



CORPORATE AND ADMINISTRATIVE SERVICES COMMITTEE

Thursday, February 25, 2021

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

AGENDA

CALL TO ORDER 9:30 a.m.

AGENDA

1. Adoption of Agenda

PRESENTATIONS AND DELEGATIONS

REPORTS

2. Federal Gas Tax - Community Works Fund Draft Policy Amendments
General Manager, Corporate Services / Chief Financial Officer
(Voting – Electoral Area Directors) Annex A
Pages 1-27
3. Sechelt Public Library Draft Funding and Service Agreement
General Manager, Corporate Services / Chief Financial Officer
(Voting – A, B, D and Sechelt) Annex B
pp. 28-51
4. Eastbourne Water System Operation and Maintenance - Contract Term Extension
Manager, Utility Services
(Voting – A, B, D, E, F and Sechelt) Annex C
pp. 52-55
5. Contract for Chapman Creek Water Treatment Plant Onsite Hypochlorite Generation System - Update
Manager, Capital Projects
(Voting – A, B, D, E, F and Sechelt) Annex D
pp. 56-58
6. Eco-Fee Reserve Fund Considerations
Manager, Solid Waste Services
(Voting - All Directors) Annex E
pp. 59-65
7. District of Sechelt Parcel Tax Roll - Seawatch Neighbourhood
Manager, Financial Services
(Voting - All Directors) Annex F
pp. 66-73

COMMUNICATIONS

NEW BUSINESS

IN CAMERA

ADJOURNMENT

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – February 25, 2021
AUTHOR: Tina Perreault, General Manager, Corporate Services / Chief Financial Officer
SUBJECT: FEDERAL GAS TAX - COMMUNITY WORKS FUND DRAFT POLICY AMENDMENTS

RECOMMENDATION(S)

THAT the report titled Federal Gas Tax - Community Works Fund Draft Policy Amendments be received;

AND THAT the Federal Gas Tax-Community Works Fund Policy be approved as presented or amended.

BACKGROUND

There is a need to document and formalize past Board direction regarding how the Sunshine Coast Regional District (SCRD) allocates the Federal Gas Tax – Community Works Fund monies it receives each year, as well as how the funds are administered. This has not been done in the form of Board Policy prior to this. Therefore, a draft Policy was presented for consideration at the [October](#) and [November](#) Corporate and Administrative Services Committees (CAS).

At the December 10, 2020 regular Board meeting, the SCRD Board adopted the following resolution (404/20):

Recommendation No. 2 *Federal Gas Tax – Community Works Fund Policy*

THAT the report titled Federal Gas Tax – Community Works Fund Policy be received;

AND THAT the draft Federal Gas Tax – Community Works Fund Policy be amended as follows:

- Add wording to 6.2.3 (b) "...critical infrastructure needs, active transportation, capacity building...";
- Amend 7.1.3 (c) Approve contribution agreements with non-profit organizations that will receive CWF monies.

Resolution #404/20 also requested staff to research the following:

Recommendation No. 3 *Federal Gas Tax – Community Works Fund Policy*

THAT staff report to the January 28, 2021 Corporate and Administrative Services Committee meeting with a revised draft Federal Gas Tax – Community Works Fund

Policy providing options and process to allow Communities to provide input and submission for projects.

Recommendation No. 4 *Federal Gas Tax – Community Works Fund – Project Submissions*

THAT staff report to a future Committee with process consideration for Community project ideas and the effect on Sunshine Coast Regional District work plans, including budget process considerations.

The purpose of this report is to review the revised draft Community Works Fund - Gas Tax Policy (CWF), including options and process for community-based input and project considerations.

DISCUSSION

The resolved changes have been incorporated into the revised draft Community Works Fund-Gas Tax Policy (Attachment A), which was also updated to the new Board Policy template.

The Committee also requested that options and process for community-based input and project considerations be explored including the subsequent effect on SCRD work plans and budget process. As such, staff reached out to the Union of British Columbia Municipalities (UBCM), Provincial Ministry staff, legal counsel, and consulted with other Regional District's on how CWF- Gas Tax funds are offered through community-based initiatives.

Based on related feedback, best practice and legislative requirements, criteria and requirements for community-based eligibility for access to use of CWF - Gas Tax projects, the following should be considered:

- Development of governing policies or guiding principles that outline the purpose of each grant / financial contribution and establish how an organization qualifies for funding based on legislative and UBCM's CWF criteria.
- Implementation of common submission deadlines, components, procedures and requirements.
- Funding availability and project approval which follow the SCRD budget cycles.
- Ensuring funding to recipients is provided from the most appropriate / relevant service to avoid duplication and/or overlap.
- Better assurance that eligibility requirements align with the SCRD strategic plan and comply with applicable bylaws.
- Identification of programs, initiatives, etc. deemed to be not eligible for support.
- Increased accountability and financial reporting requirements.

If the SCRD wanted to allow for community groups to access CWF - Gas Tax through the draft new Policy, clear criteria would need to be included which aligns with the Gas Tax agreement.

UBCM has provided-Guidelines for Identifying Project Eligibility for Community Works Fund Projects (Attachment B) which provides examples for evaluation.

The SCRD may also want to consider how much would be available to Community groups through CWF - Gas tax as there are several internal needs for the projects through asset management, infrastructure needs for water and wastewater, as well as initiatives which reduce GHG's. The frequency of application opportunities should also be considered as some Regional Districts only allow application 1X every 3 years.

Additional required sections have been included into a revised draft Policy for consideration (Attachment C).

If the Policy was approved to incorporate non-profit projects, a supplemental application guide, process and form would be created which outlined the following:

Project proposals from outside non-profit organizations would need to include the following components:

- Proof of registered non-profit status
- Must operate and deliver programs within the boundaries of the SCRD
- Project must demonstrate a benefit to the community as a whole
- Identify how the eligible project category is applicable to the proposed project
- Description of how the project aligns with the SCRD's strategic focus areas or meets current plans
- Confirmation of land ownership and/or long-term lease exceeding 5 years
- Description of the long-term asset management plans and operational plan for the new asset
- Detailed description of the project including management framework, project impact, project outcomes
- Anticipated project(?) timeline
- Detailed project budget outlining all eligible and ineligible costs as well as supporting quotes or estimates
- Funding amounts requested

Non-Profit Funding Conditions

Where projects are approved to be undertaken by a non-profit organization a contribution agreement must be signed between the SCRD and the non-profit organization. The agreement will include the following commitments from the non-profit organization:

- To expend funds consistent with the SCRD purchasing policy

- To comply with all applicable laws and regulations, including building permits
- To be responsible for raising the balance of any funds required to complete the project
- To submit an annual report for each year in which the project is being funded
- To submit a final report including the outcomes achieved from the project
- To provide a copy of an unaudited Balance Sheet and Statement of Income and Expenses for the year the funds were dispersed to finance the project
- To maintain all records associated with the project and retain these records for 7 years following the completion of the project

According to the *Local Government Act* (LGA-Div 8 Section 4), the SCRD would be required to make public its intention to provide assistance which would require advertisement and a process similar to the Electoral Areas Grant-In-Aid to allow equal opportunity to all groups. Further application guidelines and framework could be considered to outline the Board's priorities for community projects in the advertisements.

To allow for community involvement prior to solicitation of applications for projects, tools such as public survey through the SCRD's new software engagement platform could be used (to be launched in Q2 2021), public open-houses, calls for interest, and/or a participatory budgeting process specific for the CWF - Gas Tax Funds could be developed in determining projects. Again, these would all have to be factored against the needs of existing SCRD services.

Legislative and Legal Considerations for Non-Profit projects

In consulting with the Ministry and legal counsel, projects where the SCRD currently owns or has tenure over asset or land, has an existing service arrangement with non-profit, or has an existing SCRD service associated with the project, additional considerations would need to be factored. Such as, should the project be an SCRD project administered through a third party, would a new regional district service need to be established, or are there other venues where the project could be considered. These elements would be reviewed in the preliminary application phases.

Timeline Considerations for non-profit applications

There are two options, but not limited to, for consideration for Community project ideas which would have different effects on the SCRD's work plans and budget process.

Option 1- Add new funding stream to Electoral Areas Grant-in-Aid (GIA)

This option would have the rural areas allocating a certain amount to their grant-in-aid functions from their unallocated CWF - Gas Tax funds toward Community applications. The proposed timing for the allocations would be at the end of Round 2 Budget deliberations once other SCRD services and related projects have come forward. This stream would be segregated from their regular funding toward the GIA in the budget line items. Grants to non-profit organizations would flow through the GIA function regardless as projects that are within SCRD services would be funded through those services.

Community Groups wishing to submit projects could present as a delegation to the Community Partner and Stakeholder portion of the Budget either in the fall of the prior Budget year or at Round 1. Application deadlines would be the same as Electoral Areas GIA and evaluated at the same time.

The benefits would be synergies and efficiencies with the current GIA process a streamlined process for community groups for applications it would align with the Boards budgeting process, and would not require changes to the Financial Plan Bylaws. This aligns with the draft Policy where SCR D priorities are to be considered ahead of community projects.

Option 2- Independent Stream as part of Financial Planning Process

Alternatively, the SCR D could set up a separate application stream which again aligns with the SCR D’s Budget Process for Community Partners and Stakeholders. Many of the above referenced steps would apply to the second option, but would be approved as part of the Financial Plan.

The timing could see solicitation of projects in the spring/summer with further in late summer/early fall, non-profit delegation as part of pre-budget in the fall, and final project approval as part of the following Financial Plan Bylaw adoption. Depending on the desire of the Board, community engagement could be integrated into specific or various phases of the process.



Financial Implications

Although the current Policy itself does not have any direct financial implications, allocation and distribution of the funds do. As the Policy provides more clarity on how the Board would like to allocate Community Works Funds, any internal or external projects will be put forward as part of the Financial Planning process which also align with the program guidelines and Board Strategic goals. As part of the 2021 Budget, several projects totaling over \$350,000 were put forward for use of CWF - Gas Tax funds from the Rural Area, which avoids depletion of reserves, increases to user fees, and mitigates increases to property or parcel taxes.

Timeline for next steps or estimated completion date

Based on the Committee’s direction, the Policy will be approved or amended accordingly. A further follow-up to a future Committee may be required.

STRATEGIC PLAN AND RELATED POLICIES

A Policy for the Community Works Gas Tax Funds aligns with the Boards Strategic focus areas of Asset Stewardship; Community Resilience and Climate Change Adaptation; and Working Together. This also aligns with the Boards Financial Sustainability Policy.

CONCLUSION

The purpose of the draft Federal Gas Tax – Community Works Fund Policy is to outline how monies the SCRCD receives year will be allocated and how the funds will be administered.

The Policy has been amended to include changes from the Board’s prior direction as well as an additional option for inclusion for project considerations from community groups.

Attachments

A - Draft Federal Gas Tax-Community Works Fund Policy-Option 1 Nov 22, 2020

B - UBCM- Guidelines for Identifying Project Eligibility for Community Works Fund Projects

C - Draft Federal Gas Tax-Community Works Fund Policy-Option 2- non-profit

Reviewed by:			
Manager		Finance	
GM		Legislative	X - S. Reid
CAO	X – D. McKinley	Other	



BOARD Policy

Section:	Finance	5
Subsection:	Gas Tax	0580
Title:	Federal Gas Tax - Community Works Fund	1

1. PURPOSE

The purpose of this policy is to define a process for a fair and equitable distribution of the funding received from the Community Works Fund (CWF) consistent with the terms and conditions of the Gas Tax Agreement (GTA) and to define a process for efficient expenditures of funds and ensure compliance with the CWF Agreement (as defined below).

CWFs are made available to eligible local governments, including the Sunshine Coast Regional District (SCRD), by the Government of Canada pursuant to the Agreement on the Transfer of Federal Gas Tax Revenues or Gas Tax Agreement (the "GTA") between the Union of British Columbia Municipalities (UBCM) and the Governments of Canada and British Columbia. Funding under the program is intended to be directed to local priorities that fall within one of the eligible project categories and that are in keeping with the GTA's intended outcomes of reduced greenhouse gas emissions, cleaner air and cleaner water.

All local governments receive CWF. The formula for dispersing the funding is based on a formula which includes a base amount and an amount per capita. Member Municipalities within the SCRCD receive their own share of the CWF according to their population as does the Regional District.

2. SCOPE

This policy applies to all funding allocations and grant disbursements from the Community Works Fund.

Proposed projects or initiatives must meet the eligible criteria and guidelines as outlined by the Gas Tax Agreement.

In order for funds to be expended, the Regional District must have legislative authority or an established service under which an eligible project can be undertaken.

3. DEFINITIONS

"Federal Gas Tax Funds" means those funds received annually by the Federal Gas Tax - Community Works Fund, overseen by UBCM, to the SCRCD.

"Agreement" means the 2014-2024 Community Works Fund Agreement signed between the Regional District and the UBCM.

"Annual Funding" means the annual amount received from UBCM in two instalments in July and December of each year.

"Eligible Project Categories" means eligible project categories as defined in Schedule B of the CWF-Gas Tax Agreement.



BOARD Policy

“Infrastructure” means infrastructure as defined in Annex A of UBCM Gas Tax Agreement as: “municipal or regional, publicly or privately owned tangible capital assets in British Columbia primarily for public use or benefit.”

“Public Use or Benefit” means a facility or asset that is accessible to the public and not limited to a private membership, or it confers a tangible benefit on a sufficiently large segment of the public or community.

“Supplemental Funding” means any additional payments received from UBCM from the Community Works Fund program.

“Ultimate Recipient” means:

- (i) a Local Government or its agent (including its wholly owned corporation);
- (ii) a non-municipal entity, including for-profit, non-governmental and not-for-profit organizations, on the condition that (a) the Local Government(s) where the Eligible Project would be located, if applicable, has (have) indicated support for the project through a formal resolution of its (their) council(s) or board(s).

4. POLICY

4.1. Allocation of Funds

- 4.1.1. The SCRDR receives CWF funds each year from the Federal Government of Canada, under Gas Tax Fund Agreements (GTA) between the Federal Government of Canada, the Province of British Columbia, UBCM and the SCRDR. Under this policy, these funds are allocated for use in the Electoral Areas (EA) of the Regional District (Areas A, B, D, E and F).
- 4.1.2. No portion of these funds are allocated to member municipalities as they receive their own share of Federal Gas Tax funds under separate agreement with UBCM.
- 4.1.3. The SCRDR Board shall consider statutory obligations and budgetary limitations to ensure funds are disbursed as fairly and equitably as possible.
- 4.1.4. Funds received are allocated as follows:
 - 4.1.4.1. Regular Annual and or Supplemental Funds are 100% allocated to individual EA's A, B, D, E and F on a per-capita basis, based on most recent census using the Census Voting Strength reports published by the Province of British Columbia following each census taking.
 - 4.1.4.2. Regular Annual and or Supplemental Funds will be allocated based on a prospective basis. Subsequent changes in population will not cause unspent funds to be re-allocated.
 - 4.1.4.3. Interest earned on unspent balances will be allocated annually to the respective balances of each EA.



BOARD Policy

4.1.4.4. Despite this allocation process, CWF belong to the SCRD as a whole. As such, EA Directors are free to re-distribute funds allocated to the area they represent to any other area of the SCRD or may 'pool' funds as they desire.

4.2. Use of Funds

- 4.2.1. All CWF must be used in accordance with eligibility criteria contained in the master agreement with UBCM, and any subsequent changes or updates thereto.
- 4.2.2. The following project areas shall be given priority:
 - a) Projects which align with the SCRD's strategic priorities;
 - b) Projects which address critical infrastructure needs, capacity building, including capital investment plans, integrated community sustainability plans, life-cycle cost assessments, and asset management plans for the SCRD;
 - c) Infrastructure projects that are owned or leased by the SCRD;
 - d) Projects which benefit the greatest portion of an EA or region as a whole.
- 4.2.3. Projects that appear eligible will require a detailed project plan and budget aligned with eligible project categories. CWF can be applied to all of a project or only the portion that meets the requirements.
- 4.2.4. Funding for projects from eligible partners will be considered only if, after examining the SCRD's short and long-term financial commitments, there is available unallocated funding.
- 4.2.5. Funding for projects from eligible partners will be considered only if, after examining the SCRD's short and long-term financial commitments, there is available unallocated funding.

5. AUTHORITY TO ACT

- 5.1 *Local Government Act*, Section 263 (1) (a), (b), and (c).
- 5.2 The Board will be designated to review and evaluate all proposed projects and initiatives that meet the eligible criteria and guidelines of CWF.
- 5.3 The SCRD Board has both statutory and budgetary limitations and wish to ensure that these funds are disbursed as fairly and equitably as possible.

6. REFERENCES (Bylaws, Procedures, Guiding Documents)

Appendix 1 – Responsibilities and Procedures, Timelines and Reporting

Approval Date:		Resolution No.	
Amendment Date:		Resolution No.	
Amendment Date:		Resolution No.	



BOARD Policy

Appendix 1 to Policy # 5

RESPONSIBILITIES AND PROCEDURES

1. *The responsibilities and procedures related to this policy are as follows:*
 - 1.1 *Staff:*
 - a) *Develop eligible proposals to present the EA Directors*
 - b) *Complete all reporting requirements.*
 - 1.2 *EA Directors:*
 - a) *The EA Directors shall review and evaluate all proposed projects and initiatives that meet the eligible criteria and guidelines of CWF and recommend to the Board of Directors approval of chosen projects*
 - 1.3 *Board:*
 - a) *Adopt the Federal Gas Tax-Community Works Fund Policy and consider updates from time to time;*
 - b) *Approve funding of CWF projects during the annual financial plan process and any required financial plan amendments;*
 - c) *Approve contribution agreements with non-profit organizations received CWF monies*

TIMELINES

1. *In order to be included in the Financial Plan for the following year, proposals for eligible projects must be presented prior to or as part of the SCRD's pre-budgeting process. Proposals received after this date will only be considered if the project is considered an emergency. This deadline is provided to allow the EA Directors to review the proposed projects in advance of the financial planning process and to reduce the occurrence of financial plan amending bylaws.*

REPORTING

1. *The SCRD is required to provide annual reporting to UBCM, including measured outcomes on recent past projects.*
2. *Third party recipients must agree to provide necessary information to enable that reporting upon request, or be subject to a requirement to repay the CWF previously provided for the project and/or not be considered eligible for future funding.*
3. *SCRD staff will provide bi-annually (April and October) a report to the Corporate and Administrative Services Committee on the current status of the Gas Tax-Community Works Fund, including budgeted project commitments, year to date spending and uncommitted funds available to be spent on eligible projects. This information will also be provided as part of the annual Financial Planning process.*

Gas Tax Fund

Guidelines for Identifying Project Eligibility for Community Works Fund Projects

Last updated on March 31, 2020



This document is provided by the Union of BC Municipalities (UBCM) to support local government decision-making with regard to the expenditure of allocated Federal Gas Tax Funds, delivered through the Community Works Fund (CWF) program. The CWF provides dedicated, predictable long-term funding to all local governments in British Columbia to support local priorities. UBCM administers the Federal Gas Tax Fund in British Columbia.

Community Works Fund

The Community Works Fund (CWF) is one of three program streams established under the *Administrative Agreement on the Federal Gas Tax Fund in British Columbia* (GTA).

The CWF transfers over \$100 million in federal revenues annually to local governments in British Columbia. In turn, local governments invest CWF allocations within a range of capital and capacity building projects and in accordance with the program's eligibility framework.

In order to receive annual CWF allocations, all local governments enter into an agreement with UBCM which sets out the terms and conditions of the program, including outlining eligible project categories, eligible costs and reporting requirements. The agreement also lays out provisions for providing funding to a third party for eligible projects.

Eligibility Framework for CWF projects

As projects are identified at a local government level and not approved by UBCM in advance, local governments must make a determination on whether a project meets the eligibility requirements set out in the CWF agreement. While Community Works Funds may be used for a broad range of eligible costs for eligible projects, not every local infrastructure will be eligible.

For projects to meet eligibility in BC, they need to be reviewed under a three-step process: the funds may only be utilized by one of the entities set out in the "Ultimate Recipient" definition within the GTA; the funds must be applied towards the eligible expenditures of an eligible project as set out within an "Eligible Project Category", and the project must meet the definition of "Infrastructure", as defined in the Agreement.

1. Is the recipient eligible?

An "Ultimate Recipient" is defined in Annex A of the Agreement as:

- (i) a Local Government or its agent (including its wholly owned corporation);
- (ii) a non-municipal entity, including for-profit, non-governmental and not-for-profit organizations, on the condition that (a) the Local Government(s) where the Eligible Project would be located, if applicable, has (have) indicated support for the project through a formal resolution of its (their) council(s) or board(s).
- (iii) the South Coast British Columbia Transportation Authority, the Greater Vancouver Water District and the Greater Vancouver Sewerage and Drainage District; a trust council, a local trust committee and the trust fund board, all within

the meaning of the Islands Trust Act, and any other entity that delivers core local government services agreed to, in advance, by the Parties; and,

(iv) BC Transit subject to the agreement of the appropriate Local Government, through its council or board. In the case of transit Eligible Projects within the Capital Regional District, the appropriate Local Government is the Capital Regional District.

It is important to note that for all non-municipal entities, the council or board must still support the transfer of funds to that Ultimate Recipient for eligible costs of an eligible project through a formal resolution.

It is also strongly recommended that the local government and the Ultimate Recipient enter into an agreement that sets out the commitments of both parties for the use of funds, including reporting of project outcomes, public access to the infrastructure, and access to documentation for audit purposes.

2. Eligible Project Categories

The Eligible Project Categories are set out in Schedule B of the GTA. The Agreement stipulates that eligible investments are those associated with acquiring, planning, designing, constructing or renovating a tangible capital asset; or strengthening the ability of local governments to improve local and regional planning and asset management; and joint communications activities or federal signage.

The table below provides a list of Eligible Project Categories with some examples of the types of projects considered under each category:

Project Category	Description	Examples
Public Transit	Infrastructure which supports a shared passenger transport system which is available for public use	<ul style="list-style-type: none"> • Transit infrastructure such as rail and bus rapid transit systems, and related facilities • Buses, rail cars, ferries, para-transit vehicles, and other rolling stock and associated infrastructure • Intelligent Transport Systems such as fare collection, fleet management, transit priority signaling, and real time traveler information system at stations and stops • Related capital infrastructure including bus lanes, streetcar and trolley infrastructure, storage and maintenance facilities, security enhancement, and transit passenger terminals
Local Roads,	Roads, bridges and	<ul style="list-style-type: none"> • New and rehabilitation of roads

Project Category	Description	Examples
Bridges, and Active Transportation	active transportation (active transportation refers to investments that support active methods of travel)	<ul style="list-style-type: none"> • New and rehabilitation of bridges • Cycling lanes, paths, sidewalks and hiking trails • Intelligent Transportation systems • Additional capacity for high occupancy/transit lanes, grade separations, interchange structures, tunnels, intersections and roundabouts
Regional and Local Airports	Airport related infrastructure (excludes National Airport System)	<ul style="list-style-type: none"> • Construction projects that enhance airports and are accessible all year-round, through the development, enhancement or rehabilitation of aeronautical and/or non-aeronautical infrastructure (includes runways, taxiways, aprons, hangars, terminal buildings etc.) • Non-aeronautical infrastructure such as groundside access, inland ports, parking facilities, and commercial and industrial activities
Short-line Rail	Railway related infrastructure for carriage of passengers or freight	<ul style="list-style-type: none"> • Construction of lines to allow a railway to serve an industrial park, an intermodal yard, a port or a marine terminal • Construction, rehabilitation, or upgrading of tracks and structures, excluding regular maintenance, to ensure safe travel • Construction, development or improvement of facilities to improve interchange of goods between modes • Procurement of technology and equipment used to improve the interchange of goods between modes • Short-line operators must offer year-round service
Short-sea Shipping	Infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean	<ul style="list-style-type: none"> • Specialized marine terminal intermodal facilities or transshipment (marine to marine) facilities • Capitalized equipment for loading/unloading required for expansion of short-sea shipping • Technology and equipment used to improve the interface between the

Project Category	Description	Examples
		<p>marine mode and the rail/highways modes or to improve integration within the marine mode including Intelligent Transportation Systems (ITS)</p> <p><i>Note: The purchase of vessels, infrastructure that supports passenger-only ferry services, rehabilitation and maintenance of existing facilities such as wharves and docks, and dredging are not eligible for funding</i></p>
Community Energy Systems	Infrastructure that generates or increases efficient use of energy	<ul style="list-style-type: none"> • Renewable electricity generators • Electric vehicle infrastructure/fleet vehicle conversion • Hydrogen infrastructure (generation, distribution, storage) • Wind/solar/thermal/geothermal energy systems • Alternative energy systems that serve local government infrastructure • Retrofit local government buildings and infrastructure
Drinking Water	Infrastructure that supports drinking water conservation, collection, treatment and distribution systems	<ul style="list-style-type: none"> • Drinking water treatment infrastructure • Drinking water distribution system (including metering)
Wastewater	Infrastructure that supports wastewater and storm water collection, treatment and management systems	<ul style="list-style-type: none"> • Wastewater collection systems and or wastewater treatment facilities or systems • Separation of combined sewers and or combined sewer overflow control, including real-time control and system optimization • Separate storm water collection systems and or storm water treatment facilities or systems • Wastewater sludge treatment and management systems
Solid Waste	Infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable	<ul style="list-style-type: none"> • Solid waste diversion projects including recycling, composting and anaerobic digestion • Solid waste disposal projects including thermal processes, gasification, and landfill gas recovery

Project Category	Description	Examples
	materials and garbage	<ul style="list-style-type: none"> • Solid waste disposal strategies that reduce resource use
Sport Infrastructure	Amateur sport infrastructure (excludes facilities, including arenas, which would be used as a home of professional sports teams or major junior hockey teams)	<ul style="list-style-type: none"> • Sport infrastructure for community public use • Sport infrastructure in support of major amateur athletic events
Recreation Infrastructure	Recreational facilities or networks	<ul style="list-style-type: none"> • Large facilities or complexes which support physical activity such as arenas, gymnasiums, swimming pools, sports fields, tennis, basketball, volleyball or other sport-specific courts, or other facilities that have sport and/or physical activity as a primary rationale • Community centers that offer programming to the community at large, including all segments of the population • Networks of parks, fitness trails and bike paths
Cultural Infrastructure	Infrastructure that supports arts, humanities, and heritage	<ul style="list-style-type: none"> • Museums • The preservation of designated heritage sites • Local government owned libraries and archives • Facilities for the creation, production, and presentation of the arts • Infrastructure in support of the creation of a cultural precinct within an urban core
Tourism Infrastructure	Infrastructure that attract travelers for recreation, leisure, business or other purposes	<ul style="list-style-type: none"> • Convention centers • Exhibition hall-type facilities • Visitor centres
Disaster Mitigation	Infrastructure that reduces or eliminates long-term impacts and risks associated with natural disasters	<ul style="list-style-type: none"> • Construction, modification or reinforcement of structures that protect from, prevent or mitigate potential physical damage resulting from extreme natural events, and impacts or events related to climate change • Modification, reinforcement or relocation of existing public infrastructure to

Project Category	Description	Examples
		<p>mitigate the effects of and/or improve resiliency to extreme national events and impacts or events related to climate change</p> <p><i>Note: this category is related to disaster prevention (such as dykes, berms, seismic upgrades etc.) and not response (such as fire trucks, fire halls etc.)</i></p>
Broadband Connectivity	Infrastructure that provides internet access to residents, businesses, and/or institutions in British Columbia	<ul style="list-style-type: none"> • High-speed backbone • Point of presence • Local distribution within communities • Satellite capacity
Brownfield Redevelopment	Remediation or decontamination and redevelopment of a brownfield site within municipal boundaries, where the redevelopment includes: the construction of public infrastructure as identified in the context of any other category under the GTF, and/or the construction of municipal use public parks and publicly-owned social housing.	<ul style="list-style-type: none"> • New construction of public infrastructure as per the categories listed under the Federal Gas Tax Agreement • New construction of municipal use public parks and affordable housing
Asset Management	Increase local government capacity to undertake asset management planning practices.	<ul style="list-style-type: none"> • Asset Management Practices Assessment • Current State of Assets Assessment • Asset Management Policy • Asset Management Strategy • Asset Management Plan • Long-Term Financial Plan • Asset Management Practices Implementation Plan • Asset Management Plan Annual Report
Integrated Community Sustainability Plans	Increase local government capacity to undertake integrated community sustainability	<ul style="list-style-type: none"> • Integrated community sustainability plans • Regional growth strategies • Community development plans

Project Category	Description	Examples
	plans	<ul style="list-style-type: none"> • Community plans
Long-term Infrastructure Plans		<ul style="list-style-type: none"> • Transportation plans • Infrastructure development plans • Liquid waste management plans • Solid waste management plans • Long-term cross-modal transportation plans • Water conservation/demand management plans • Drought management contingency plans • Air quality plans • GHG reduction plans • Energy conservation plans

3. Definition of Infrastructure/ Public Use or Benefit

“Infrastructure” is defined in Annex A as: *“municipal or regional, publicly or privately owned tangible capital assets in British Columbia primarily for public use or benefit.”*

While the Agreement includes guidelines for identifying Ultimate Recipients, a definition of “Infrastructure” as well as “Eligible Project Categories”, a definition for “Public Use or Benefit” is not defined.

Specifically, local government councils and boards, who are responsible for approving Community Works Fund funding allocation will need to identify whether a project is “primarily for public use” or “public benefit” when a non-municipal entity seeks funding.

Although the Agreement does not include a definition for “Public Use or Benefit”, the term has been defined by a number of government and academic sources. The *Canada 150 Community Infrastructure Program* is a federal-provincial partnership program that distributes federal funds to eligible applicants for renovation, expansion and improvement of existing community and cultural infrastructure. For this program, Infrastructure Canada defines “Public Use or Benefit” as: *“The facility or asset is accessible to the public and not limited to a private membership, or confers a tangible benefit on a sufficiently large segment of the public or community.”*

The Canada Revenue Agency (CRA) provides guidelines for determining the characteristics of a “Public Benefit” and has developed a test for determining whether a facility or an asset will be for Public Benefit. While the test was established for charity registration purposes, the criteria used to determine Public Benefit may apply to eligible projects.

The basic requirements for the CRA's test are similar to the definition provided by Infrastructure Canada: a sufficient segment of the community must benefit and the benefit must be demonstrably tangible. The CRA provides further guidelines for defining "tangibility", "proof of benefit", as well as case law references.

4. Determining Public Use or Public Benefit

The set of questions below provides guidance for local government decision-makers to determine if a proposed project primarily provides a public use or benefit.

If the answer is "yes" to each of the following questions, then most likely the criteria for meeting public use or benefit is met. If only some of the questions can be answered in the affirmative, then consideration be given to whether the project provides sufficient public use or benefit.

Public Use:

- Does the proposed project primarily provide a service that is available or open to the public?
- Does the proposed project result in a service that is not limited by private membership?
- Does proposed project primarily result in a publicly owned asset or delivers a public service that a local government traditionally provides?

Benefit:

- Does the project provide a service that is a tangible benefit that aligns with the national outcomes of productivity and economic growth; a clean environment; or strong cities and communities?
- Does the project result in a service that benefits a sufficiently large segment of the public or community?

The following are examples of eligible and ineligible projects based on the three criteria: Ultimate Recipient, Eligible Project Categories and Public Use or Benefit.

Example: Construction of a society-operated community hall:

- **Ultimate Recipient:** Meets requirement (a non-municipal entity, including for-profit, non-governmental and not-for-profit organizations, on the condition that (a) the Local Government(s) where the Eligible Project would be located, if applicable, has (have) indicated support for the project through a formal resolution of its (their) council(s) or board(s).)
- **Eligible Project Category:** Meets requirement (Cultural infrastructure; privately owned tangible capital asset); funds are expended on eligible costs.
- **Public Use or Benefit:**

- Does the proposed project primarily provide a service that is available or open to the public? YES
- Does the proposed project result in a service that is not limited by private membership? YES
- Does proposed project primarily result in a publicly owned asset or delivers a public service that a local government traditionally provides? NO
- Does the project provide a service that is a tangible benefit that aligns with the national outcomes of productivity and economic growth; a clean environment; or strong cities and communities? YES
- Does the project result in a service that benefits a sufficiently large segment of the public or community? YES

Conclusion: This project satisfies the test for public use and benefit.

Example: Installing energy efficient lighting system for common areas in strata housing complex:

- **Ultimate Recipient:** Meets requirement (a non-municipal entity, including for-profit, non-governmental and not-for-profit organizations, on the condition that (a) the Local Government(s) where the Eligible Project would be located, if applicable, has (have) indicated support for the project through a formal resolution of its (their) council(s) or board(s).)
- **Eligible Project Category:** Meets requirement (Community energy systems; privately owned tangible capital asset); funds are expended on eligible costs.
- **Public Use or Benefit:**
 - Does the proposed project primarily provide a service that is available or open to the public? NO
 - Does the proposed project result in a service that is not limited by private membership? NO
 - Does proposed project primarily result in a publicly owned asset or delivers a public service that a local government traditionally provides? NO
 - Does the project provide a service that is a tangible benefit that aligns with the national outcomes of productivity and economic growth; a clean environment; or strong cities and communities? YES
 - Does the project result in a service that benefits a sufficiently large segment of the public or community? NO

Conclusion: This project does not satisfy the test for public use and benefit.

Example: Enhancing sprinkler system for private golf course:

- **Ultimate Recipient:** Meets requirement (a non-municipal entity, including for-profit, non-governmental and not-for-profit organizations, on the condition that (a) the Local Government(s) where the Eligible Project would be located, if

applicable, has (have) indicated support for the project through a formal resolution of its (their) council(s) or board(s).)

- **Eligible Project Category:** Meets requirement (Recreational infrastructure; privately owned tangible capital asset); funds are expended on eligible costs.
- **Public Use or Benefit:**
 - Does the proposed project primarily provide a service that is available or open to the public? NO
 - Does the proposed project result in a service that is not limited by private membership? NO
 - Does proposed project primarily result in a publicly owned asset or delivers a public service that a local government traditionally provides? NO
 - Does the project provide a service that is a tangible benefit that aligns with the national outcomes of productivity and economic growth; a clean environment; or strong cities and communities? YES
 - Does the project result in a service that benefits a sufficiently large segment of the public or community? NO

Conclusion: This project does not satisfy the test for public use and benefit.

5. Reporting

Local governments are required under the GTA to report annually, by June 1, all transactions related to funding during the previous calendar year along with a declaration by the officer responsible for financial administration that the Ultimate Recipient has complied with all funding agreements between it and UBCM.

UBCM, the Government of Canada, and a third party auditor reviews ultimate Recipient reporting. In the event of a question about the eligibility of any projects, UBCM or the audit team will contact the Ultimate Recipient for additional information.

Should a project not meet the eligibility criteria outlined above, local governments will be required to resolve the issue through removing the project from the report and any Gas Tax funding applied to the project must be reinvested in another eligible project or returned to the local government Gas Tax fund account for future use.

6. Questions

If you have questions or comments about this informational pamphlet, please contact:

Gas Tax Program Services
gastax@ubcm.ca
(250) 356-5134



Section:	Finance	5
Subsection:	Gas Tax	0580
Title:	Federal Gas Tax - Community Works Fund	1

1. PURPOSE

The purpose of this policy is to define a process for a fair and equitable distribution of the funding received from the Community Works Fund (CWF) consistent with the terms and conditions of the Gas Tax Agreement (GTA) and to define a process for efficient expenditures of funds and ensure compliance with the CWF Agreement (as defined below).

CWFs are made available to eligible local governments, including the Sunshine Coast Regional District (SCRD), by the Government of Canada pursuant to the Agreement on the Transfer of Federal Gas Tax Revenues or Gas Tax Agreement (the “GTA”) between the Union of British Columbia Municipalities (UBCM) and the Governments of Canada and British Columbia. Funding under the program is intended to be directed to local priorities that fall within one of the eligible project categories and that are in keeping with the GTA’s intended outcomes of reduced greenhouse gas emissions, cleaner air and cleaner water.

All local governments receive CWF. The formula for dispersing the funding is based on a formula which includes a base amount and an amount per capita. Member Municipalities within the SCR D receive their own share of the CWF according to their population as does the Regional District.

[The Community Works Fund Allocation policy provides direction on allocating CWF funding as well as considering grant applications for CWF funding from outside agencies.](#)

2. SCOPE

[This policy applies to all funding allocations and grant disbursements from the Community Works Fund.](#)

Proposed projects or initiatives must meet the eligible criteria and guidelines as outlined by the Gas Tax Agreement.

In order for funds to be expended, the Regional District must have legislative authority or an established service under which an eligible project can be undertaken.

3. DEFINITIONS

“**Federal Gas Tax Funds**” means those funds received annually by the Federal Gas Tax - Community Works Fund, overseen by UBCM, to the SCR D.

“**Agreement**” means the 2014-2024 Community Works Fund Agreement signed between the Regional District and the UBCM.

“**Annual Funding**” means the annual amount received from UBCM in two instalments in July and December of each year.



BOARD Policy

“**Eligible Project Categories**” means eligible project categories as defined in Schedule B of the CWF- Gas Tax Agreement.

“**Infrastructure**” means infrastructure as defined in Annex A of UBCM Gas Tax Agreement as: “municipal or regional, publicly or privately owned tangible capital assets in British Columbia primarily for public use or benefit.”

“**Public Use or Benefit**” means a facility or asset that is accessible to the public and not limited to a private membership, or it confers a tangible benefit on a sufficiently large segment of the public or community.

“**Supplemental Funding**” means any additional payments received from UBCM from the Community Works Fund program.

“**Ultimate Recipient**” means:

- (i) a Local Government or its agent (including its wholly owned corporation);
- (ii) (ii) a non-municipal entity, including for-profit, non-governmental and not-for-profit organizations, on the condition that (a) the Local Government(s) where the Eligible Project would be located, if applicable, has (have) indicated support for the project through a formal resolution of its (their) council(s) or board(s).

4. POLICY

4.1. Allocation of Funds

- 4.1.1. The SCRD receives CWF funds each year from the Federal Government of Canada, under Gas Tax Fund Agreements (GTA) between the Federal Government of Canada, the Province of British Columbia, UBCM and the SCRD. Under this policy, these funds are allocated for use in the Electoral Areas (EA) of the Regional District (Areas A, B, D, E and F).
- 4.1.2. No portion of these funds are allocated to member municipalities as they receive their own share of Federal Gas Tax funds under separate agreement with UBCM.
- 4.1.3. The SCRD Board shall consider statutory obligations and budgetary limitations to ensure funds are disbursed as fairly and equitably as possible.
- 4.1.4. Funds received are allocated as follows:
 - 4.1.4.1. Regular Annual and or Supplemental Funds are 100% allocated to individual EA's A, B, D, E and F on a per-capita basis, based on most recent census using the Census Voting Strength reports published by the Province of British Columbia following each census taking.
 - 4.1.4.2. Regular Annual and or Supplemental Funds will be allocated based on a prospective basis. Subsequent changes in population will not cause unspent funds to be re-allocated.



BOARD Policy

- 4.1.4.3. Interest earned on unspent balances will be allocated annually to the respective balances of each EA.
- 4.1.4.4. Despite this allocation process, CWF belong to the SCRD as a whole. As such, EA Directors are free to re-distribute funds allocated to the area they represent to any other area of the SCRD or may 'pool' funds as they desire.

4.2. Use of Funds

- 4.2.1. All CWF must be used in accordance with eligibility criteria contained in the master agreement with UBCM, and any subsequent changes or updates thereto.
- 4.2.2. The following project areas shall be given priority:
 - a) Projects which align with the SCRD's strategic priorities;
 - b) Projects which address critical infrastructure needs, capacity building, including capital investment plans, integrated community sustainability plans, life-cycle cost assessments, and asset management plans for the SCRD;
 - c) Infrastructure projects that are owned or leased by the SCRD;
 - d) Projects which benefit the greatest portion of an EA or region as a whole.
- 4.2.3. Projects that appear eligible will require a detailed project plan and budget aligned with eligible project categories. CWF can be applied to all of a project or only the portion that meets the requirements.
- 4.2.4. Funding for projects from eligible partners will be considered only if, after examining the SCRD's short and long-term financial commitments, there is available unallocated funding.
- 4.2.5. To ensure fair consideration and inclusion in the financial plan, the SCRD will only consider applications from outside agencies received no later than the last day of XXX of each year. Proposals received after this date will only be presented to the Board if the project is considered an emergency.
- 4.2.6. All outside agencies applying for CWF funding shall be responsible for completing the application form and providing any necessary back-up information. At no time will consideration be given to an incomplete application or one that does not have all of the appropriate information supplied.
- 4.2.7. If the project approved is for an outside agency, that party will be required to enter into the Community Works Fund Third Party Contract.
- 4.2.8. Outside agencies must:
 - a) Meet the definition of Ultimate Recipient in the Funding Agreement
 - b) Expend the funds consistent with the SCRD's policies, bylaws and regulation



BOARD Policy

- c) Provide proof of future ownership or control of the asset for a minimum of the next five years
- d) Comply with all terms set out in the Funding Agreement and the Third Party Agreement
- e) Comply with all applicable regulations on the project

5. AUTHORITY TO ACT

- 5.1 *Local Government Act*, Part 8-Division 4-Section 271-274.
- 5.2 The Board will review and evaluate all proposed projects and initiatives that meet the eligible criteria and guidelines of CWF.
- 5.3 The Chief Financial Officer has authority to determine whether specific projects or proposed expenditures meet eligibility criteria, and will consult with UBCM as necessary in making such determination.

6. REFERENCES (Bylaws, Procedures, Guiding documents)

Appendix 1 – Responsibilities and Procedures, Timelines and Reporting

Approval Date:		Resolution No.	
Amendment Date:		Resolution No.	
Amendment Date:		Resolution No.	
Amendment Date:		Resolution No.	



BOARD Policy

Appendix 1 to Policy # 5

RESPONSIBILITIES AND PROCEDURES

1. *The responsibilities and procedures related to this policy are as follows:*
 - 1.1 *Staff:*
 - a) *Develop eligible proposals to present the EA Directors*
 - b) *Complete all reporting requirements.*
 - 1.2 *EA Directors:*
 - a) *The EA Directors shall review and evaluate all proposed projects and initiatives that meet the eligible criteria and guidelines of CWF and recommend to the Board of Directors approval of chosen projects*
 - 1.3 *Board:*
 - a) *Adopt the Federal Gas Tax-Community Works Fund Policy and consider updates from time to time;*
 - b) *Approve funding of CWF projects during the annual financial plan process and any required financial plan amendments;*
 - c) *Approve contribution agreements with non-profit organizations received CWF monies*

TIMELINES

1. *In order to be included in the Financial Plan for the following year, proposals for eligible projects must be presented prior to or as part of the SCRD's pre-budgeting process. Proposals received after this date will only be considered if the project is considered an emergency. This deadline is provided to allow the EA Directors to review the proposed projects in advance of the financial planning process and to reduce the occurrence of financial plan amending bylaws.*

REPORTING

1. *The SCRD is required to provide annual reporting to UBCM, including measured outcomes on recent past projects.*
2. *Third party recipients must agree to provide necessary information to enable that reporting upon request, or be subject to a requirement to repay the CWF previously provided for the project and/or not be considered eligible for future funding.*
3. *SCRD staff will provide bi-annually (April and October) a report to the Corporate and Administrative Services Committee on the current status of the Gas Tax-Community Works Fund, including budgeted project commitments, year to date spending and uncommitted funds available to be spent on eligible projects. This information will also be provided as part of the annual Financial Planning process.*

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – February 25, 2021
AUTHOR: Tina Perreault, General Manager, Corporate Services / Chief Financial Officer
SUBJECT: SEHEL T PUBLIC LIBRARY DRAFT FUNDING AND SERVICE AGREEMENT

RECOMMENDATION(S)

THAT the report titled Sechelt Public Library Draft Funding and Service Agreement be received;

AND THAT the Sunshine Coast Regional District (SCRD) funding partners (Area A, B, and D) approve the Agreement as amended or presented;

AND THAT the authorized SCR D signatories be authorized to sign the Agreement;

AND FURTHER THAT the Agreement be forwarded to the District of Sechelt, the Sechelt Indian Government District and the Sechelt Public Library Board for feedback and approval.

BACKGROUND

The Sunshine Coast Regional District (SCRD) Board adopted the following resolution at the February 27, 2020 Regular Board Meeting:

065/20 **Recommendation No. 41** *Sechelt Library Funding Apportionment for 2020 Budget*

THAT Sechelt Public Library 2020 Budget request of \$828,720 be approved and allocated for SCR D Electoral Area Funders as follows:

- Electoral Area A [643] - \$48,803 (33% of population served for basis of funding at 4.4% increase on 2019 funding plus shortfall of Electoral Areas B and D to 4.4%);
- Electoral Area B [645] - \$140,583 (100% of population served for basis of funding at 3.0% increase on 2019 funding);
- Electoral Area D [646] - \$87,784 (50% of population served for basis of funding at 2.5% increase on 2019 funding);

AND THAT staff forward this information to the District of Sechelt and Sechelt Indian Government District in support of the negotiation of a 5-year Memorandum of Understanding.

The purpose of this report is to provide an updated draft funding and service agreement for the SCRD funding partners' consideration.

DISCUSSION

Staff from the District of Sechelt (DoS), Sechelt Indian Government District (SIGD), Sechelt Library and the SCRD have met several times over the past year to discuss the draft Sechelt Public Library Service Agreement, which is attached for consideration (Attachment A).

Several sections of the new draft Agreement have been updated or modernized by the various partners, such as the "Schedule A" from the Sechelt Library, the addition of Schedule B which outlines the funding apportionment, the addition of Section 2.6 which outlines the process if the Library has a drop in Provincial funding, and amendments/addition to section 1.2 and 1.3 on payment terms. The prior 2013-2019 Agreement has also been attached for reference (Attachment B).

As part of the SCRD's 2021 Pre-Budget deliberations, the Sechelt Public Library provided a preliminary Budget for the next five years where a 4% increase per year was requested. The Sechelt Library conducted a significant review of their budget for Round 1 which requested a 2.5% for 2021, 4% for 2022, 3% for 2023-2025 (Attachment C). The draft agreement has been updated to reflect these new figures.

Each SCRD Electoral Area funds the Library through distinct regional district library services (Area A – [643], Area B – [645] and Area D – [646], which means that the Directors for each of those areas can make independent funding decisions. For 2020 the funders decided in principle on apportioning the funding based on the estimated population served. The revised agreement reflects this same apportionment model.

Financial Implications

The base funding and apportionment have been updated in the draft funding and service agreement as follows:

	Area A	Area B	Do Sechelt	SIGD	Area D	Total
Population	2624	2726	10216	671	3421	29970
% Served by SL	33%	100%	100%	46%	50%	
Pop served by SL	866	2726	10216	309	1711	15827
% of Total Pop/Tax Base	5.47%	17.22%	64.55%	1.95%	10.81%	100%
Sechelt Library Budget Requests						
2020	\$ 45,417	\$ 142,978	\$ 535,828	\$ 14,781	\$ 89,715	\$ 828,720
2021 (+2.5)	\$ 46,553	\$ 146,553	\$ 549,223	\$ 15,151	\$ 91,958	\$ 849,438
2022 (+4%)	\$ 48,394	\$ 152,350	\$ 570,950	\$ 16,125	\$ 95,596	\$ 883,416
2023 (+3%)	\$ 49,825	\$ 156,854	\$ 587,829	\$ 16,988	\$ 98,422	\$ 909,918
2024 (+3%)	\$ 51,298	\$ 161,491	\$ 605,207	\$ 17,888	\$ 101,332	\$ 937,216
2025 (+3%)	\$ 52,815	\$ 166,265	\$ 623,099	\$ 18,826	\$ 104,328	\$ 965,332

This is a five-year agreement and based on the direction provided from the Committee, the funding approved by each of the SCRD rural area funders (Area A, B, and D) will be forwarded to the Round 2 Budget deliberations for inclusion of the 2021-2025 Financial Plan for each of the SCRD funding services.

Timeline for next steps or estimated completion date

The partners are working together to present the draft funding and service agreements to Councils and Boards. Any suggested amendments or approval from the SCR D will be forwarded to all the parties accordingly.

Communications Strategy

Based on the various approval timeline, a joint press release could be coordinated amongst all the parties. Communications teams could work on a collaborative message on the new funding and service agreement.

STRATEGIC PLAN AND RELATED POLICIES

The renewed funding and service agreement aligns with the Boards strategic focus areas of working together.

CONCLUSION

Staff from the DoS, SIGD, Sechelt Library and the SCR D have collaborated to draft a revised five-year funding and service agreement for the Sechelt Public Library. Many sections of the agreement have been modernized, including the funding apportionment.

Based on the direction provided from the Committee, the funding approved by each of the SCR D Electoral Area funders (Area A, B, and D) will be forwarded to the Round 2 Budget deliberations for inclusion of the 2021-2025 Financial Plan for each of the SCR D funding services.

The draft funding and service agreement will be forwarded to the DoS, SIGD and the Sechelt Public Library Board for approvals and authorizations once the SCR D Board has approved the agreement as presented or amended.

Attachments:

- A - Draft 2021-2025 Sechelt Public Library Funding and Service Agreement
- B - 2013-2018 Public Library Funding and Service Agreement
- C - Sechelt Public Library 5 Year Budget Proposal Summary

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – D. McKinley	Other	

FUNDING AND SERVICE AGREEMENT

SECHELT PUBLIC LIBRARY

This Agreement dated for reference the ____ day of _____, 2021.

BETWEEN:

SUNSHINE COAST REGIONAL DISTRICT

As Represented by:

Area A- Egmont/Pender Harbour;

Area B- Halfmoon Bay; and

Area D- Roberts Creek

1975 Field Road

Sechelt, BC

V0N 3A1

(the "Regional District")

AND: **SECHELT INDIAN GOVERNMENT DISTRICT**

Box 740

Sechelt, BC

V0N 3A0

(the "SIGD")

AND: **DISTRICT OF SECHELT**

Box 129

Sechelt, BC

V0N 3A0

(the "District")

(referred to collectively as the "Fundors")

AND: **SECHELT PUBLIC LIBRARY**

Box 2104

Sechelt, BC

V0N 3A0

(the "Library")

WHEREAS:

- A. The Regional District and the District have the authority under Section 176(1)(c) of the *Local Government Act* “to provide assistance for the purposes of benefitting the community or any aspect of the community” and under Section 21(a) of the *Community Charter* “to provide assistance in accordance with the agreement”.
- B. In addition, the Regional District and District have established library services for Egmont / Pender Harbour, Halfmoon Bay and Roberts Creek.
- C. SIGD has the authority under the *Sechelt Indian Band Self-Government Act* and the *Sechelt Indian Government District Enabling Act* to provide assistance for the purposes of benefitting the community.
- D. The Funders wish to enter into a five year Funding and Service Agreement (the “Service Agreement”) with the Library for the purpose of providing library services as noted in Schedule A.
- E. The authority under legislation to grant assistance includes the ability to provide a grant-in-aid and the Funders wish to provide certainty up to and including the year 2025 under this Service Agreement.
- F. The Library is an Association, formed by the Province of British Columbia, under the “Library Act”, and has the authority to enter into this Service Agreement under Section 2 of the *Library Act*.

NOW THEREFORE, in consideration of the mutual promises set out herein, the parties agree as follows:

1.0 Funding Commitment

- 1.1 The Funders’ objective for funding the Library, is to provide surety and stability for local government support.
- 1.2 The Funders shall provide assistance to the Library, within the ‘terms’ set out in Section 4.0, in the years 2021 to 2025 inclusive. The 2020 amount will be used as the base for funding apportionment in the amount of \$ 828,720. In years 2021 to 2025, the Funders’ assistance will provide increases on the 2020 base amounts, rounded to the nearest dollar as shown below, and payable as per related agreement:

	2020 (Base Amount)	2021	2022	2023	2024	2025
Area A	\$48,803	\$46,553	\$48,394	\$49,825	\$51,298	\$52,815
Area B	140,583	146,553	152,350	156,854	161,491	166,265
Area D	87,784	91,958	95,596	98,422	101,332	104,328
SIGD	14,792	15,151	16,125	16,988	17,888	18,826
DOS	537,048	549,223	570,950	587,829	605,207	623,099
Total	\$828,720	\$849,438	\$883,416	\$909,918	\$937,216	\$965,332

1.3 The District of Sechelt will pay the annual amounts outlined in Section 1.2 over four equal payments, at the beginning of each quarter. 30% for each of the first two quarters and 20% for each of the last two quarters.

The Sunshine Coast Regional District will pay the annual amounts outlined in Section 1.2 over four equal payments, at the beginning of each quarter.

The Sechelt Indian Government District will pay the annual amounts outlined in Section 1.2 over two equal payments, the first payment will be January 5th and the second payment will be May 31st.

1.4 The District of Sechelt does not impose restrictions on the Sechelt Public Library as to how it's portion of the funds are applied toward operating or capital purchases.

2.0 The Library Agrees

2.1 The Library shall provide the library services set out in Schedule A to all residents within the jurisdictional boundaries of the Funders. Unless specifically indicated otherwise, such services shall be provided free of charge. The Library acknowledges and agrees that the funds provided pursuant to this Service Agreement shall only be used for the purpose of operating the library.

2.2 The Library shall not assign any services, as outlined in Schedule A, during the term of the service agreement, unless mutually agreed upon by the Funders. All Parties acknowledge any assignment would be a modification of the agreement, and executed per Section 4.0.

2.3 The Library shall provide a preliminary report on the current year's operating results and the coming years budget to the Funders by November 1 of each year, and final operating

- results report by January 15 of each year detailing how the funds were used for the previous year as set out in Schedule A.
- 2.4 The Library, should there be a surplus of funds (10% or less of operating expenses), will provide details to the Funders of how the surplus will be used, as outlined in Schedule A.
- 2.5 If there is a reduction of Library Services, due to unforeseen events, which causes a significant surplus (10% or more of operating expenses), the funders reserve the right to reduce or reallocate funding by an agreed to amount for the following year. If a reduction is made, Funders agree to share in the reduction on the same percentage allocation as per funding allocation outlined in Section 1.2 of this Service Agreement.
- 2.6 If there is a reduction in annual funding from the BC Provincial Government, Ministry of Education (for Per Capita Operating Grant, Resource Sharing Grant, BC One Card Grant and Equity and Literacy Grant), to levels less than was received in 2020 (\$77,183 Cdn), the Library reserves the right to request additional funds to cover the reduction. If the request is not granted, then the Library reserves the right to invoke a reduction in service hours as per Schedule A #1.
- 2.7 Requests for “additional” capital or one-time special operating projects outside of the funding provided per Section 1.2 will be provided in writing as part of the reporting at November 1 of each year. All “additional” funding requests from the Library to the Funders will be presented with an individual business case analysis, as part of the individual Funders’ budget processes. In the event of a surplus, consideration of funding for capital or one-time special operating projects, must first come from surplus funds.
- 2.8 The Library shall indemnify and hold harmless the Funders, and its directors, councillors, officers, employees, successors and assigns, against and from any and all actions, causes of actions, claims, suits, costs and expenses of any kind arising from any property damage, or personal or bodily injury, arising from or connected with the provision of the Library Services, and for any breach of this Service Agreement by, or from any act or omission of the Library or its invitees, licensees, employees, agents, contractors, officers or any other person for whom the Library is liable, provided that claims, damages, losses, costs and expenses arising out of the independent negligent acts of the Funders shall be exempt from the indemnification provisions of this Service Agreement.

2.9 No provision or purpose of this Service Agreement shall be construed to create a partnership or joint venture relationship, or an employer-employee, landlord-tenant or principal agent relationship between the Funders and the Library.

2.10 Under the terms of the Library Lease Agreement and pertaining to the Lessor/Lessee relationship, Sections 2.8 and 2.9 would not apply to the Regional District or SIGD.

3.0 Counterparts

3.1 This Service Agreement may be executed in any number of original counterparts, with the same effect as if all the Funders had signed the same document, and will become effective when one or more counterparts have been signed by all the Funders and delivered to each of the Funders. All counterparts shall be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, shall be deemed to be dated the reference date set out above, and only one of which need to be produced to any purpose.

4.0 Terms

4.1 This Service Agreement may be renewed, modified or terminated only with the express written consent of each party.

4.2 The Funders may, by mutual consent, review and modify the funding assistance allocation, within the total outlined in Section 1.2, before September 30 in any year.

4.3 The Parties shall agree to meet six months prior (June 2024) to the expiration of the current Service Agreement to negotiate renewal of a future funding agreement.

4.4 Any one of the Funders or the Library, by giving written notice to the other parties before September 30 in any year, may terminate or modify their participation in this Service Agreement, effective December 31 of that year.

4.5 In the event any party provides notice of termination or a modification from the Service Agreement, all Funders will agree to meet within 30 days to discuss the reasons for the termination or modification, the impact it will have on funding and the library service, and the terms of this Service Agreement.

4.6 If any of the Funders withdraws from this Service Agreement, and in the event that “additional” capital or one-time special operating projects funding has been approved over more than one year, regardless of withdrawal all parties commit to their share of the “additional” capital or one-time special operating projects funding.

5.0 Dispute Resolution

5.1 Mediation

Where there is an unresolved dispute arising out of this Service Agreement, then, within 7 days of written notice from one party to the other, or such time as agreed to by both parties, the parties will participate in good faith in order to resolve and settle the dispute. In the event that the parties are unable to resolve the dispute within 14 days of the first written notice, or such other time period agreed to by both parties, each party will agree to use a mutually agreed upon independent mediation practitioner versed in the resolution of commercial disputes. Each party will bear their own costs of the mediation process.

5.2 Arbitration

The parties may, by mutual agreement, participate in resolving all unresolved disputes arising out of or in connection with this Service Agreement, or in respect of any legal relationship associated therewith, or derived or entered into, by arbitration. Arbitrator shall be mutually agreed upon by the participants. Matters not settled through the process in Section 5.1 within 45 days notice of the dispute may go to arbitration unless the parties agree to extend the 45 day period. Each party will bear its own costs of the arbitration regardless of the arbitrator’s decision. The Arbitrator’s decision will be final and binding on all parties.

Signatures

This Sechelt Library Funding and Service Agreement has been executed on behalf of the Local Government by the Mayor, Chair or Chief, and the duly authorized Corporate Officers pursuant to a resolution of Council in the case of a municipality or by a Board, with Area A, B, and D represented, in the case of a Regional District, and on behalf of the Sechelt Public Library by the Chair and the Chief Librarian.

SECHELT PUBLIC LIBRARY:)

_____)
Chair)

_____)
Director of Sechelt Public Library)

SUNSHINE COAST REGIONAL)
DISTRICT:)

_____)
Chair)

_____)
Director Area A – Egmont/Pender Harbour

_____)
Corporate Officer)

_____)
Director Area B – Halfmoon Bay

_____)
Director Area D – Roberts Creek

SECHELT INDIAN GOVERNMENT)
DISTRICT:)

_____)
Chief)

_____)
Chief Administrative Officer)

DISTRICT OF SECHELT:)

_____)
Mayor)

_____)
Corporate Officer)

SCHEDULE 'A'

Description of Library Services

1. Open to the public library service at forty two (42) hours of service per week and approximately 2100 hours of service per year. The funders recognise in the event that funding is unavailable at the levels outlined in this agreement, that the Library reserves the right to reduce hours of service to fit the approved funding level. The Library agrees to consult with the funders in setting the level of service.
2. Access to continuously updated collection of physical and digital items; books, audiobooks, magazines, newspapers, DVDs and video games. Acquisitions with patron driven collection development.
3. Unlimited interlibrary loan. No limits per person or weekly, monthly, yearly limits. No non-pick up fees. Access to provincial and interprovincial resources. Access to the physical collections of member libraries of InterLINK.
4. Business services, printing, fax, copying, scanning. Small business and employment-seeking support.
5. Services for people who are print impaired: large print, audiobook on CD, audiobook player, ebook player with enlarged font, e-audiobook with staff assistance when needed.
6. BC one card convenience. BC one card enables patrons to drop off materials at any library in the province.
7. Reference desk, reader's advisory, internet help, government information. Federal, provincial and local government information dissemination.
8. Access to public computers and Wi-Fi with technical and customer service support. Providing training to the public on internet use and downloading library digital resources.
9. Supporting the community through informal learning opportunities, information, recreation and social interaction. Offering adult, young adult, and children's programmes such as Summer Reading Program (Provincial) for children and young adults.
10. Outreach services to children. Supporting the larger community through promotion of various literacies and providing opportunities for parents and children to learn; reading, making, STE(A)M (Science, Technology, Engineering, Art & Math) and kinetic learning. Provision of children's reading materials, audio-visual, language learning, and literacy kits.
11. Reaching out to under-served populations within the Community:
 - a. First Nations services: weekly visits by children's librarian with new library material to support literacy development, maintain current and complete collection of local First Nations material, support any groups such as First Nations study groups, and liaison with First Nations education department. Providing space, organization and access to Sechelt First Nation collections.

- b. Pender Harbour Reading Room services: courier service, internet connection provision, support through donation of materials and providing administrative expertise when requested. Increasing digital resources to create more convenience for patrons and to overcome geographical barriers.
12. Marketing of library services and events using traditional and social media. Promotion of essential community information and services. Maintenance of library website.
13. Collaboration with libraries, schools, colleges, universities, literacy groups and other non-profits in the Region and the Province. Membership in many professional library groups.
14. Use of vendors for the purposes of augmenting public programming.
15. Supporting fundraising activities through Friends of the Library.
16. Maintenance of safe, clean, and organized facilities for public use.

Library Reporting

1. The following reports for a given year will be available for distribution to the Funders by May 15th of the following year:
 - a. Statement of Financial Information along with engagement report
 - b. Annual Grants Report
 - c. Annual Survey Report
 - d. Strategic Plan
 - e. Annual Library Report
 - f. Statement of Surplus and Intended Uses.

SCHEDULE 'B'

Library Apportionment Calculation

1. Population 2020, 2021, 2022
Population based on the 2016 Census

	Area A	Area B	DOS	SIGD	Area D	Total
Population	2624	2726	10216	671	3421	29970

2. Population 2023
Population for calculation to be based on 2021 Census

3. Calculation of Local Government funding

2020

Sechelt Public Library 2020 Budget request of \$828,720 be approved and allocated for the Local Government Funders as follows:

- Electoral Area A [643] - \$48,803 (33% of population served for basis of funding at 4.4% increase on 2019 funding plus shortfall of Electoral Areas B and D to 4.4%);
- Electoral Area B [645] - \$140,583 (100% of population served for basis of funding at 3.0% increase on 2019 funding);
- Electoral Area D [646] - \$87,784 (50% of population served for basis of funding at 2.5% increase on 2019 funding);
- District of Sechelt - \$ 536,758 (100% of population served for basis of funding approved);
- Sechelt Indian Government District – (42% of population served for basis of funding approved);

2021

Sechelt Public Library 2021 Budget request of \$849,438 be approved and allocated for Local Government Funders as follows:

- Electoral Area A [643] - (33% of population served for basis of funding approved);
- Electoral Area B [645] - (100% of population served for basis of funding approved);
- Electoral Area D [646] - (50% of population served for basis of funding approved);
- District of Sechelt -(100% of population served for basis of funding approved);
- Sechelt Indian Government District - (42% of population served for basis of funding approved);

2022

Sechelt Public Library 2021 Budget request of \$883,416 be approved and allocated for Local Government Funders as follows:

- Electoral Area A [643] - (33% of population served for basis of funding approved);
- Electoral Area B [645] - (100% of population served for basis of funding approved);
- Electoral Area D [646] - (50% of population served for basis of funding approved);
- District of Sechelt -(100% of population served for basis of funding approved);

- Sechelt Indian Government District - (43% of population served for basis of funding approved);

2023

Sechelt Public Library 2021 Budget request of \$909,918 be approved and allocated for Local Government Funders as follows:

- Electoral Area A [643] - (33% of population served for basis of funding approved);
- Electoral Area B [645] - (100% of population served for basis of funding approved);
- Electoral Area D [646] - (50% of population served for basis of funding approved);
- District of Sechelt -(100% of population served for basis of funding approved);
- Sechelt Indian Government District - (44% of population served for basis of funding approved);

2024

Sechelt Public Library 2021 Budget request of \$937,216 be approved and allocated for Local Government Funders as follows:

- Electoral Area A [643] - (33% of population served for basis of funding approved);
- Electoral Area B [645] - (100% of population served for basis of funding approved);
- Electoral Area D [646] - (50% of population served for basis of funding approved);
- District of Sechelt -(100% of population served for basis of funding approved);
- Sechelt Indian Government District - (45% of population served for basis of funding approved);

2025

Sechelt Public Library 2021 Budget request of \$965,332 be approved and allocated for Local Government Funders as follows:

- Electoral Area A [643] - (33% of population served for basis of funding approved);
- Electoral Area B [645] - (100% of population served for basis of funding approved);
- Electoral Area D [646] - (50% of population served for basis of funding approved);
- District of Sechelt -(100% of population served for basis of funding approved);
- Sechelt Indian Government District - (46% of population served for basis of funding approved).

FUNDING AND SERVICE AGREEMENT

SECHELT PUBLIC LIBRARY

This Memorandum of Understanding dated for reference the 8th day of **January, 2014**.

BETWEEN:

SUNSHINE COAST REGIONAL DISTRICT

As Represented by:

Area A- Egmont/Pender Harbour;

Area B- Halfmoon Bay; and

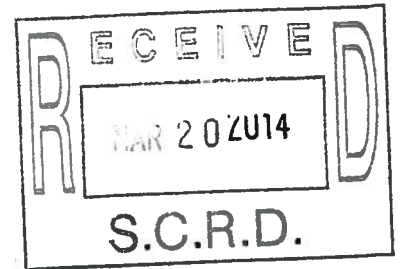
Area D- Roberts Creek

1975 Field Road

Sechelt, BC

V0N 3A1

(the "Regional District")



AND:

THE SECHELT INDIAN GOVERNMENT DISTRICT

Box 740

Sechelt, BC

V0N 3A0

(the "SIGD")

AND:

THE DISTRICT OF SECHELT

Box 129

Sechelt, BC

V0N 3A0

(the "District")

(referred to collectively as the "Funders")

AND:

SECHELT PUBLIC LIBRARY

Box 2104

Sechelt, BC

V0N 3A0

(the "Library")

WHEREAS:

- A. The Regional District and the District have the authority under Section 176(1)(c) of the *Local Government Act* "to provide assistance for the purposes of benefitting the community or any aspect of the community" and under Section 21(a) of the *Community Charter* "to provide assistance to a business in accordance with the agreement".
- B. In addition, the Regional District and District have established library services for Halfmoon Bay and Roberts Creek under Section 796 of the *Local Government Act* "a regional district may operate any service the Board considers necessary or desirable for all or part of the regional district".
- C. SIGD has the authority under the *Sechelt Indian Band Self-Government Act* and the *Sechelt Indian Government District Enabling Act* to provide assistance for the purposes of benefitting the community.
- D. The Funders wish to enter into a five year Funding and Service Agreement (the "Service Agreement") with the Library for the purpose of providing library services as noted in Schedule A.
- E. The authority under legislation to grant assistance includes the ability to provide a grant-in-aid and the Funders wish to provide certainty up to and including the year 2018 under this Service Agreement.
- F. The Library is an Association, formed by the Province of British Columbia, under the "Library Act", and has the authority to enter into this Service Agreement, and has authority to enter into this agreement under Section 2(1).

NOW THEREFORE, in consideration of the mutual promises set out herein, the parties agree as follows:

1.0 Funding Commitment

- 1.1 The Funders' objective for funding the Library, will be to move toward parity for local government support per capita as shown in the *Ministry of Education British Columbia Public Libraries Statistics as updated from time to time*.

1.2 The Funders shall provide assistance to the Library, within the ‘terms’ set out in Section 4.0, in the years 2014 to 2018 inclusive. In 2013 the Funders’ assistance will be in the amount of \$504,558 which includes \$34,927 one time funding. In years 2014 to 2018, the Funders’ assistance will increase per annum based on the 2013 base amount of \$469,631 as shown below, and payable as per related agreement:

	Base Amount	2013	2014	2015	2016	2017	2018
Area A	\$ 22,338	\$ 25,103	\$ 23,679	\$ 25,099	\$ 26,605	\$ 28,202	\$ 29,894
Area B	\$ 90,695	\$ 105,664	\$ 96,136	\$ 101,905	\$ 108,019	\$ 114,500	\$ 121,370
Area D	\$ 51,886	\$ 58,439	\$ 54,999	\$ 58,299	\$ 61,797	\$ 65,505	\$ 69,435
SIGD	\$ 8,395	\$ 10,095	\$ 8,899	\$ 9,433	\$ 9,999	\$ 10,599	\$ 11,234
DOS	\$ 296,317	\$ 305,257	\$ 314,096	\$ 332,942	\$ 352,918	\$ 374,093	\$ 396,539
Total	\$ 469,631	\$ 504,558	\$ 497,809	\$ 527,677	\$ 559,338	\$ 592,898	\$ 628,472

1.3 The Funders will pay the amounts outlined in Section 1.2 over four payments, each at the beginning of each quarter as follows; 30% for each of the first two quarters and 20% for each of the last two quarters.

1.4 The Funders will meet with the Library in October of each year at a Library Planning Meeting (the “Meeting”).

2.0 The Library Agrees

2.1 The Library shall provide the library services set out in Schedule A to all residents within the jurisdictional boundaries of the Funders. Unless specifically indicated otherwise, such services shall be provided free of charge. The Library acknowledges and agrees that the funds provided pursuant to this Service Agreement shall only be used for the purpose of operating the library.

2.2 The Library shall not assign any services, as outlined in Schedule A, during the term of the agreement, unless mutually agreed upon by the Funders. All Parties acknowledge this will be a modification of the agreement, and executed per Section 4.0.

2.3 The Library shall provide a preliminary report on the current year’s operating results and the coming years budget to the Funders at the “Meeting”, and final operating results report by February 21st of each year detailing how the funds were used for the previous year as set out in Schedule A.

- 2.4 The Library, should there be a surplus of funds (10% or less of operating expenses), will provide details to the Funders of how the surplus will be used, as outlined in Schedule A.
- 2.5 If there is a reduction of Library Services, due to unforeseen events, which causes a significant surplus (10% or more of operating expenses), the funders reserve the right to reduce or reallocate funding by an agreed to amount for the following year. If a reduction is made, Funders agree to share in the reduction on the same percentage allocation as per funding allocation outlined in Section 1.2 of this Service Agreement.
- 2.6 Requests for "additional" capital or one-time special operating projects outside of the funding provided per Section 1.2 will be dealt with at the Meeting. All "additional" funding requests from the Library to the Funders will be presented with an individual business case analysis, to be reviewed at the Meeting. In the event of a surplus, consideration of funding for capital or one-time special operating projects, must first come from surplus funds.
- 2.7 The Library shall indemnify and hold harmless the Funders, and its directors, councillors, officers, employees, successors and assigns, against and from any and all actions, causes of actions, claims, suits, costs and expenses of any kind arising from any property damage, or personal or bodily injury, arising from or connected with the provision of the Library Services, and for any breach of this Service Agreement by, or from any act or omission of the Library or its invitees, licensees, employees, agents, contractors, officers or any other person for whom the Library is liable, provided that claims, damages, losses, costs and expenses arising out of the independent negligent acts of the Funders shall be exempt from the indemnification provisions of this Service Agreement.
- 2.8 No provision or purpose of this Service Agreement shall be construed to create a partnership or joint venture relationship, or an employer-employee, landlord-tenant or principal agent relationship between the Funders and the Library.
- 2.9 Under the terms of the Library Lease Agreement and pertaining to the Landlord / Tenant relationship, Sections 2.7 and 2.8 would not apply to the District.

3.0 Counterparts

3.1 This Service Agreement may be executed in any number of original counterparts, with the same effect as if all the Funders had signed the same document, and will become effective when one or more counterparts have been signed by all the Funders and delivered to each of the Funders. All counterparts shall be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, shall be deemed to be dated the reference date set out above, and only one of which need to be produced to any purpose.

4.0 Terms

4.1 This Service Agreement may be renewed, modified or terminated only with the express written consent of each party.

4.2 The Funders may, by mutual consent, review and modify the funding assistance allocation, within the total outlined in Section 1.2, before September 30th in any year.

4.3 The Parties shall agree to meet six months prior (July 2018) to the expiration of the current Service Agreement to negotiate renewal of a future funding agreement.

4.4 Any one of the Funders or the Library, by giving written notice to the other parties before September 30th in any year, may terminate or modify their participation in this Service Agreement, effective December 31st of that year.

4.5 In the event any party provides notice of termination or a modification from the Service Agreement, all Funders will agree to meet within 30 days to discuss the reasons for the termination or modification, the impact it will have on funding and the library service, and the terms of this Service Agreement.

4.6 If any of the Funders withdraws from this Service Agreement, and in the event that "additional" capital or one-time special operating projects funding has been approved over more than one year, regardless of withdrawal all parties commit to their share of the "additional" capital or one-time special operating projects funding.

5.0 Dispute Resolution

5.1 Mediation

Where there is an unresolved dispute arising out of this Service Agreement, then, within 7 days of written notice from one party to the other, or such time as agreed to by both parties, the parties will participate in good faith in order to resolve and settle the dispute. In the event that the parties are unable to resolve the dispute within 14 days of the first written notice, or such other time period agreed to by both parties, each party will agree to use a mutually agreed upon independent mediation practitioner versed in the resolution of commercial disputes. Each party will bear their own costs of the mediation process.

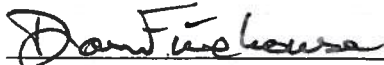
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Signatures


This Sechelt Library Funding and Service Agreement has been executed on behalf of the Local Government by the Mayor, Chair or Chief, and the duly authorized Corporate Officers pursuant to a resolution of Council in the case of a municipality or by a Board, with Area A, B, and D represented, in the case of a Regional District, and on behalf of the Sechelt Public Library by the Chair and the Chief Librarian.

SECHELT PUBLIC LIBRARY:



Chair



Chief Librarian

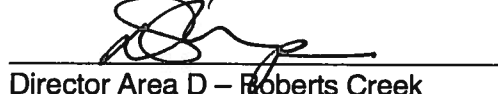
SUNSHINE COAST REGIONAL
DISTRICT:


Chair


Corporate Officer

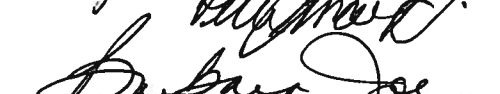

Director Area A - Egmont/Pender Harbour
FRANK MAURO


Director Area B - Halfmoon Bay
GARY NORTH



Director Area D - Roberts Creek
DONNA SUGAR

SECHELT INDIAN GOVERNMENT
DISTRICT:


Chief


Chief Administrative Officer

DISTRICT OF SECHELT:


Mayor


Corporate Officer

SCHEDULE 'A'

Description of Library Services

1. Open to the Public library service at forty two (42) hours of service per week and approximately 2100 hours of service per year. The funders recognise in the event that funding is unavailable at the levels outlined in this agreement, that the Library reserves the right to reduce hours of service to fit the approved funding level. The Library agrees to consult with the funders in setting the level of service.
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4. Business services, fax, copy, scanning. Small business and employment-seeking support.
5. Visually handicapped services: large print, audiobook on CD, ebook with enlarged font, e-audiobook with staff assistance when needed.
6. BC one card convenience. BC one card enables patrons to drop off materials at any library in the province.
7. Reference desk, reader's advisory, internet help, government information. Government liaison, federal, provincial and local government information dissemination and support for information gathering surveys.
8. Access to public computers and wi-fi with technical and customer service support. Providing training to the public on internet use and downloading digital resources.
9. Supporting the community through informal learning opportunities, information, recreation, and social interaction. Offering adult, young adult, and children's programmes such as Summer Reading Program (Provincial) for children and young adults and the CAP YI (Federal) for assisting the public with adapting to the digital environment.

10. Outreach services to children. Supporting the larger community through promotion of literacy and providing opportunities for parents and children to learn through reading. Provision of children's reading materials, audio-visual, language learning, and early literacy kits.
11. Reaching out to under-served populations within the Community:
 - a. First Nations services: weekly visits by children's librarian with new library material to support literacy development, maintain current and complete collection of local First Nations material, support any groups such as First Nations study groups, and liaison with First Nations education department. Providing space, organization and access to Sechelt Indian Band collections.
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13. Collaboration with libraries, schools, colleges, universities, literacy groups and other non-profits in the Region and the Province. Membership in many professional library groups.
14. Supporting fundraising activities through Friends of the Library and the Sechelt Public Library Foundation.
15. Maintenance of safe, clean, and organized facilities for public use.

Library Reporting

1. The following reports for a given year will be available for distribution to the Funders by May 15th of the following year:
 - a. Statement of Financial Information along with engagement report
 - b. Annual Grants Report
 - c. Annual Survey Report
 - d. Strategic Plan
 - e. Annual Library Report
 - f. Statement of Surplus and Intended Uses.

Sechelt Public Library
5 Year Budget Proposal Summary (2021-2025)

	2020	2021			2022			2023			2024			2025		
	Budget	Budget	\$ Change	% Change	Budget	\$ Change	% Change	Budget	\$ Change	% Change	Budget	\$ Change	% Change	Budget	\$ Change	% Change
REVENUES																
District of Sechelt	\$536,758	\$550,177	\$13,419	2.50%	\$572,184	\$22,007	4.00%	\$589,350	\$17,166	3.00%	\$607,030	\$17,680	3.00%	\$625,241	\$18,211	3.00%
Sunshine Coast Regional District (ABD)	\$277,170	\$284,099	\$6,929	2.50%	\$295,463	\$11,364	4.00%	\$304,327	\$8,864	3.00%	\$313,457	\$9,130	3.00%	\$322,861	\$9,404	3.00%
Sechelt Indian Government District	\$14,792	\$15,162	\$370	2.50%	\$15,768	\$606	4.00%	\$16,241	\$473	3.00%	\$16,729	\$488	3.00%	\$17,230	\$501	2.99%
Provincial and Federal Grants	\$80,562	\$80,587	\$25	0.03%	\$80,655	\$68	0.08%	\$80,724	\$69	0.09%	\$80,795	\$71	0.09%	\$80,867	\$72	0.09%
Donations and Other Grants	\$12,240	\$2,330	-\$9,910	-80.96%	\$2,330	\$0	0.00%	\$2,330	\$0	0.00%	\$2,330	\$0	0.00%	\$2,330	\$0	0.00%
Library Revenue	\$13,107	\$9,972	-\$3,135	-23.92%	\$12,075	\$2,103	21.09%	\$12,231	\$156	1.29%	\$12,390	\$159	1.30%	\$12,552	\$162	1.31%
Transfer from Surplus		\$44,764	\$44,764	0.00%	\$4,600	-\$40,164	-89.72%	\$0	-\$4,600	-100.00%	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL REVENUE	\$934,629	\$987,091	\$52,462	5.61%	\$983,075	-\$4,016	-0.41%	\$1,005,203	\$22,128	2.25%	\$1,032,731	\$27,528	2.74%	\$1,061,081	\$28,350	2.75%
EXPENSES																
Human Resources & Staff Development	\$724,807	\$764,940	\$40,133	5.54%	\$759,911	-\$5,029	-0.66%	\$772,910	\$12,999	1.71%	\$790,449	\$17,539	2.27%	\$811,864	\$21,415	2.71%
Materials and Delivery of Materials	\$118,242	\$121,950	\$3,708	3.14%	\$124,070	\$2,120	1.74%	\$127,249	\$3,179	2.56%	\$129,247	\$1,998	1.57%	\$136,644	\$7,397	5.72%
Building	\$32,054	\$32,000	-\$54	-0.17%	\$33,060	\$1,060	3.31%	\$34,733	\$1,673	5.06%	\$35,540	\$807	2.32%	\$36,447	\$907	2.55%
Computer and Information Technology	\$12,546	\$15,790	\$3,244	25.86%	\$16,165	\$375	2.37%	\$17,552	\$1,387	8.58%	\$18,410	\$858	4.89%	\$18,995	\$585	3.18%
Office, Communications and Other	\$47,308	\$47,804	\$496	1.05%	\$49,775	\$1,971	4.12%	\$52,085	\$2,310	4.64%	\$59,055	\$6,970	13.38%	\$57,045	-\$2,010	-3.40%
TOTAL EXPENSES	\$934,957	\$982,484	\$47,527	5.08%	\$982,981	\$497	0.05%	\$1,004,529	\$21,548	2.19%	\$1,032,701	\$28,172	2.80%	\$1,060,995	\$28,294	2.74%

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – February 25, 2021

AUTHOR: Shane Walkey, Manager, Utility Services

SUBJECT: EASTBOURNE WATER SYSTEM OPERATION AND MAINTENANCE - CONTRACT TERM EXTENSION

RECOMMENDATION(S)

THAT the report titled Eastbourne Water System Operation and Maintenance - Contract Term Extension be received;

AND THAT the contract with Keats Island Construction and Services Ltd. for Eastbourne Water System Operations and Maintenance be extended for an additional two (2) year period in the amount of \$160,519.88 (plus GST),

AND THAT the delegated authorities be authorized to execute the contract;

AND FURTHER THAT the following recommendation be forwarded to the February 25, 2021 Regular Board Meeting.

BACKGROUND

The Sunshine Coast Regional District (SCRD) oversees the Eastbourne Water System (EWS) which provides potable water to the Eastbourne community consisting of approximately 170 lots. This small coastal neighborhood is located on the east side of Keats Island in Howe Sound.

The Regional District has historically contracted out the operation and maintenance of the EWS to a qualified contractor. Island accessibility and response time are the driving factors to contracting out this service. The responsibilities associated with operating and maintaining the EWS include water treatment, distribution maintenance, and installing water service connections.

On February 15, 2018, the SCRD entered into a contract agreement with Keats Island Construction and Services Ltd. to provide operations and maintenance services for the Eastbourne Water System for a 3-year term between March 1, 2018 and February 28, 2021. As per the original contract the SCRD (and proponent) have an option to extend the term of the contract for up to an additional two years subject to the Contractor's performance.

The purpose of this report is to review the performance of Keats Island Construction and Services (KICAS) over the previous contract term and discuss the pricing submission and option to extend the contract for an addition two (2) year term.

DISCUSSION

KICAS has provided the SCRD with operations and maintenance services of the EWS since 2007. The existing contract with KICAS (March 1, 2018 – February 28, 2021) is approaching the

end of the contract period and staff have remained satisfied with the service levels and performance provided by KICAS. The contract with KICAS has allowed the SCR D to maintain efficient and reliable water services levels to the residents of Keats Island.

Options and Analysis

Staff are content with the level of service and quality of reports and communication from KICAS during the term of the existing three (3) year contract. KICAS’ qualified water technical staff are local residents of Keats Island and due to their proximity to the water system are able to offer reliable and prompt service and competitive pricing.

Upon request, KICAS has provided the SCR D with proposed pricing for the following two (2) additional periods for the consideration of staff and the Board:

- March 1, 2021 – February 28, 2022
- March 1, 2022 – February 28, 2023

Financial Implications

Table 1 shows the overall pricing increase(s) since the initial three (3) year contract that began in 2018 and the proposed pricing increases for 2021-2023.

Table 1: Keats Island Construction and Services Ltd. Pricing Comparison (\$)

Item		Mar 1, 2018 – Feb 28, 2019	Mar 1, 2019 – Feb 28, 2020	Mar 1, 2020 – Feb 28, 2021	Mar 1, 2021 – Feb 28, 2022	Mar 1, 2022 – Feb 28, 2023
Annual O&M		\$43,860.00	\$44,737.20	\$45,631.94	\$46,544.52	\$47,475.36
As required	Water Service Connection (each)	\$1957.90	\$1970.58	\$2009.99	\$2,050.19	\$2,091.19
As required	Transportation for SCR D Staff (per trip)	\$108.00	\$110.00	\$112.00	\$114.24	\$116.52
As required	Labour for emergency repairs (per hour)	\$70.00	\$71.40	\$72.83	\$74.29	\$75.77

The overall percentage (%) increase for the additional two (2) year term is a 2% increase per period. This increase is reasonable and is consistent with average historical inflationary increases.

Additional services (see ‘As required’ amounts in Table 1 above) required in the Eastbourne Water System are duties or tasks not specifically identified as part of normal operations and maintenance under the Eastbourne Water Treatment and Water Distribution O&M Manual. These ‘extras’ such as new water service or meter installations, emergency water line repairs or

nonstandard sampling or reporting on average have totaled approximately \$25,000 - \$30,000 per year. In order to properly account for these anticipated annual amounts, staff recommend that values for additional services be incorporated into the proposed two (2) additional contract years as identified in Table 2: Contract Value Details.

Table 2: Contract Value Details

	Annual Cost
Contract Extension – Year 1 (March 1, 2021 – Feb 28, 2022)	
Annual O&M (\$3,878.71 @ 12 months)	\$46,544.52
Additional Services and/or Extras (12 months)	\$32,500
Contact Extension – Year 1 Total	\$79,044.52
Contract Extension – Year 2 (March 1, 2022 – Feb 28, 2023)	
Annual O&M (\$3,956.28 @ 12 months)	\$47,475.36
Additional Services and/or Extras (12 months)	\$34,000
Contact Extension – Year 2 Total	\$81,475.36
Total Contract Value	\$160,519.88

Staff have found KICAS' pricing to be acceptable, competitive and recommend that the contract term be extended by an additional two (2) year term.

Timeline for next steps or estimated completion date

The current contract with KICAS expires on February 28, 2021. In order to maintain the provision of contracted O&M services for the Eastbourne Water System, the recommendation to extend the existing contract requires resolution at the February 25, 2021 Regular Board meeting.

STRATEGIC PLAN AND RELATED POLICIES

This report and recommendation are consistent with the Board's Purchasing Policy and social procurement.

CONCLUSION

The SCRDR entered into a three (3) year contract in 2018 with Keats Island Construction and Services Ltd. for operations and maintenance services for the Eastbourne Water System, which is set to expire on February 28, 2021. The contract includes the option to extend for up to two (2) additional annual periods.

Staff have reviewed the submission of updated pricing from KICAS and recommend exercising the right to extend the contract for an additional period of two (2) years with a maximum 2021-2022 and 2022-2023 annual upset value of \$160,519.88 (plus GST). The recommendations identified above should be forwarded to the February 25, 2021 regular Board meeting in order to

maintain the provision of contracted services for the O&M of the Eastbourne Water System prior to contract expiration on February 28, 2021. .

Reviewed by:			
Manager	X - S. Walkey	CFO/Finance	X-T-Perreault
GM	X – R. Rosenboom	Legislative	
CAO	X – D. McKinley	Purchasing	X-V. Cropp

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – February 25, 2021

AUTHOR: Stephen Misiurak, Manager, Capital Projects

SUBJECT: **CONTRACT FOR CHAPMAN CREEK WATER TREATMENT PLANT ONSITE HYPOCHLORITE GENERATION SYSTEM – UPDATE**

RECOMMENDATION(S)

THAT the report titled Contract for Chapman Creek Water Treatment Plant Onsite Hypochlorite Generation System - Update be received;

AND THAT the contract with Associated Engineering (B.C.) Ltd. for the Chapman Creek Water Treatment Plant Onsite Hypochlorite Generation System be increased by \$28,828 to \$117,171 (excluding GST);

AND THAT the delegated authorities be authorized to execute the contract;

AND FURTHER THAT this recommendation be forwarded to the February 25, 2021 Board meeting.

BACKGROUND

Currently, the Sunshine Coast Regional District (SCRD) has a contract with Associated Engineering Ltd. (AE) Inc. to complete the final design, preparation of tender ready construction documents, and provide construction management for the replacement of the current Water Treatment Plant Chlorine gas disinfection process which is a sodium hypochlorite generation or salt brine disinfection system. This project is funded from the \$691,824 budget approved by the Board for the Chapman Creek Water Treatment Plant Chlorination System Upgrade project as part of 2018 budget deliberations. The remainder of the budget is allocated for the actual construction of an onsite hypochlorite generation system.

The purpose of this report is to request an amendment to the contract with Associated Engineering Ltd to allow for an expansion of the project scope.

DISCUSSION

Project scope change

During the design of the hypochlorite system, it was determined in consultation with SCRD operations staff, the best suited location for the twin 1.8 m diameter x 3.65 high brine cylindrical containers was on the outside of the WTP building adjacent to the loading dock entrance. This location required the addition of geotechnical engineering services to evaluate the suitability of the subsurface conditions to support these heavy brine tanks. The original proposal for engineering services submitted by AE situated the brine tank assembly inside of the WTP.

Additional funding for the geotechnical services is required in order to determine the adequacy of the subsurface soil conditions at the exterior location.

Additionally, during the design of the Supervisory control and data acquisition (SCADA)/Telemetry control operation system, it was determined to properly integrate the replacement hypochlorite system into the WTP plant computerized control and plant operational control system, substantial and more complex computer controls and operational system integration would be required. Additional design expense is required to integrate this system into the overall WTP control and operational control system.

The current contract value for this design, tendering, and construction management services is \$88,343. The contract was based on the scope of work outlined in RFP 1937003 and is within existing budget. A summary of the breakdown of costs for this project and the additional costs are included in Table 1.

Table 1. Current project cost breakdown.

Project Task	Fee	Budget
Final Design, tendering, and construction management services.	\$88,343	
Additional Geotechnical Services	\$16,755	
Additional SCADA/Telemetry Control Services	\$12,073	
Total	\$117,171	\$691,824

Financial Implications

If this contract amendment is supported by the Board, the updated contract value would be \$117,171 and would not exceed the approved budget of \$691,824 as included in the draft 2021-2025 Financial Plan.

At the 2021 Round 1 Budget deliberations the Board recommended to approve and incorporated the following budget proposal in the 2021 Round 2 budget:

- Budget Proposal 3 – Chapman Creek Water Treatment Plant Chlorine Upgrades, \$1,000,000 funded from Capital Reserves.

This budget proposal is to fund the increased costs of the construction of the onsite hypochlorite generation system.

Timeline for next steps or estimated completion date

Following Board adoption, staff will prepare an amended contract for signing by the delegated authorities.

Completion of the final design, and tendering is anticipated to occur in Q2 2021. A separate construction contract will be procured in late Q2, or early Q3 2021.

STRATEGIC PLAN AND RELATED POLICIES

N/A

CONCLUSION

The purpose of this report is to seek approval to amend the SCRD's contract with Associated Engineering Ltd. to allow for the completion of preliminary design, and tendering services for the Chapman Creek water treatment plant onsite hypochlorite generation. The amended contract value would be \$117,171 (excluding GST), which is less than the approved budget of \$691,824.00.

Reviewed by:			
Manager		Finance	X-T.Perreault
GM	X – R. Rosenboom	Legislative	
CAO	X – D. McKinley	Purchasing	X-V. Cropp

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – February 25, 2021

AUTHOR: Robyn Cooper, Manager, Solid Waste Services

SUBJECT: ECO-FEE RESERVE FUND CONSIDERATIONS

RECOMMENDATION(S)

THAT the report titled Eco-Fee Reserve Fund Considerations be received;

AND THAT staff prepare a 2021 Round 2 Budget Proposal to increase the portion of the Solid Waste Program Coordinator position being funded from taxation from 50% to 100%;

AND THAT Budget Proposals for Waste Composition Study, Solid Waste Management Plan Update and Audit of South Coast Green Waste Drop-off Depot deferred from Round 1 be amended for Round 2 to be funded from Eco-Fee Reserves;

AND THAT staff bring forward a report in Q4 2021 regarding the Home Composter Rebate Program regarding whether or not to continue the program in 2022;

AND THAT the Waste Reduction Initiatives Program be cancelled for 2021 and brought forward to the 2022 Budget deliberations with funding from taxation;

AND FURTHER THAT these recommendations be forwarded to the February 25, 2021 Board Meeting.

BACKGROUND

At the February 5, 2021 Round 1 Budget discussion, the Board made the following recommendations:

Recommendation No. 54 *Regional Solid Waste [350] – 2021 R1 Budget Proposals (in part)*

THAT the following budget proposals be referred to 2021 Round 2 Budget pending staff report to a February 2021 Committee Meeting regarding an update to the Eco-Fee Reserves:

- Budget Proposal 10 – Waste Composition Study (including options pertaining to the scope of the study (e.g. Commercial versus Residential service) and frequency of the data collection;
- Budget Proposal 11 – Solid Waste Management Plan Update, \$150,000 funded through Taxation.

Recommendation No. 57 *Regional Solid Waste [350] – 2021 R1 Budget Proposals (in part)*

THAT the following budget proposal be approved and incorporated into the 2021 Round 2 Budget with a report back at 2021 Round 2 Budget investigating the use of Eco-Fee Reserves or other sources of funding available:

- Budget Proposal 16 – Audit of South Coast Green Waste Drop-off Depot (Base Budget Increase), \$6,200 funded through Taxation;

These recommendations will be brought forward for adoption at the February 25, 2021 Board meeting.

While recognizing that these recommendations have not yet been adopted, the purpose of this report is to share the findings of the requested review of the SCRD's Eco-Fee Reserve, Bylaw 670.

DISCUSSION

History of Eco-Fee Reserves

In 2011, during the development of the SCRD's Solid Waste Management Plan (SWMP), it was recognized that to implement the Plan's initiatives additional funding and staffing resources were required.

To create an additional funding source, an Eco-Fee Reserve with a funding model of \$5 per tonne of the tipping fees from municipal solid waste (MSW) was adopted by the Board as per resolution 440/11. The annual contributions vary based on the tonnage of Municipal Solid Waste (MSW). In 2020, the contribution was approximately \$63,000 and the current Eco-Fee Reserve balance is \$283,470.

On November 22, 2012, the Eco-Fee Reserve Fund was adopted as the "Sunshine Coast Regional District Zero Waste Initiatives Operating Reserve Fund Establishment Bylaw" No. 670, 2012, commonly known as Eco-Fee Reserve. A copy of Bylaw 670 is included as Attachment A.

Bylaw No. 670 indicates that monies in the Reserve Fund shall only be used for:

- a) Unanticipated expenditures for operations;
- b) Funding one-time projects;
- c) Mitigation of sudden and marked increases to taxation and/or fees.

The original Board direction (resolution 172/11) specifies that the use of Eco-Fee Reserves is for the implementation of waste reduction initiatives under the SWMP.

The Ministry of Municipal Affairs and Housing recently confirmed that the use of the funds must align with the intent for which the monies were collected and the bylaw was established. This means that the use of Eco-Fee reserves is limited to waste reduction and waste diversion initiatives outlined in the Solid Waste Management Plan, per Board policy direction, and may be used for unanticipated expenditures for operations, funding one-time projects, and mitigation of

sudden and marked increases to taxation and/or fees, in accordance with the reserve fund bylaw.

Review of Current Use of Eco-Fee Reserves and Alignment with Bylaw 670

To support the implementation of the SWMP, a new permanent position (Zero Waste Coordinator, currently called Solid Waste Programs Coordinator) was approved by the Board in 2012 (resolution 143/12) and since 2013, the position has been funded 50% from Eco-Fee Reserves (resolution 395/12) and 50% from taxation from [350] Regional Solid Waste. Based on the above-mentioned interpretation of the bylaw, the partial funding of this position does not align with Bylaw 670. This situation should be rectified.

In 2015, the Board decided to use Eco-Fee Reserves to fund the Waste Reduction Initiatives Program (WRIP) at \$5,000 per year. The WRIP is in place to provide funding to community groups, non-profit societies, registered charitable organizations and school groups for projects that contribute to waste reduction or that divert materials from the landfill. This is not a one-time project and does not align with Bylaw 670 and hence this situation should be rectified.

As part of the 2020 budget process the Board approved funding a Home Composting Rebate Program in the amount of \$10,000 per year (to be initiated in Q2 2021.) This is not a one-time project and does not align with Bylaw 670 and hence this situation should be rectified. The Home Composter Rebate Program is an initiative identified in the Regional Organics Diversion Strategy.

Review of 2021 Budget Proposals and Alignment with Bylaw 670

When reviewing funding options for the 2021 R1 Budget Proposals for a Waste Composition Study, the Solid Waste Management Plan Update and Audit of the South Coast Green Waste Drop-off Depot, all three meet the criteria of one-time projects focused on reducing the amount of waste created and landfilled and hence qualify for funding from the Eco-Fee Reserves.

Options and Analysis

Based on the above, staff recommend funding the Waste Composition Study, Solid Waste Management Plan Update and the Audit of South Coast Green Waste Drop-off Depot from Eco-Fee Reserves, which will mitigate taxation to fund these projects.

For the Solid Waste Program Coordinator position, staff recommend that a 2021 R2 Budget Proposal be prepared to increase the portion that this position is funded from taxation from 50% to 100%. This position is integral to the Solid Waste Services Division and should this role be reduced to 0.5 FTE (currently approved funding from taxation), the entire Solid Waste work plan would be affected and all waste reduction and waste diversion initiatives would be significantly delayed.

For the Waste Reduction Initiatives Program (WRIP), given the current pandemic, staff anticipate low likelihood of receiving applications and thus staff recommend that WRIP be cancelled for 2021 and brought forward to the 2022 budget deliberations with funding from taxation. As well, cancelling WRIP for 2021 is an opportunity to lower taxation.

For the Home Composter Rebate Program, staff recommend funding this in 2021 from Eco-Fee Reserves as a one-time project and to report back in Q4 2021 regarding whether or not to continue the program in 2022 and onwards funded from taxation. Should there be interest in continuing this program beyond 2021, then this program could be brought forward to the 2022 budget deliberations. Alternatively, the Board could decide to delay the initiation of this program to 2022 or cancel the program altogether.

Financial Implications

There is currently an opening balance of \$277,470 in the Eco-Fee Reserves with an anticipated \$63,000 in contributions in 2021. This results in an estimated total of \$340,470 of available Eco-Fee Reserves for 2021.

The following is a list of projects or programs for consideration of funding from Eco-Fee Reserves. If they are not funded by Eco-Fee Reserves, then they would be funded from taxation.

- 2021 R1 Budget Proposal Solid Waste Management Plan Update \$150,000;
- 2021 R1 Budget Proposal Waste Composition Study - \$100,000; and
- 2021 R1 Budget Proposal Audit of South Coast Green Waste Drop-off Depot - \$6,200.

The following initiative meets the criteria to be funded from the Eco-Fee Reserve if implemented as a one-time project. This would require a change to the draft 2021 -2025 Financial Plan in terms of funding and permanency of the initiative.

- Home Composter Rebate Program - \$10,000 annually (to be initiated in Q2 2021)

The following ongoing initiatives do not meet the criteria to be funded from the Eco-Fee Reserve and are recommended to be funded from taxation.

- Solid Waste Programs Coordinator - \$42,000 annually; and
- Waste Reduction Initiatives Program - \$5,000 annually.

The listed recommendations would result in a net decrease in required taxation of \$214,200 compared to the proposals as presented at the 2021 R1 deliberations. The anticipated 2021 closing balance for the Eco Reserves would be approximately \$74,270.

Summaries of the recommended changes are provided in the two tables below.

Table 1 – Summary of Eco-Fees vs Taxation for Recommended Changes

Budget Item	Proposed at Round 1		Recommended Changes for Round 2	
	Eco-Fees	Taxation	Eco-Fees	Taxation
Solid Waste Programs Coordinator	\$42,000	-	-	\$42,000
Waste Reduction Initiatives Program	\$5,000	-	-	-
Home Composter Rebate Program	\$10,000	-	\$10,000	-
SWMP Update	-	\$150,000	\$150,000	-
Waste Composition Study	-	\$100,000	\$100,000	-
Audit South Coast Green Waste		\$6,200	\$6,200	-
Totals	\$57,000	\$256,200	\$266,200	\$42,000

Table 2 – Summary of Eco-Fees Operating Reserve Plan with Recommended Changes

Five-Year Operating Reserve Plan - Eco Fees					
	2021	2022	2023	2024	2025
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in reserve	\$ 277,470	\$ 74,270	\$ 137,270	\$ 200,270	\$ 263,270
Contributions	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000
SWMP Update	-\$ 150,000				
Waste Composition Study	-\$ 100,000				
Audit South Coast Green Waste	-\$ 6,200				
Home Composter Rebate Prog.	-\$ 10,000				
Closing Balance in Reserve	\$ 74,270	\$ 137,270	\$ 200,270	\$ 263,270	\$ 326,270

Timeline for next steps

Should the Board support utilizing Eco-Fee Reserves to fund the one-time projects previously mentioned, staff will:

- Amend the 2021 Budget Proposals for the Waste Composition Study, the Update of the Solid Waste Management Plan and the Audit of the South Coast Green Waste Drop-off Depot accordingly and bring them forward to 2021 R2 Budget deliberations.

For the projects that do not meet the criteria, staff recommend proceeding with the Solid Waste Programs Coordinator at 1.0 FTE. Staff therefore will:

- Bring forward a 2021 R2 Budget Proposal to increase the portion of this position being funded from taxation from 50% to 100%.

For the Home Composter Rebate Program, staff will initiate the program in Q2 2021 as a one-time project and report back in Q4 2021 regarding the outcome and seek direction whether or not to continue in 2022.

STRATEGIC PLAN AND RELATED POLICIES

The Eco-Fee Reserve was created to support the implementation of the initiatives in the SWMP.

CONCLUSION

Bylaw 670 indicates how the monies in the Eco-Fee Reserve Fund shall be used. When reviewing funding options for the 2021 R1 Budget Proposals, staff received confirmation from the Ministry of Municipal Affairs and Housing that the use of the funds must align with the intent for which the monies were collected and the bylaw was established. This means that the use of Eco-Fee reserves is limited to waste reduction and waste diversion initiatives outlined in the Solid Waste Management Plan.

As a result, the 2021 R1 Budget Proposals for a Waste Composition Study, the Solid Waste Management Plan Update and Audit of the South Coast Green Waste Drop-off Depot, all meet the criteria of one-time projects focused on reducing the amount of waste created and landfilled and hence qualify for funding from the Eco-Fee Reserves.

However, staff have also determined that two ongoing initiatives do not meet the criteria to be funded from the Eco-Fee Reserve. More specifically, the Solid Waste Programs Coordinator position which 50% is currently funded from Eco-Fee Reserves and the Waste Reduction Initiatives Program fully funded from Eco-Fee Reserves. It is recommended that moving forward these initiatives be funded from taxation.

The listed recommendations would result in a net decrease in required taxation of \$214,200 compared to the proposals as presented at the 2021 R1 deliberations. The anticipated 2021 closing balance for the Eco Reserves would be \$74,270.

Attachments:

A – SCR D Eco-Fee Reserve Bylaw 670

Reviewed by:			
Manager		CFO/Finance	X-T. Perreault
GM	X.- R. Rosenboom	Legislative	X – S. Reid
CAO	X – D. McKinley	Other	

SUNSHINE COAST REGIONAL DISTRICT

BYLAW NO. 670

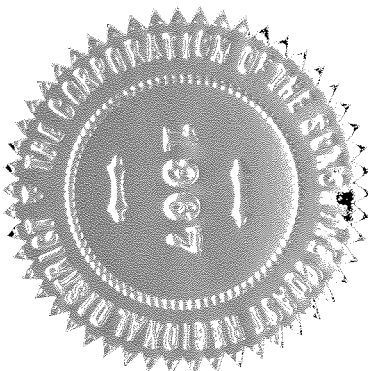
A BYLAW TO ESTABLISH AN OPERATING RESERVE FUND FOR ZERO WASTE INITIATIVES

WHEREAS pursuant to Section 814 of the Local Government Act, the Board of the Regional District may, by bylaw, establish a reserve fund under Section 188 of the Community Charter;

NOW THEREFORE, the Board of the Sunshine Coast Regional District in open meeting assembled, enacts as follows:

- 1. The Bylaw may be cited as the "Sunshine Coast Regional District Zero Waste Initiatives Operating Reserve Fund Establishment Bylaw No. 670, 2012".
2. There shall be and is hereby established a reserve fund to be known as the Zero Waste Initiatives Operating Reserve Fund (the "Reserve Fund").
3. Money from current revenues or, as available, from General revenue surplus, or as otherwise provided in the Local Government Act, may from time to time, be paid into the Reserve Fund.
4. The monies set aside shall be deposited in a separate account, and until required to be expended, may be invested in the manner provided by the Local Government Act.
5. Monies in the Reserve Fund shall only be used for:
a) Unanticipated expenditures for operations;
b) Funding one time projects;
c) Mitigation of sudden and marked increases to taxation and/or fees.

READ A FIRST TIME this 22nd day of November, 2012
READ A SECOND TIME this 22nd day of November, 2012
READ A THIRD TIME this 22nd day of November, 2012
ADOPTED this 22nd day of November, 2012



[Signature]
CORPORATE OFFICER

[Signature]
CHAIR

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – February 25, 2021

AUTHOR: Brad Wing, Manager, Financial Services

SUBJECT: DISTRICT OF SECHELT PARCEL TAX ROLL – SEAWATCH NEIGHBOURHOOD

RECOMMENDATION(S)

THAT the report titled District of Sechelt Parcel Tax Roll - Seawatch Neighbourhood be received;

AND THAT the Regional Water Services Parcel Tax Roll for the District of Sechelt be amended to remove the 15 remaining properties in the Seawatch neighbourhood;

AND FURTHER THAT the Community Recreation Parcel Tax Roll for the District of Sechelt be amended to remove the 17 remaining properties in the Seawatch neighbourhood.

BACKGROUND

The Seawatch neighbourhood located in the District of Sechelt has been under evacuation order since February 15, 2019. At the time of the evacuation order, properties within this neighbourhood were included on the Regional Water Service and Community Recreation Facilities Service parcel tax rolls for the District of Sechelt.

In April of 2019, subsequent to authentication of the 2019 parcel tax roll by the District of Sechelt, a request to amend the roll to exclude the 13 occupied (developed) properties in the Seawatch Neighbourhood was received.

A staff report (Appendix A) was brought forward to the April 25, 2019 Corporate and Administrative Services Committee meeting resulting in the following resolution being adopted by the Board at its regular meeting on May 9, 2019:

138/19 **Recommendation No. 18** *2019 Seawatch Property Utility Billings*

THAT the report titled 2019 Seawatch Property Utility Billings be received;

AND THAT the Regional Water Service Parcel Tax Roll for the District of Sechelt be amended to remove the 13 occupied residences in the Seawatch neighbourhood;

AND THAT the Community Recreation Parcel Tax Roll for the District of Sechelt be amended to remove the 13 occupied residences in the Seawatch neighbourhood;

AND FURTHER THAT the Regional Water Service User Fees be pro-rated to the date of the evacuation order for the 13 occupied residences in the Seawatch neighbourhood.

For the 2020 Parcel Tax Roll process, staff brought forward a report of the same nature to again remove the unoccupied residence from the roll and through this process identified 1 additional property to be added. As such, the following motion was passed (025/20) at the Special January 30, 2020 Board meeting:

Recommendation No. 11 *2020 Seawatch Parcel Tax and Utility Billings*

THAT the report titled 2020 Seawatch Parcel Tax and Utility Billings be received;

AND THAT the Regional Water Services and Community Recreation Parcel Tax Roll for the District of Sechelt be amended to remove the 14 unoccupied residences in the Seawatch neighbourhood;

AND FURTHER THAT the 14 properties in the Seawatch neighbourhood not be charged the Regional Water Service User Fees for 2020 as a result of not receiving the service.

This left 17 undeveloped properties in the Seawatch neighbourhood evacuation area that are still subject to parcel taxes. All properties in the evacuation area are currently assessed at \$1; however, no specific exemptions apply with respect to parcel taxes.

During the 2021 roll validation process, a request was received from District of Sechelt staff to remove the remaining 17 properties from the roll. Two of these properties do not front the water distribution system and are only subject to recreation parcel tax.

DISCUSSION

Under Section 201 of the *Community Charter*, a parcel tax may be imposed only on parcels that have the opportunity to be provided with the service, whether or not they are in fact being provided with the service.

The basis for removing the 13 occupied properties from the roll in 2019 was that the residents no longer had access to their properties and thus, did not have the opportunity to be provided with the service.

Given parcel taxes are applied on the basis of land only, this same logic would also apply to the 17 undeveloped properties. This is further supported by the fact that all land within the evacuation area is assessed at a value of \$1.

In order to ensure parcel taxes are applied consistently and fairly, staff are recommending amending the respective parcel tax rolls to remove the remaining 17 undeveloped properties in the Seawatch neighbourhood.

Financial Implications

Regional Water Service

15 of the 17 undeveloped properties are included on the Regional Water Service parcel tax roll. Parcel tax rates are fixed by Bylaw and thus, removal of these properties will result in a decrease in annual parcel tax revenue of \$4,488 based on 2021 rates.

Community Recreation Service

All 17 undeveloped properties are included on the Community Recreation Service parcel tax roll. The parcel tax rate applicable to all properties is calculated by dividing the revenue required for long term debt servicing by the number of parcels on the roll.

As such, there will be no reduction in revenue but rather, a slight increase in the per parcel rate of approximately \$0.13 for all other properties on the roll should the properties in question be removed.

Organizational and Intergovernmental Implications

District of Sechelt and Sunshine Coast Regional District staff complete a parcel tax roll validation process each year prior to authentication of the respective rolls.

STRATEGIC PLAN AND RELATED POLICIES

n/a

CONCLUSION

The Seawatch neighbourhood located in the District of Sechelt has been under evacuation order since February 15, 2019. In May 2019, 13 developed properties were removed from the Regional Water Service and Community Recreation parcel tax rolls.

During the 2021 roll validation process, a request was received from District of Sechelt staff to remove the remaining 17 undeveloped properties from the roll. In order to ensure parcel taxes are applied consistently and fairly, staff are recommending amending the respective parcel tax rolls to remove the remaining 17 undeveloped properties in the Seawatch neighbourhood.

Removal of these properties will result in reduced annual revenue of \$4,488 for the Regional Water Service and an increase to the Community Recreation parcel tax rate of approximately \$0.13.

Attachment:

A – 2019-Apr-25 CAS Report – 2019 Seawatch Property Utility Billings

B- 2020- January 20, 2020 CAS Report- 2020 Seawatch Property Utility Billings

Reviewed by:			
Manager		Finance	X-T. Perreault
GM		Legislative	
CAO	X – D. McKinley	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – April 25, 2019
AUTHOR: Tina Perreault, General Manager, Corporate Services / Chief Financial Officer
SUBJECT: 2019 SEAWATCH PROPERTY UTILITY BILLINGS

RECOMMENDATION(S)

THAT the report titled **2019 Seawatch Property Utility Billings** be received;

AND THAT the **Regional Water Services Parcel Tax Roll** for the District of Sechelt be amended to remove the 13 occupied residences in the Seawatch neighbourhood;

AND THAT the **Community Recreation Parcel Tax Roll** for the District of Sechelt be amended to remove the 13 occupied residences in the Seawatch neighbourhood;

AND THAT the **Regional Water Services User Fees** be pro-rated to the date of the evacuation order for the 13 occupied residences in the Seawatch neighbourhood.

BACKGROUND

The Seawatch neighbourhood located in the District of Sechelt has been under evacuation order since February 15, 2019. Based on details included in the evacuation order, there are 13 occupied residences impacted. At this point, the evacuation order has been extended weekly and the order could potentially be for an extended period of time.

The Seawatch neighbourhood residents have contacted the SCR D to determine the 2019 charges applied to their properties. The District of Sechelt has provided relief to these 13 occupied residences for 2019.

DISCUSSION

Parcel Taxes

The Seawatch properties have been included on the parcel tax rolls because there aren't any specific exemptions that apply. The parcel tax rolls were authenticated by the District of Sechelt on February 27, 2019.

With the extensions of the evacuation order, it may be possible to remove the properties from the parcel tax rolls. Under Section 201 of the *Community Charter*, a parcel tax may be imposed only on parcels that have the opportunity to be provided with the service, whether or not they are in fact being provided with the service. With these properties, the residents no longer have access to their properties.

Options:

1. Amend the parcel tax rolls to remove the 13 occupied residences in the Seawatch neighbourhood. The financial implications to the SCRD total \$4,883.71.
2. Leave the parcel tax rolls as previously authenticated. This would result in the 13 occupied residences in the Seawatch neighbourhood being responsible for the parcel tax charges as follows for 2019:
 - a. Regional Water Service \$263.00
 - b. Community Recreation \$112.67

Staff recommend option 1: amending the parcel tax rolls to remove the 13 occupied residences in the Seawatch neighbourhood.

User Fees

Under Bylaw 422, charges can be pro-rated where a service is being turned off or disconnected for an indefinite period of time. Although service has not been disconnected at this time, the property owners do not have access to their homes and therefore are not using water.

Options:

1. Pro-rate the water user fee for 2019. This would result in the 13 occupied residences in the Seawatch neighbourhood being responsible for user fees of \$35.91 for the year. The financial implications to the SCRD total \$3,016.76.
2. Charge the full water user fee for the year. This would result in the 13 occupied residences in the Seawatch neighbourhood being responsible for the water user fee charge of \$287.31.
3. Waive the full water user fee for the year. The financial implications to the SCRD total \$3,447.72.

Staff recommend option 1: pro-rating the water user fees for 2019. The 13 occupied residences in the Seawatch neighbourhood would be invoiced for 1.5 months of the water user fees.

Operational Implications

In order to mitigate any risk to SCRD infrastructure and given that there is, since the evacuation of the area, no water being used, staff are proposing to shut down the watermain via existing valves located on Gale Avenue North at the outer edge of the evacuation area as of May 1, 2019. This will eliminate regular fire protection and water service to the evacuated properties. Water for fire protection can still be provided from the edge of the neighborhood. The water service can be re-instated if there is a change in status to the properties.

Discontinuing service to the evacuation area supports the proposal to remove the affected properties from the parcel tax roll and pro-rate user fees.

Organizational and Intergovernmental Implications

The District of Sechelt provided the Seawatch residents with a grant to offset the cost of the 2019 utility fees imposed. Here is the motion from the April 3, 2019 Council Meeting:

District of Sechelt
 Minutes – Regular Council Meeting
 April 3, 2019

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10.4 Utility Grant for Seawatch Residents

Res. No. 2019-04A-23 – Moved/Seconded

That the report from the Director of Corporate and Financial Services dated March 26, 2019 regarding a utility grant for Seawatch residents be received.

CARRIED

Res. No. 2019-04A-24 – Moved/Seconded

That the appropriate property owners in the Seawatch neighbourhood be provided a grant equal to the 2019 sewer parcel tax, the sewer user fee and the solid waste collection and disposal levy.

CARRIED

STRATEGIC PLAN AND RELATED POLICIES

n/a

CONCLUSION

In order to maintain equitable and transparent invoicing, it is recommended that the Seawatch residents’ properties be removed from the parcel tax rolls and be invoiced on a pro-rated basis for user fees.

In order to mitigate any risk to water infrastructure, staff will shut down the water mains to the area as of May 1, 2019.

Reviewed by:			
Manager	X- S. Walkey	Finance	X-S. Zacharias
GM	X-R. Rosenboom	Legislative	
Acting CAO	X-A. Legault	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – January 23, 2020
AUTHOR: Tina Perreault, General Manager, Corporate Services / Chief Financial Officer
SUBJECT: 2020 SEAWATCH PARCEL TAX AND UTILITY BILLINGS

RECOMMENDATION(S)

THAT the report titled 2020 Seawatch Parcel Tax and Utility Billings be received;

AND THAT the Regional Water Services and Community Recreation Parcel Tax Roll for the District of Sechelt be amended to remove the 14 unoccupied residences in the Seawatch neighbourhood;

AND FURTHER THAT the 14 properties in the Seawatch neighborhood not be charged the Regional Water Services User Fees for 2020 as a result of not receiving the service.

BACKGROUND

The Seawatch neighbourhood located in the District of Sechelt has been under evacuation order since February 15, 2019. Based on details included in the evacuation order, there are 14 occupied residences impacted. Almost a year after the evacuation, the order is still in place at present and potentially be for an extended period of time.

The Seawatch neighbourhood residents have contacted the SCRD to determine the 2020 charges applied to their properties. The District of Sechelt Staff have indicated that relief will be provided for these residences for 2020.

DISCUSSION

Parcel Taxes

The Seawatch properties have been included on the property assessment rolls because they are not deemed to be exempt, however, parcel tax levy is also dependent on the accessibility or ability for the property to receive the services. The newly assessed value from BCAA indicated that land and building of those affected properties are \$1 respectively. The parcel tax rolls will be authenticated by the District of Sechelt in February 2020.

With the extensions of the evacuation order, it may be possible to remove the properties from the parcel tax rolls. Under Section 201(2) of the *Community Charter*, In the case of a service that is provided to land or improvements, a parcel tax under this Division may be imposed only on parcels that have the opportunity to be provided with the service, whether or not they are in fact being provided with the service. With these properties, the residents no longer have access to their properties.

Therefore, it is recommend that the parcel tax rolls be amended to remove the 14 unoccupied residences in the Seawatch neighbourhood.

User Fees

Under Bylaw 422, charges can be pro-rated where a service is being turned off or disconnected for an indefinite period of time. Although service has not been disconnected at this time, the property owners do not have access to their homes and therefore are not using water.

Following the consistent wavier approved by the Board last year, staff recommend removing the water user fees for 2020. The 14 unoccupied residences in the Seawatch neighbourhood would be not be invoiced of the water user fees.

Operational Implications

In order to mitigate risk to SCRD infrastructure and given that there is, since the evacuation of the area, no water being used, staff have partially closed the water main via existing valves located on Gale Avenue North at the outer edge of the evacuation area as of May 1, 2019. This current pressure supports the proper functioning of the for residential fire sprinkler systems in some of the evacuated properties. Water for fire protection by the local fire department can still be provided from the edge of the neighborhood. The full water service can be re-instated if there is a change in status to the properties.

Organizational and Intergovernmental Implications

The District of Sechelt has been notified about this recommendation on the parcel tax and user fees to the Seawatch residents.

STRATEGIC PLAN AND RELATED POLICIES

n/a

CONCLUSION

The Seawatch neighbourhood located in the District of Sechelt has been under evacuation order since February 15, 2019. There are 14 residences impacted.

With the properties remaining unoccupied, the properties can be removed from the parcel tax rolls per Section 201(2) of the *Community Charter*. Since the properties are also not receiving the service, user fees can also be excluded. Therefore, it is recommended that the SCRD remove the 14 properties for both purposes.

Reviewed by:			
Manager		Finance	X-C. Ho
GM		Legislative	
CAO	X – D. McKinley	Other	