



## CORPORATE AND ADMINISTRATIVE SERVICES COMMITTEE

Thursday, June 24, 2021

Held Electronically in Accordance with Ministerial Order M192  
and Transmitted via the SCRD Boardroom,  
1975 Field Road, Sechelt, B.C.

### AMENDED AGENDA

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**CALL TO ORDER**      9:30 a.m.

#### AGENDA

1. Adoption of Agenda

#### PRESENTATIONS AND DELEGATIONS

#### REPORTS

2. 2021 Budget Project Status Report  
*Senior Leadership Team*  
**(Voting – All Directors)**      Annex A  
Pages 1-12
3. Procurement Policy Update - Tender Bid Award Reports  
*Manager, Purchasing and Risk Management*  
**(Voting – All Directors)**      Annex B  
pp. 13-27
4. Financial Reporting Requirements and Statement of Financial  
Information, Year-Ended December 31, 2020  
*General Manager, Corporate Services / Chief Financial Officer*  
**(Voting – All Directors)**      Annex C  
pp. 28-95
5. 2020 Sunshine Coast Regional District (SCRD) Corporate Annual  
Report available on the web at [Annual Reports](#)  
*General Manager, Corporate Services / Chief Financial Officer*  
**(Voting – All Directors)**      Annex D  
p. 96
6. Financial Audit Services Contract – Update  
*General Manager, Corporate Services / Chief Financial Officer*  
**(Voting – All Directors)**      Annex E  
pp. 97-98
7. Fire Departments 20-Year Capital Plans 2021 Update  
*Manager, Asset Management*  
**(Voting – A, B, D, E, F and Gibsons)**      Annex F  
pp. 99-116
8. British Columbia Climate Action Revenue Incentive Program  
(CARIP) Ending  
*General Manager, Corporate Services / Chief Financial Officer*  
**(Voting – All Directors)**      Annex G  
pp. 117-131

9. Coopers Green Hall Replacement Project – Additional Project Information Implications  
*General Manager, Planning and Community Development*  
**(Voting – A, B, D, E, F)** Annex H  
pp. 132-143
10. Sechelt Aquatic Centre Temporary Fire Protection System  
*General Manager, Community Services*  
**(Voting – B, D, E, F, DoS, SIGD, ToG)** ⇒INSERT  
pp. 143a-143d

## COMMUNICATIONS

11. Sechelt Indian Government District  
Regarding Approved Letter of Support for Sunshine Coast Regional District's Community Resiliency Investment Program Grant Application  
**(Voting – All Directors)** Annex I  
p. 144
12. Tara Faganello, Assistant Deputy Minister, Ministry of Municipal Affairs  
Regarding Municipal Affairs Statutes Amendment Act, 2021  
**(Voting – All Directors)** Annex J  
pp. 145-146

## NEW BUSINESS

### IN CAMERA

⇒**ADD CLAUSE**: That the public be excluded from attendance at the meeting in accordance with Section 90 (1) (f) and (k) of the Community Charter – “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” and “negotiations and related discussion 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”.

## ADJOURNMENT

**SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT**

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**TO:** Corporate and Administrative Services Committee – June 24, 2021  
**AUTHOR:** Shelley Gagnon, General Manager, Community Services  
**SUBJECT:** SEHELTA AQUATIC CENTRE TEMPORARY FIRE PROTECTION SYSTEM

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**RECOMMENDATIONS**

**THAT the report titled Sechelt Aquatic Centre Temporary Fire Protection System be received;**

**AND THAT the Sechelt Aquatic Centre Temporary Fire Protection System in the amount of \$154,000 be funded through a combination of 2021 tax re-allocation (\$26,000), \$64,000 operating reserves, and \$64,000 COVID-19 Safe Re-Start Funds;**

**AND THAT the 2021-2025 Financial Plan be amended accordingly.**

**AND FURTHER THAT this recommendation be forwarded to the Regular Board Meeting of June 24, 2021.**

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**BACKGROUND**

The following resolution was adopted by the Sunshine Coast Regional District (SCRD) Board on June 10, 2021:

Sechelt Aquatic  
Facility RFP

**It was moved and seconded**

165/21

**THAT the report titled RFP 2161304 Reconstruction Pool Facility Fire Sprinkler System Award Report (Sechelt Aquatic Facility) be received for information;**

**AND THAT staff employ additional fire protection equipment by having a temporary linear heat detection system installed;**

**AND FURTHER THAT staff re-tender for the sprinkler system replacement project based on a three phase approach over a three-year period beginning in 2021, and report back to a future meeting.**

The initial project, approved as part of the 2021 Budget, was for the replacement of the fire sprinkler system which was to be funded by a short-term equipment loan through the Municipal Finance Authority of BC (MFA). This program is for eligible capital equipment items:

068/21                      **Recommendation No. 13**    *Community Recreation Facilities [615] – 2021 R2 Budget Proposals*

AND THAT the following budget proposal be approved and incorporated into the 2021 Budget:

- Budget Proposal 8 – Sechelt Aquatic Centre (SAC) Fire Sprinkler System Repair or Replacement, \$180,200 funded through Taxation for \$5,200 and through Municipal Finance Authority (MFA) 5-Year Equipment Finance Loan for \$175,000;

AND FURTHER THAT a loan of up to \$175,000 for a term of 5 years be requested through the Municipal Finance Authority Equipment Financing Program under section 403(1)(a) of the *Local Government Act* (Liabilities Under Agreement) to fund the Fire Sprinkler System Repair or Replacement.

With the Board's June 10 direction to spread the fire sprinkler replacement over a three-year period, which in turn required the installation of a temporary fire protection system, the previous funding approvals do not apply. To proceed with the addition of the fire protection equipment (temporary linear heat detection system and fire alarm) an amendment to the Financial Plan is required.

Of note: this report deals only with the financial implications related to the installation of the temporary fire protection system and does not include consideration of the fire sprinkler system replacement.

## DISCUSSION

### *Options and Analysis:*

With the delay in the sprinkler system replacement, it is critical that a linear heat detection system be installed in short order to provide additional fire protection for the building. The linear heat detection system provides a fast, accurate and reliable heat sensor for fire detection that will help mitigate risk until the new sprinkler system is installed. The current fire alarm system will not work with the linear heat detection system; therefore, a new fire alarm system would have to be purchased. When the new sprinkler system is installed, the linear heat detection system will be removed, however, the new fire alarm system will remain. The cost for both items is estimated to be \$154,000.

This additional building fire protection must be installed if the facility is to remain in operation.

The Community Recreation Facilities has both an operating and a capital reserve fund. The unallocated balance as of May 31, 2021 for the operating reserve is \$102,000. The capital reserve fund aligns with the Board's approved funding renewal plan which was subsequently

reduced for 2021 to offset implications from COVID-19. As these funds are already not meeting short term critical needs, they have not been included as a funding option for this analysis.

The SCRD has \$332,000 of unallocated COVID-19 Safe Re-Start Grant which it received from the Federal/Provincial Government toward local government impacts as a result of the pandemic.

The SCRD Board has also been discussing the possibility of using Community Works Gas Tax Funds toward regional projects. Although the policy and framework for how member municipal partners share in the allocation has yet to be determined, these funds could still be considered.

#### *Financial Implications:*

As part of the SAC sprinkler system replacement, approximately \$26,000 was taxed for the estimated short-term debt repayment in 2021. These funds could be re-directed toward the project, leaving an addition \$128,000 to be funded.

The following table presents three options to fund this project through a combination of the various sources outlined above.

<b>Funding Options</b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>
<b>Re-allocate 2021 Taxation</b>	\$26,000	\$26,000	\$26,000
<b>Operational Reserves</b>	\$64,000		
<b>COVID-19 Safe Restart Funds</b>	\$64,000	\$128,000	\$64,000
<b>SCRD Community Works Gas Tax (Area B,D, E, F- \$16,000 each)</b>			\$64,000
<b>Total</b>	\$154,000	\$154,000	\$154,000

Option #1 - This option would fund the remaining shortfall from a combination of operating reserves and COVID-19 Re-Start Funds. The caution would be that this option depletes already limited reserves.

Option #2 - This option would see using \$128,000 of the COVID-19 Safe Re-Start Funds, leaving an unallocated balance of \$204,000. The caution with using 100% of the Re-Start Funds is that the Q2 Variance for the SCRD has not been completed and the preliminary financial analysis for the service implications due to the extended Provincial Health Orders in the first half of 2021 are unknown. We also have several projects that were allocated from the COVID-19 Re-Start Funds such as the Space Planning and Information Technology (IT) needs as the SCRD workforce looks to return on-site which will likely require additional funds as these projects unfold (subsequent reports to follow).

Option #3 - This option uses 50% of the COVID-19 Safe Restart Funds and SCRD Community Works Gas Tax Funds from the Electoral Area's B, D, E, F (approximately \$16,000 each). This would be a change from the existing precedent where funds have traditionally been allocated and funded for electoral area projects only.

Based on the above options, staff recommend Option #1 as it provides the greatest flexibility for the SCRD. However, any of the 3 options could be re-considered by the Board.

*Timeline and Next Steps:*

Once budget is approved for the project, administration will tender the project and come back to the Board to award. Installation will occur shortly thereafter.

A subsequent report will come forward to the Board as it relates to the sprinkler system replacement so that the project can be re-tendered and completed in 2022-2023. Staff continue to work with the Sechelt Fire Department on the requirements for the facility. It is recommended that the original project in the amount of \$175,000 remain in the current Financial Plan to allow for greatest flexibility to respond to evolving needs. It is likely that additional funds will be required.

*Communications Strategy:*

Information on this project and impacts to the facility will be communicated to customers, user groups, and the general public through the regular communication channels.

**STRATEGIC PLAN AND RELATED POLICIES**

N/A

**CONCLUSION**

As per the June 10 SCRD Board direction to delay the SAC sprinkler replacement, staff are required to install a Linear Heat Detection system which will be removed when the new sprinkler system is installed. The current Fire Alarm system is not compatible with the proposed Linear Heat Detection system and therefore a new Fire Alarm System is required. The total for this project is estimated to cost \$154,000.

As this is a new project with some components being temporary, short-term-debt financing is no longer an option, therefore new funding sources are required.

Three options have been presented for the Committees consideration and it is recommended that a portion of the 2021 taxation from the original sprinkler replacement, operating reserves and COVID-19 Safe Re-Start funds be used to fund the project.

Reviewed by:			
Manager	X – K. Robinson	CFO/Finance	X – T. Perreault
GM		Legislative	
CAO	X – D. McKinley	Purchasing/Risk Management	X- V. Cropp