In Camera Council agenda for February 5, 2018. [REDACTED]

[REDACTED]
[REDACTED] Council unanimously voted to defer consideration of Bylaw 7000.

- Bylaw 7000 was again on the In Camera Council agenda for February 19, 2018.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] the issue did not come before Council that evening. It was brought to the next scheduled meeting date, March 5, 2018.

- At the Special In Camera Council meeting on March 5, 2018, Council directed staff to hold a Special Council meeting [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] At the March 8th meeting, Council also agreed to email any additional potential amendments to the Director of Human Resources ("DHR") for inclusion in a draft amended Bylaw.

- On April 30, 2018, Council met to review proposed amendments to the Bylaw that addressed not only the CSR recommendation but also other amendments that members of Council wished to put forward for consideration. [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

- [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] The final version of the amended Bylaw is attached as Attachment B. [REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

In making amendments to the Bylaw, Council is effectively imposing unilateral changes to the terms and conditions of over five dozen exempt employees. [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

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[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

OPTIONS

1. That Council proceed with the proposed amendments and take Bylaw 7000 forward for three readings and adoption.
 - **Budget Implication:** None in current budget year. However, in subsequent years the City can expect the liability for outstanding vacation to begin to decrease.

- [REDACTED]
[REDACTED]
[REDACTED]
- [REDACTED]
[REDACTED]
[REDACTED]
- **Engagement Implication:** Council should make staff aware, directly, of the amendments being made to the Bylaw before it is addressed in an open Council meeting.
- [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

2. That Council defer consideration of any amendments to Bylaw 7000 to the next Council.
 - **Budget Implication:** None in current budget year; status quo.
 - **Legal Implication:** None.
 - **Policy Implication:** Deferring consideration will permit time for a consultant to review exempt staff total compensation, which can then inform additional recommendations to Council.
 - **Political Implications:** Deferring consideration will let the incoming Council – which will have to live with any possible outcomes created by amendments to the Bylaw – determine which, if any, changes it wishes to implement.
3. That Council proceed with amendments as outlined in the last paragraph of the report, and make recommendations to the incoming Council regarding other amendments.
 - **Budget Implication:** None.
 - **Legal Implication:** None.
 - **Policy Implication:** Deferring consideration will permit time for a consultant to review exempt staff total compensation, which can then inform additional recommendations to Council.
 - **Political Implications:** Deferring consideration will let the incoming Council – which will have to live with any possible outcomes created by amendments to the Bylaw – determine which, if any, changes it wishes to implement. It will also provide the incoming Council with the benefit of the current Council's deliberations on the topic before having to make a decision.
4. That Council provide some alternative direction to staff.

SUMMARY POINTS

- Bylaw 7000 has been discussed by Council many times since at least 2009, with the most recent amendments occurring in 2013.
- Council has proposed amendments that will unilaterally alter the terms and conditions for existing staff; proper notice is required before the changes can be implemented although new exempt employees hired can be subject to the amended terms.
- [REDACTED]
- Council may choose to defer consideration of the Bylaw to the incoming Council. |

ATTACHMENTS

Attachment A: Bylaw 7000 Current

[REDACTED]

Attachment D: Exempt Salary Administration Policy

[REDACTED] |

Submitted by:

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John Van Horne
Director of Human Resources

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“MANAGEMENT TERMS AND CONDITIONS OF EMPLOYMENT BYLAW 2005 NO. 7000”

Consolidated Version

2013-FEB-18

Includes Amendments: 7000.01, .02, .03

CITY OF NANAIMO

BYLAW NO. 7000

A BYLAW TO ESTABLISH THE TERMS AND CONDITIONS OF EMPLOYMENT FOR
OFFICERS AND MANAGEMENT/EXCLUDED EMPLOYEES OF THE CITY

WHEREAS the Council of the City of Nanaimo has the authority to establish terms and conditions of employment, including the appointment and termination, of its Officers and Management/Excluded Employees;

THEREFORE the Council of the City of Nanaimo, in open meeting assembled, ENACTS
AS FOLLOWS:

1. Title

This Bylaw may be cited as "MANAGEMENT TERMS AND CONDITIONS OF EMPLOYMENT BYLAW 2005 NO. 7000".

2. Definitions

In this Bylaw, unless the context otherwise requires:

| | |
|--------------------------------|--|
| "CITY" | means the City of Nanaimo. |
| "COUNCIL" | means the Council of the City of Nanaimo. |
| "MANAGEMENT/EXCLUDED EMPLOYEE" | means an Employee of the City of Nanaimo who is either a manager, or is an Employee who is excluded from the unionized bargaining unit. |
| "EMPLOYER" | means the City of Nanaimo. |
| "OFFICER" | means persons holding the offices of the City of Nanaimo as set out in Sections 3 and 4 of the City's Officers Appointment and Delegation Bylaw. |

3. Designation of Officers and Management/Excluded Employees of the City

- 3.1 Officers of the City, as enumerated in the City's Officers Appointment and Delegation Bylaw, shall be considered as Group I Employees in this Bylaw.
- 3.2 Management/Excluded Employees of the City, other than designated Group I Employees in Section 3.1, shall be considered as Group II Employees in this Bylaw.

4. Remuneration

The salaries for Officers and Management/Excluded Employees shall be determined by the City Manager following evaluation by the Hay System or alternate system as approved from time to time by resolution of Council.

5. Appointment and Promotion

5.1 The City Manager has the authority and responsibility as the Senior Manager of the City for hiring, termination and restructure decisions pertaining to all Staff and all departments (subject to compliance with *Community Charter* requirements).

5.2 Appointment to any Group I position shall be made by the City Manager or his designate.

5.3 Appointment to any Group II position shall be made by the Department Director responsible following consultation with the City Manager or his designate, or by the City Manager.

5.4 Appointment to any Group I or Group II position shall be subject to a probation period of six months, which may be extended by mutual agreement.

6. Cancellation of Appointment Prior to Expiration of Probation Period

6.1 Where an Employee of the City is appointed to any Group I or Group II position, and it is determined that such appointment is to be cancelled within the probationary period, the following applies:

(a) With respect to appointments to Group I positions, the decision to terminate the appointment shall be made by Council pursuant to Section 154 of the *Community Charter*.

(b) With respect to appointments to Group II positions, the decision to terminate shall be made by the responsible Department Director in consultation with the City Manager or his designate.

(c) In either case, for internal appointments, the incumbent shall receive two months notice, or salary in lieu of notice, and be returned to his former position without loss of seniority. For the purpose of this section, the salary to be paid in lieu of notice shall be the salary currently paid the incumbent for appointment to the higher position.

(d) Where an appointment to any position is made from outside the City Staff, and prior to the expiry of the probation period the Employer decides to cancel the appointment and terminate the employment relationship, such termination shall be on one month notice or salary in lieu of notice. (Bylaw 7000.03)

- 6.2 Section 6.1(b), (c) and (d) shall not apply in those instances where a Management/Excluded Employee is dismissed for cause.

7. Termination of Employment Beyond Probation Period

- 7.1 Termination of employment of any Officer having served past the probation period shall be made by Council pursuant to the *Community Charter*.
- 7.2 Termination of employment of any Management/Excluded Employee, other than an Officer, having served past the probation period shall be made by the responsible Department Director in consultation with the City Manager or his designate.
- 7.3 "Reasonable Notice" of termination of any Officer or Management/Excluded Employee shall mean the length of notice or payment-in-lieu thereof as follows:
(Bylaw 7000.01)
- (i) During the probation period, one month notice or salary in lieu of notice;
 - (ii) Upon completion of probation, reasonable notice in accordance with common law to a maximum of one month notice or salary in lieu of notice for each completed year of service to a maximum of 24 months with a minimum of six months notice or payment in lieu."
- 7.4 The Council may, in its absolute discretion, grant additional pay in lieu of notice to any Officer or Management/Excluded Employee.
- 7.5 "In making exceptions, Council is to consider the judicial jurisprudence that includes length of service and other factors such as character of employment (e.g. junior vs. senior manager), age of the employee and availability of comparable employment."
(Bylaw 7000.01)

8. Suspension of Officers and Employees

The suspension of employment of any Employee shall be in accordance with the *Community Charter*.

9. Group Insurance Benefits

Employee benefits shall be provided in accordance with Schedule 'A' of this bylaw and the terms and conditions of the group insurance policy.

10. Sick Benefits

Every Employee who is too ill to attend work shall be entitled, during such illness, to absent him or herself from work on full salary using sick leave entitlement as provided for in this Bylaw in accordance with Schedule 'A'.

11. Statutory Holidays (7000.03)

All Officers and Management/Excluded Employees are entitled to receive with pay the following Statutory Holidays:

- | | |
|-------------------|------------------------|
| • New Year's Day | • Canada Day |
| • Good Friday | • British Columbia Day |
| • Easter Monday | • Labour Day |
| • Victoria Day | • Thanksgiving Day |
| • Remembrance Day | • Christmas Day |
| • Boxing Day | • Family Day" |

12. Annual Vacation

12.1 Vacation entitlement for all Employees shall be as set out in Schedule 'A' of this Bylaw.

12.2 Annual vacations of Officers shall be assigned with the approval of the City Manager or designate, and the responsible General Manager or Department Director, if applicable. Annual vacations of Management/Excluded Employees shall be assigned by the responsible Department Director.

12.3 Officers and Management/Excluded Employees with vacation entitlements in excess of 20 days per year will have the option to either:

- (a) after using 15 days vacation credits, have the option to "bank" vacation to be reclaimed in subsequent years as time off only or at retirement/termination; or,
- (b) after using 20 days vacation credit, have the option to claim the balance as payment in lieu during the year earned.

12.4 Vacation entitlement in excess of 20 days, which has not been banked or paid out, shall be paid out in March of the year following the year in which it was earned.

12.5 Vacation accrual will be pro-rated for partial years of service or for absences due to long-term disability or unpaid leaves of absence.

13. Subrogation Rights

Officers and Management/Excluded Employees may use sick leave credits for time lost through accidental injuries, provided that if they should later make a claim or commence an action for damages against a third party in respect of such injuries, they shall include therewith a claim for loss of wages and shall reimburse the City to the extent that they recover in respect of the claim for loss of wages. After receipt of such monies, the City shall credit the Officer or Management/Excluded Employee with the number of sick days equivalent thereto, and any resultant gratuity days to which they may be entitled.

14. Attendance at Meetings of City Council, Committees, Commissions and Advisory Bodies (Bylaw 7000.03)

The City Manager, the Assistant City Manager/General Manager of Corporate Services and the Manager of Legislative Services are expected to attend all meetings of the City Council, and meetings of Committees, Commissions and Advisory Bodies on request, except for approved absences. Other Officers and Management/Excluded Employees are expected to attend meetings of City Council, Committees, Commissions and Advisory Bodies as required.

15. Payment of Overtime for Management/Excluded Employees (Bylaw 7000.03)

15.1 Excluding City Manager, Assistant City Manager/General Manager of Corporate Services, General Managers and Directors, Management/Excluded Employees shall be compensated for overtime, to a maximum of 240 hours per year, with the first 80 hours worked per year compensated at straight time and additional overtime compensated at half time.

15.2 Overtime will be compensated either by way of cash payment, time off, or a combination of cash payment and time off, with a maximum of 50 percent paid out and a minimum of 50 percent taken as accumulated time off.

15.3 Overtime for employees in Salary Bands 1-3 (Administrative Assistants) will be paid in accordance with the CUPE Collective Agreement overtime provisions.

16. Contract of Employment

Notwithstanding the provisions of this Bylaw, Council may enter into a contract of employment with an Officer or a Management/Excluded Employee that varies any of the provisions set out in this Bylaw.

17. Repeal

"MANAGEMENT TERMS AND CONDITIONS OF EMPLOYMENT BYLAW 2001 NO. 5488", and all amendments thereto, is hereby repealed.



CITY OF NANAIMO

EXEMPT SALARY ADMINISTRATION POLICY

October 2009
Revised April 2015

The purpose of this policy is to facilitate the recruitment, retention and engagement of qualified exempt employees by furnishing a competitive salary plan that provides for internal equity amongst positions while also considering individual performance, experience and prevailing market conditions.

This policy applies to all employees who are exempt from union membership other than Fire Management employees. Fire Management employees are covered by the following Council policy, adopted on February 24, 2014:

- The Assistant Chief receive an annual salary of 110% of the Captain's basic annual rate (note: pay is at 95% during the probationary period);
- The Deputy Chief receive an annual salary of 115% of the Captain's basic annual rate; &
- The Fire Chief receive an annual salary of 122% of the Captain's basic annual rate.

For all other exempt employees, section 4 of the "Management Terms & Conditions of Employment" (Bylaw #7000) is applicable. This section provides that "the salaries for Officers and Management/Excluded Employees shall be determined by the City Manager following evaluation by the Hay System or alternate system as approved from time to time by resolution of Council."

The exempt staff compensation plan has three components:

1. Job Evaluation (Internal Equity)
2. Annual Market Review (External Equity)
3. Movement within the Salary Range (Performance)

Job Evaluation

The purpose of evaluating jobs is to group and differentiate positions in accordance with their scope and responsibility, and therefore to establish and maintain internal equity throughout the organization. Job evaluation does not involve the measurement of an individual's personal characteristics, performance or unrelated skills.

The exempt staff salary administration plan involves the classification of all exempt positions into bands, each of which has a corresponding pay structure. There are 11 management bands (3 administrative, 5 management and 3 executive). The bands are directly linked to the Hay Group job evaluation system.

The process of job evaluation involves assessing the scope and responsibilities of the job (as contained in the job description) and comparing this with the graduated levels of responsibility described in the management job evaluation framework. Where a more detailed job evaluation is necessary, a comparison is made to the factor descriptions contained in the job evaluation plan (know-how, problem-solving, accountability). The position is given points for each factor, a total score is assigned, and then the job is placed in the band with the applicable point range.

The Director of HR & Organizational Planning, in consultation with the City Manager and General Managers, is responsible for conducting the job evaluation of exempt staff positions. Exempt

employees who believe their position has changed significantly since the last evaluation of their job may contact the HR & Organizational Planning Department for information about the review process.

Annual Review

City Council approved amendments to the exempt compensation policy, effective January 1, 2014. This policy provides as follows:

“The City will provide annual salary adjustments to exempt/management employees that are consistent with the across-the-board increases approved for CUPE Local 401, and will conduct an independent review of exempt/management compensation every 3 years in relation to B.C. municipal comparators to assess whether further adjustments may be required to maintain pace with the market.”

Movement within the Salary Range

Each band has a salary range. Effective May 1, 2014, each salary range consists of the following four steps:

| Step | % of Market Rate | Typical Timing |
|-------------|-------------------------|------------------------------|
| 1 | 94% | New Appointment |
| 2 | 96% | Upon Completion of Probation |
| 3 | 98% | After 1 Year |
| 4 | 100% | After 2 Years |

The applicable Director, in consultation with the Director of HR & OP, is responsible for initial placement of employees on the salary range. Typically, a newly appointed employee is paid at 94% of the market rate for the position, with an increase to 96% following satisfactory completion of probation. However, a newly appointed employee may be placed at a higher increment based on the relevant experience or expertise the employee brings to the job and/or the prevailing labour market conditions for the position. An employee who is appointed at a step higher than level 1 is not eligible for a probationary increase.

The corporate philosophy (over the long term) is to target pay at the reference point for employees that fully meet the expectations of the position. Movement between steps is based on budget, experience in the job, performance (in accordance with Director recommendations) and compression issues. In unique cases, as determined by the City Manager, flexibility exists within the system to go above the reference point.

In order to deal with salary compression, the City endeavours to maintain a 10% pay differential between the annual base salary of managers and the annual base salary of union employees they supervise, provided that the manager's salary not exceed 105%.

Acting Pay

When an employee is required to perform all or a significant portion of the duties of a higher level exempt position for a substantial period of time (6 weeks or longer), the employee will be eligible for acting pay. Effective May 1, 2014, the amount of the acting pay will normally be 10% above the acting employee's current base salary. This amount may be modified in situations involving long-term acting appointments (e.g. one year or more) and/or when the employee is acting in a position at a much higher level than their own. Eligibility for acting pay and the amount of acting pay to be provided will be determined by the applicable Department Director in consultation with the Director of HR & Organizational Planning.

DATE OF MEETING SEPTEMBER 17, 2018

AUTHORED BY SHEILA GURRIE, CITY CLERK AND CORPORATE OFFICER

SUBJECT CITY REPRESENTATIVE TO THE NANAIMO PORT AUTHORITY BOARD

OVERVIEW

Purpose of Report

To obtain Council direction to advertise for citizens interested in representing the City on the Nanaimo Port Authority Board.

Reason for “In Camera”

(a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality.

Recommendation

That Council direct Staff to advertise for citizens interested in serving as the City of Nanaimo representative on the Nanaimo Port Authority Board to submit an application for Council’s consideration.

Resolution to Rise and Report

That Council rise and report after a resolution to advertise or reappoint has been made.

BACKGROUND

The appointment of Dr. Michelle Corfield as the City representative to the Nanaimo Port Authority Board expired on 2018-JUN-30. Staff recommend advertising for a new term ending 2021-JUN-30, or reappointing Dr. Corfield for a second term.

OPTIONS

1. That Council direct Staff to advertise for citizens interested in serving as the City of Nanaimo representative on the Nanaimo Port Authority Board to submit an application for Council’s consideration.
2. That Council reappoint Dr. Michelle Corfield to a second term as the City of Nanaimo representative on the Nanaimo Port Authority Board ending 2021-JUN-30.

SUMMARY POINTS

- City of Nanaimo appoints a citizen of Nanaimo as the City’s representative on the Nanaimo Port Authority Board every three years.

- The term for the current representative for the City of Nanaimo on the Nanaimo Port Authority Board expired 2018-JUN-30.
- Council has the option of advertising for a new representative or reappointing the current representative.

Submitted by:

Sheila Gurrie
City Clerk and Corporate Officer

Concurrence by:

Jake Rudolph
Chief Administrative Officer



ADDENDUM
"IN CAMERA" COUNCIL MEETING

Monday, September 17, 2018, 4:00 P.M. - 7:00 P.M.
DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC
SCHEDULED RECESS AT 5:30 P.M.

Pages

4. REPORTS

e. Seaspan Update

1. *Add - Report titled "1 Port Drive - Seaspan Right-of-Way Letter of Intent"*

2 - 13

To be introduced by Dale Lindsay, Director of Community Development.

Purpose: To obtain Council approval to enter into a Letter of Intent with Seaspan to formalize the City's acquisition of the Seaspan Right-of-Way at 1 Port Drive.

Recommendation: That Council direct the Mayor and Corporate Officer to execute the Letter of Intent with Seaspan Ferries Corporation for the discharge of the Seaspan Right-of-Way and direct Staff to return to the 2018-OCT-01 Open Council meeting for final approval.

Rise and Report:

To be released following formal approval of the transaction at an Open Council meeting.

DATE OF MEETING SEPTEMBER 17, 2018

AUTHORED BY BILL CORSAN, DEPUTY DIRECTOR, COMMUNITY DEVELOPMENT

SUBJECT 1 PORT DRIVE – SEASPAN RIGHT-OF-WAY LETTER OF INTENT

OVERVIEW

Purpose of Report

To obtain Council approval to enter into a Letter of Intent with Seaspan to formalize the City's acquisition of the Seaspan Right-of-Way at 1 Port Drive.

Reason for "In Camera"

Community Charter Section 90 (1)

(e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality.

Recommendation

That Council direct the Mayor and Corporate Officer to execute the Letter of Intent with Seaspan Ferries Corporation for the discharge of the Seaspan Right-of-Way and direct Staff to return to the 2018-OCT-01 Open Council meeting for final approval.

Resolution to Rise and Report

To be released following formal approval of the transaction at an Open Council meeting.

BACKGROUND

The redevelopment of 1 Port Drive is one of Council's key strategic projects in the 2016-2019 Strategic Plan. The property is owned by the City of Nanaimo, but its development potential is severely limited without the City working with Seaspan Ferries Corporation ("Seaspan") to release a perpetual right-of-way in Seaspan's favour.

At the 2018-JUN-18 Special "In Camera" Council meeting, Council provided Approval in Principle to discharge the Seaspan Right-of-Way at 1 Port Drive through the transfer of \$950,000, and the fee-simple interest of 5.5 acres of upland and 3 acres of water lot to the Washington Marine Group (Seaspan).

Since then, Staff have been working with Seaspan to prepare a Letter of Intent (LOI), which documents the understanding of each party and sets out the process for the formal discharge of the right-of-way and the transfer of a portion of the City-owned lands to Seaspan. The LOI is contained in Attachment A.

The key terms to the LOI are as follows:

- Seaspan will discharge the 15.5 acre right-of-way in its entirety;

- The City will transfer 5.7 acres of upland and 3.6 acres of water lot in fee-simple interest to Seaspán;
- The subdivision will create three new parcels of land for Seaspán (waterlot, rail and works yard and the existing shop). See Attachment B in LOI.
- The City will pay [REDACTED] to discharge the right-of-way;
- The City will transfer the lands to Seaspán with a Certificate of Compliance from the BC Ministry of Environment for each lot;
- The City will issue a Development Variance Permit (DVP) to enable the subdivision to take place without the requirement for works and services at this point in time;
- The City will update the rail-crossing infrastructure, ensure electrical service for Southern Rail of Vancouver Island, and provide fencing along the Front Street Extension.
- The closing date is anticipated to be 2019-APR-15; and
- Seaspán will allow the City access to the lands to tender and advance work on the Front Street Extension prior to the land transfer.

If Council approves the LOI, the next steps will be:

- Completion of the survey work;
- Commencement of the work associated with the Certificate of Compliance with the BC Ministry of Environment for the new Seaspán Parcel;
- A Notice of Disposition will be published in the local newspaper for two consecutive weeks;
- A DVP to vary the associated works and services with the subdivision will be presented to Council at the 2018-OCT-01 Open Council meeting for consideration;
- A Staff report will be brought forward to the 2018-OCT-01 Open Council meeting for formal approval of the transfer; and
- The lands are anticipated to formally transfer on 2019-APR-15.

OPTIONS

1. That Council direct the Mayor and Corporate Officer to execute the Letter of Intent with Seaspán Ferries Corporation for the discharge of the Seaspán Right-of-Way and direct Staff to return to the 2018-OCT-01 Open Council meeting for final approval.
 - **Budget Implication:** The 2018 Budget has [REDACTED] allocated for the Seaspán Right-of-Way and Team Tracks Acquisition (Project Number P3104-01-019). The LOI has a purchase price of [REDACTED]. The City is also responsible for the costs associated with the Certificate of Compliance from the BC Ministry of Environment at a cost of [REDACTED]. The survey costs associated with the subdivision are [REDACTED]. Other costs associated with fencing and the rail crossing are covered as part of the Front Street Extension road/walkway project.
 - **Legal Implication:** The City Solicitor is working with Seaspán to prepare the formal transfer agreement.
 - **Policy Implication:** The redevelopment of 1 Port Drive is supported in the Official Community Plan, Downtown Plan, South Downtown Waterfront Initiative, and the 1 Port Drive Master Plan.

- **Engagement Implication:** Staff have met with representatives from Seaspan on numerous occasions regarding the right-of-way acquisition and the development of the LOI.
 - **Strategic Priorities Implication:** The phased redevelopment of 1 Port Drive is one of Council's key projects in the 2016-2019 Strategic Plan. The purchase of the Seaspan Right-of-Way is a critical step in opening up the lands for redevelopment and the construction of the Front Street Extension.
 - **Political Implication:** The purchase of the Seaspan Right-of-Way will enable Council to move forward with the redevelopment of 1 Port Drive and demonstrate significant progress on this file.
2. That Council direct Staff to notify Seaspan Ferries Corporation that it does not support the Letter of Intent.
- **Budget Implication:** The need to replace the wooden trestle () or to build the Front Street Extension will remain. The City may need to expropriate the right-of-way to enable construction of the road. Expropriation of the right-of-way could have considerable cost implications. Staff would need to return with a separate detailed report if this is a desire of Council.
 - **Legal Implication:** Without a resolution to the Seaspan Right-of-Way issue, the lands will remain vacant. The Nanaimo Port Authority will require access to the Assembly Wharf Lands, and may take legal action against the City for not providing reasonable access.
 - **Policy Implication:** Not advancing the redevelopment of these lands would be inconsistent with a range of City policies.
 - **Strategic Priorities Implication:** The phased redevelopment of 1 Port Drive is one of Council's key projects in the 2016-2019 Strategic Plan. Not advancing the redevelopment of these lands would be inconsistent with this strategic priority.
 - **Political Implication:** The City needs to maintain a good relationship with Seaspan to facilitate meaningful discussions relating to this property. |

SUMMARY POINTS

- The redevelopment of 1 Port Drive is one of Council's key strategic priorities in the 2016-2019 Strategic Plan.
- At the 2018-JUN-18 Special "In Camera" Council meeting, Council provided Approval in Principle to discharge the Seaspan Right-of-Way at 1 Port Drive through the transfer of () and the fee-simple interest of 5.5 acres of upland and 3 acres of water lot to the Washington Marine Group (Seaspan).
- The City and Seaspan have prepared a Letter of Intent (LOI) to document the specifics of the transaction.
- Staff are requesting Council's endorsement of the LOI and direction to return to an upcoming Open Council meeting to conclude the arrangement. |

ATTACHMENTS

ATTACHMENT A: Letter of Intent to Discharge Right-of-Way |

Submitted by:

Bill Corsan
Deputy Director, Community Development

Concurrence by:

Dale Lindsay
Director, Community Development

ATTACHMENT A



September 13, 2018

CITY OF NANAIMO
455 Wallace St, Nanaimo BC V9R 5J6 ("City")

and:

SEASPAN FERRIES CORPORATION
7700 Hopcott Road, Delta, B.C., V4G 1B6 ("Seaspan")

and:

SOUTHERN RAILWAY OF VANCOUVER ISLAND LIMITED
2102 River Drive, New Westminster, B.C., V3M 6S3 ("SVI")

Re: Letter of Intent to Discharge Right-of-Way

The City, Seaspan and SVI entered into a Memorandum of Understanding (MOU) on April 20, 2015. The MOU identified the process by which the City, Seaspan and SVI would work together to reduce a perpetual Right of Way in favour of Seaspan on lands owned by the City of Nanaimo at 1 Port Drive, Nanaimo, B.C.

The three parties have completed the work set out within the MOU and through further discussions have reached an agreement whereby the perpetual Right of Way will be discharged from title to the City's lands. As compensation for the discharge, the City will provide a cash payment and a transfer of a portion of the property in fee simple to a Seaspan/SVI affiliate.

The purpose of this Letter of Intent is to document the understanding of each party privy to the agreement and to set out a process for formal closure of the discharge and land transfer. This Letter of Intent does not constitute an agreement, nor is it legally binding on either the City, Seaspan or SVI.

City Transfer

The City intends to subdivide roughly 5.7 acres of upland and 3.6 acres of water lot from the City land legally described as:

PID: 029-036-500

Lot A, Section 1, and part of the Bed of the Public Harbour of Nanaimo, Nanaimo District, Plan EPP27507 (the "Lands")

Attachment A illustrates the lands owned by the City.
Attachment B illustrates the proposed subdivision of the Lands to create the parcel that is referred to herein as the "Seaspan/SVI Parcel". This is a proposed subdivision which is subject to surveying and approval by the City's Approving Officer.

Title to the Seaspan/SVI Parcel will be transferred to a Seaspan/SVI affiliate, and the City will act reasonably to accommodate any structuring of the exchange transaction that may be reasonably required by Seaspan and SVI, provided that such structuring does not materially adversely affect the City's interests in the transaction.

The City acknowledges that Seaspan may require that the Seaspan/SVI Parcel be subdivided into a different configuration of three lots, prior to transfer. The actual layout of the lots comprising the Seaspan/SVI Parcel will be agreed between Seaspan and the City on or before October 15, 2018, in satisfaction of the condition precedent described below.

Seaspan Right of Way Discharge

Seaspan intends to discharge the perpetual Right of Way from the City Lands. The Right of Way is legally described as:

Statutory Right of Way EM109875 modified by ET1322 and EW7033

The areas shown as "Seaspan Land Right of way = 9.7 acres" and "Seaspan Water Right of Way = 5.7 acres" on Attachment A comprise the Right of Way area to be discharged by Seaspan.

1. Purchase Price

- a) [REDACTED] payable by the City to Seaspan, in addition to the transfer of the Seaspan/SVI Parcel, all in exchange for the discharge of the perpetual Right of Way. Based on the valuation completed on July 27, 2018 by the City and Seaspan and informed by appraisal work completed by Grover Elliot on July 9, 2015 and Dec 20, 2017 and based on the sketch plan prepared by McElhanney Associates Land Survey Ltd (Attachment B).
- b) Adjustments – no adjustments to the final purchase price with regard to final parcel size.
- c) Deposit – no deposit required.
- d) Statement of Adjustments – The closing documents will not include adjustments for municipal property taxes, water or sewer. Seaspan will be responsible for Property Transfer Tax and GST.
- e) Encumbrances – Save as otherwise agreed between the parties in the course of the negotiation of the Transfer Agreement, the Seaspan/SVI parcel will be transferred free and clear of all encumbrances and charges save and except those described on page 6 of this letter, and title to the remaining City Parcel will be encumbered by the permitted encumbrances described on that page, granted in registrable form and on terms to be negotiated and settled to the satisfaction of all parties, concurrently with settling the Transfer Agreement.

2. **Commitments from the City** – The City will be responsible at its own cost for:

- a) Preparation of the subdivision plan and explanatory plans related to the permitted encumbrances, and obtaining subdivision approval.
- b) Obtaining Certificate(s) of Compliance from the Ministry of Environment for the new Seaspan/SVI Parcel, using a Risk Based Approach for Industrial Land Use
- c) Issuance of a Development Variance Permit to waive the requirement to provide the works and services that would otherwise be associated with the subdivision.
- d) Filing a Notice of Disposition in the local newspaper to satisfy Section 26 of the *Community Charter*.
- e) Preparation of a Rail Crossing Agreement with SVI for the Front Street Extension Project.
- f) Electrical:
 - (i) The relocation/installation of overhead lights within the Seaspan/SVI operations yard.
 - (ii) The provision of a separate BC Hydro meter for the SVI building.
 - (iii) Ensuring the marine barge ramp remains serviced with electricity along with a meter.
- g) Rail crossing infrastructure, defined in the Private Rail Crossing Agreement as “Applicant’s Works” and “Railway Works”, and including
 - (i) An automated gate system to block the Front Street Extension during barge load/unload movements.
 - (ii) A gate across the barge ramp entrance to prohibit the general public from gaining access to the barge ramp during periods of inactivity.
 - (iii) Upgrades to “Railway Works”, as defined in the Private Rail Crossing Agreement.
 - (iv) Lights/signage required under the Private Rail Crossing Agreement.
- h) Fencing
 - (i) Relocation/installation of fencing along the Front Street Extension between the Rail Crossing and wooden trestle on the new property line.
 - (ii) A vehicle access gate in the fencing for truck movements into SVI operations yard immediately south of the Private Rail Crossing.

Save and except to the extent otherwise agreed between the parties in the course of negotiating the Transfer Agreement, the installation of the improvements and utilities contemplated by sections 2(f), (g) and (h) are to be completed by the City prior to the closing date under the Transfer Agreement.

3. **Commitments from Seaspan** – Seaspan will be responsible at its own cost for:

- a) Its own legal and closing costs

4. **Commitments from SVI** – SVI will be responsible at its own cost for:

- a) Its own legal and closing costs
- b) Additional fencing for the Seaspan/SVI Parcel, other than that provided by the City along the Front Street Extension.

5. Conditions Precedent

- a) The City must be satisfied with the following conditions prior to the transfer of the Seaspans/SVI Parcel:
 - (i) Council approval to dispose of the lands no later than October 15, 2018.
 - (ii) Council approval for a Development Variance Permit to waive the required works and services as part of the subdivision no later than October 15, 2018.
 - (iii) Approval of the Private Rail Crossing Agreement by SVI and the Regulator by December 15, 2018.
- b) Seaspans and SVI each must be satisfied with the following conditions prior to the discharge of the Right of Way and transfer of the Seaspans/SVI Parcel:
 - (i) Approval of the final subdivision plan for the Seaspans/SVI Parcel no later than October 15, 2018
 - (ii) Council approval for a Development Variance Permit to waive the required works and services as part of the subdivision no later than October 15, 2018.
 - (iii) Receipt of one or more satisfactory Certificates of Compliance using a risk based approach for the new Seaspans/SVI Parcel to an Industrial Standard no later than April 15, 2019, provided that if this condition is waived by Seaspans and SVI then the City will, pursuant to the Transfer Agreement, obtain the Certificate(s) of Compliance as promptly as reasonably possible after the closing.
 - (iv) Approval of the Private Rail Crossing Agreement by SVI and the Regulator by December 15, 2018.
 - (v) Approval by the respective Boards of Seaspans and SVI.

6. Preparation of Closing Documents

- a) Seaspans will cause its lawyers to prepare a draft form of Transfer Agreement, for delivery to the City and its lawyers, on or before the date that is five business days after the date that this Letter of Intent is executed by all of the parties, reflecting the terms and conditions contained in this Letter of Intent, including the permitted encumbrances contemplated on page 6 hereof, which will be attached as schedules to the Transfer Agreement. The parties will negotiate the Transfer Agreement and schedules in good faith, with the intent that they be settled and the Transfer Agreement executed on or before October 8, 2018, subject to the conditions precedent set forth above.
- b) The City (or Seaspans/SVI) will prepare a Form C to discharge the Right of Way from the City's Lands.
- c) Each party will be responsible for the legal fees and expenses of their own advisors in connection with the preparation and negotiation of the Transfer Agreement and schedules.

7. Closing Date

The intention of both parties is for the parties to use commercial best efforts to complete the land transfer on or before the earlier of April 30, 2019 and 5 business days after receipt of the Certificate(s) of Compliance referred to in paragraph 2(b) above.

The Discharge and the Transfer of the Seaspan/SVI Parcel will be filed concurrently on an all or nothing basis on the closing date.

8. Front Street Extension Capital Project

Seaspan will provide consent to the City to issue tender and advance work on the Front Street Extension project prior to the transfer of lands. Physical work on the property will not commence without Seaspan approval.

9. Letter of Intent Only

The City, Seaspan and SVI agree that this letter does not constitute an agreement for the partial discharge of the Right of Way, nor is it legally binding on any of the City, Seaspan or SVI. This letter is not intended to be relied upon by the parties as constituting a binding agreement for such partial discharge of the Right of Way and no legal obligations shall arise between the City, Seaspan and SVI as a result of this letter until negotiations have been concluded and the parties have executed and delivered a formal Transfer Agreement or one party delivers to the other parties notice that it no longer wishes to pursue the Agreement contemplated herein.

CITY OF NANAIMO

By: _____
Mayor

By: _____
Corporate Officer

SEASPAN FERRIES CORPORATION

By: _____

By: _____

SOUTHERN RAILWAY OF VANCOUVER ISLAND LIMITED

By: _____

By: _____

Permitted Encumbrances

Permitted Encumbrances on Proposed Seaspan/SVI Parcel in Favour of City/Third Parties:

- Right of Way in Favour of Existing Regional District of Nanaimo Sanitary Sewer Main
- Right of Way in Favour of City of Nanaimo for sanitary sewer force main
- Rights of Way in favour of utilities such as Hydro and Telus, as may be requested or approved by Seaspan

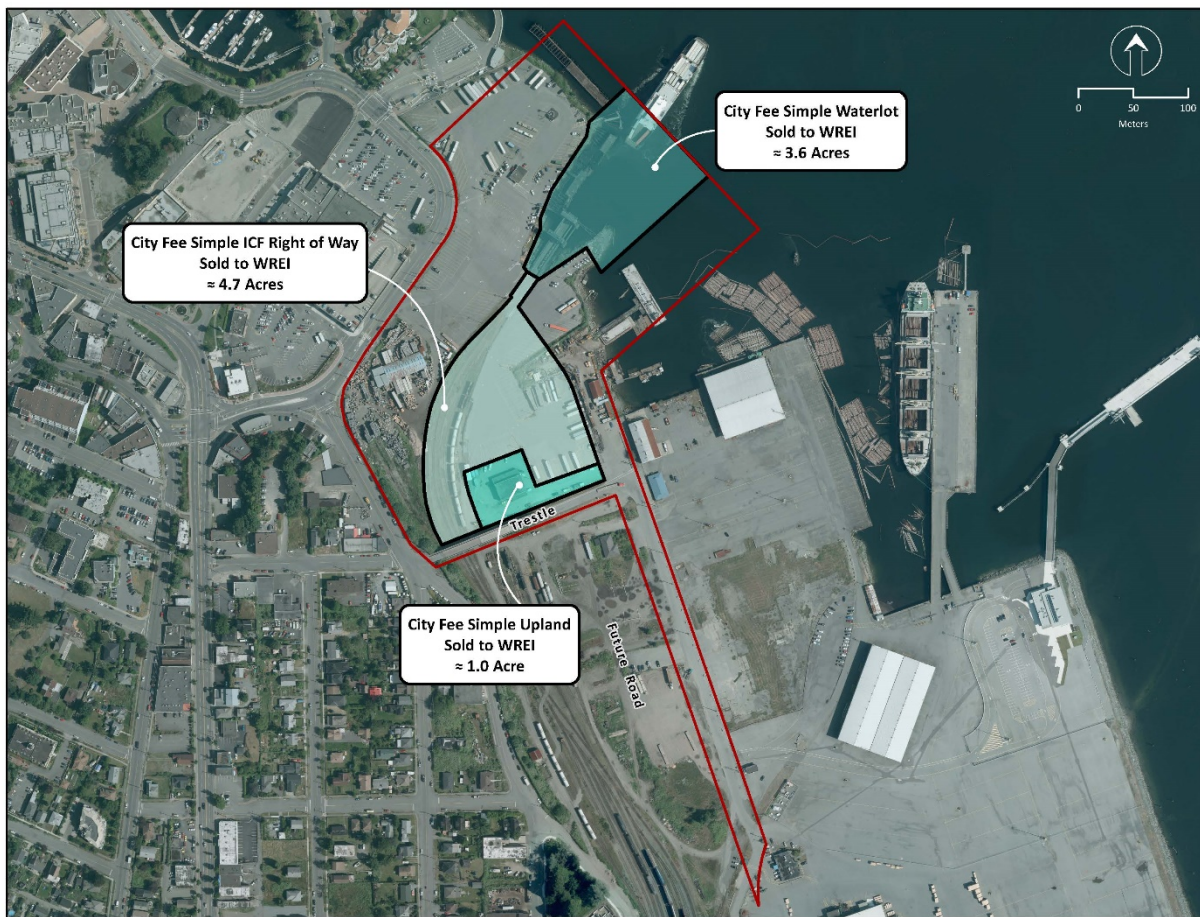
Permitted Encumbrances on Proposed City Parcel in Favour of Seaspan/SVI:

- Easement for Seaspan/SVI to access Pup Point and the gate system for oil spill response kit and boat
- Easement for Seaspan/SVI to access northern side of berth structure and turning dolphin on City waterfront walkway
- Licence to Seaspan for outbuilding to house oil response kit at Pup Point
- Easement agreement for Seaspan/SVI to access the barge ramp for truck and trailer movements.

Attachment A



Attachment B



Document Path: V:\Source Data\Departmental Data\End Pub\Wks\GIS\Projects\One_Port_Drive\Maps\Right of Way\Options\State-15-Options.mxd



AGENDA

SPECIAL "IN CAMERA" COUNCIL MEETING

Monday, September 24, 2018

Directly following the Special Council Meeting

DOUGLAS RISPIN ROOM, VANCOUVER ISLAND CONFERENCE CENTRE

80 COMMERCIAL STREET, NANAIMO, BC

Pages

1. ADOPTION OF AGENDA

That Council, in accordance with Section 90(1)(n) of the Community Charter, adopt the agenda as presented (or as amended).

Summary of Agenda Items and Proposed CC Reasons to Close Meeting:

1. Adoption of Agenda - 90(1)(n)

2. [REDACTED]

3. Discussion regarding Discontent City - 90(1)(g)(i)

Section 90(1):

- (e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality;
- (g) litigation or potential litigation affecting the municipality;
- (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;
- (k) 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;
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2); and,

Section 90(2):

- (b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

2. ADOPTION OF MINUTES

3. PRESENTATIONS

4. REPORTS

a. Discussion regarding Discontent City

To be introduced by Jake Rudolph, Chief Administrative Officer.

Purpose: To discuss Discontent City, Court decision and next steps.

b.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

5. ADJOURNMENT OF SPECIAL "IN CAMERA" MEETING