



Making a difference...together

Minutes of a Meeting of the Capital Regional District Board

Meeting as the Committee of the Whole

Held Wednesday, January 23, 2013, in the Board Room, 625 Fisgard St., Victoria, BC

PRESENT: Directors: A. Bryson (Chair), D. Blackwell (Vice Chair), M. Alto, S. Brice, J. Brownoff, L. Cross (9:40 am), V. Derman, B. Desjardins, D. Fortin, P Gerrard (for L. Wergeland), C. Hamilton, G. Hill (11:55 am), D. Howe, M. Hicks, B. Isitt, N. Jensen, C. McBride (for T. Daly), W. McIntyre, W. Milne, J. Ranns, V. Sanders (for F. Leonard), L. Seaton, and G. Young

Staff: K. Daniels, Chief Administrative Officer; L. Hutcheson, General Manager, Environmental Sustainability and Acting General Manager, Parks and Community Services; R. Lapham, General Manager, Planning and Protective Services; D. Lokken, General Manager, Corporate Services; T. Robbins, Acting General Manager, Integrated Water Services; D. Hennigan, Senior Manager, Information Technology and GIS Services; A. Orr, Senior Manager, Corporate Communications; R. Sharma, Senior Manager, Finance Services; B. MacDonald, Manager, Financial Planning and Treasury; S. Santarossa, Corporate Officer, and N. More, Committee Clerk (Recorder)

Absent: J. Mendum

The Chair called the meeting to order at 9:35 a.m.

1. Introduction/Overview

1.1 Approval of Agenda

A revised agenda was presented, with item 3.13 moved to 4.10.

MOVED by Director Brice, **SECONDED** by Alternate Director Sanders,
That the agenda be approved as revised.

CARRIED

The Committee discussed a heightened sensitivity to conflict of interest due to a recent legal case separate from the Capital Regional District (CRD) and were advised by staff that a legal opinion would be reported by the time of the March 27 CRD Board budget meeting.

1.2 Adoption of Minutes of January 9, 2013

MOVED by Director Blackwell, **SECONDED** by Director Brownoff,
That the minutes of the meeting of January 9, 2013, be adopted.

CARRIED

1.3 2013 Budget Overview

K. Daniels spoke to the staff report "2013 Financial Plan" and gave an overview of the budget, including the topics and points outlined below.

Director Cross entered the meeting at 9:40 a.m.

1.3.1 Context

- This is an adjusted budget process compared to previous years

- The standing committees of the CRD Board have reviewed the different department service plans.
- The meeting of this day presents the financial plan details for the individual services.

1.3.2 Major Impacts & Initiatives

- Regional Grant in Aid to the Island Corridor Foundation for rail infrastructure improvement
- Ongoing Regional Parks land acquisition levy
- Regional deer management strategy
- E&N Trail Humpback section maintenance
- Trail management plan
- Introduction of web streaming and electronic agenda for improved Board communication

1.4 Budget Process and Financial Plan Overview

D. Lokken gave an overview of the “Capital Regional District 2013 Preliminary Financial Plan”. She described the layout of the budget document and various comparisons, as the information is presented differently than in previous years due to the change to a three year budget cycle. She indicated the financial plan was based on 2013 completed assessments, 2012 estimated surpluses and deficits and Payments in Place of Taxes.

The Committee discussed the pages and requested the following items:

- add brief descriptions of key budget drivers to the municipal pages and roll out to 2014 to help explain impacts of CRD budget on municipal budgets
- include the hospital debt summary on CRD budget summary page

2. Executive Services

K. Daniels spoke to the Executive Services overview, as outlined below, and the Committee discussed different points for clarification.

2.1 Board

Impacts to the budget were web streaming of CRD Board and Committee meetings for improved communications and the move to electronic agendas.

2.2 Chief Administrative Officer

The 2013 budget included a new photocopier to be funded from the equipment replacement fund, with no impact to the overall budget.

2.3 Human Resources

No budget increases.

2.4 Corporate Communications

The budget impact was for a Full-Time Employee (FTE) engaged in website development, which would be funded by internal recovery. The Committee discussed that Corporate Communications is financed in three ways:

- a direct cost to support the CRD Board and Board initiatives
- allocations within large departments
- fee-for-service charges on project-specific work

2.5 First Nations

On section 2 in general, the Committee discussed use of reserves versus debt and capital planning, and suggested the Finance and Corporate Services Committee consider a CRD asset management plan.

3. Corporate Services

Diana Lokken spoke to the Corporate Services overview, as outlined below, and the Committee discussed different points for clarification.

3.1 General Manager Overview

3.2 Financial Services

There were no new impacts. The Committee discussed the allowance for computer hardware and software improvements, including data storage, and the procurement process for the provision of information technology.

Cost drivers for financial services included responding to Freedom of Information requests.

3.3 Real Estate Services

3.4 Facilities Management

There were no new impacts. The Committee discussed the following points:

- costs for the provision of information technology
- updating the financial plan to better reflect current prices on hardware
- open source software
- regionalization of local government software solutions
- consideration of an internal audit process through the Finance and Corporate Services Committee
- the regional purchasing group as a possible avenue of gaining value
- maintenance of facilities, revenue streams from property, and the value of having an asset management plan

3.5 Information Systems/GIS/Geospatial

The budget reflected a change in service levels, with one FTE moved from the Helpdesk to the Geographic Information System (GIS).

The Committee requested that organization charts be provided in the budget document, such as had been provided in the 2013 work plan reviews presented to CRD Standing Committees.

D. Lokken gave a review of items 3.6 through 3.11, for which the budget remained stable:

3.6 Other Legislative

3.7 Sooke Museum

3.8 Victoria Family Court Committee

3.9 Greater Victoria Police Victim Services

3.10 Traffic Safety Commission

A report will come forward to the Finance and Corporate Services Committee regarding a potential change in the bylaw.

3.11 Royal & McPherson Theatres

Director Derman declared a potential conflict of interest because of his municipal representation on the board of the Royal and McPherson Theatre Society and withdrew from the meeting at 11:35 a.m.

Director Derman returned to the meeting at 11:37 a.m.

3.12 Arts Grants

There is a minimal increase for arts funding.

4. Planning & Protective Services

R. Lapham spoke to the Planning and Protective Services overview, as outlined below, and the Committee discussed different points for clarification.

4.1 General Manager Overview

4.2 GM—Planning & Protective Services

The grant-in-aid to the Island Corridor Foundation is one-time occurrence, with the funding commitment allocated over two years.

4.3 Health Planning

4.4 Community Health—Homeless Sec.

4.5 Land Banking & Housing

4.6 Regional Housing Trust Fund

4.7 Regional Planning Services

The budget impacts were a single supplementary to implement the Regional Deer Management Strategy, plus core budget funding for the Pedestrian/Cycling Master Plan, an update to the Transportation Model, the Regional Transportation Plan, and the annual auto/cycling counts.

4.8 Regional Growth Strategy

The impact was development of the strategy, with funding from a Gas Tax Grant.

Director Hill entered the meeting at 11:55 am.

4.9 Emergency Services

R. Lapham continued with an explanation of the numbers and activities related to items 4.91 to 4.96, as below.

- 4.9.1 Corporate Emergency
- 4.9.2 Regional Emergency Program Support
- 4.9.3 Hazardous Material Incident Response
- 4.9.4 911 Systems.
- 4.9.5 911 Fire Dispatch
- 4.9.6 Regional CREST Contribution

Directors Jensen, Young, Howe, McIntyre, Hicks and Hill declared a potential conflict of interest because of their positions on the Capital Regional Emergency Telecommunications (CREST) Board of Directors and left the meeting at 12:08 pm.

Directors Jensen, Young, Howe, McIntyre, Hicks and Hill returned to the meeting at 12:10 pm.

4.10 Regional Grants-in-Aid

As discussed in 4.2 and 1.3.2.

MOVED by Director Brownoff, **SECONDED** by Director Brice,
That the meeting be adjourned at 12:15 pm until February 6, 2013.

CARRIED

Minutes of a Meeting of the Capital Regional District Board Meeting as the Committee of the Whole, Continuing a Meeting of January 23, 2013, Held Wednesday, February 6, 2013, in the Board Room, 625 Fisgard St., Victoria, BC

PRESENT: **Directors:** A. Bryson (Chair), D. Blackwell (Vice Chair), M. Alto, S. Brice, J. Brownoff, L. Cross, T. Daly, V. Derman, B. Desjardins, D. Fortin, P. Gerrard (for L. Wergeland), C. Hamilton, G. Hill, D. Howe, B. Isitt, N. Jensen, W. McIntyre, J. Mendum, W. Milne, J. Ranns, F. Leonard, L. Seaton, W. Vowles (for M. Hicks) and G. Young
Staff: C. Neilson, Acting Chief Administrative Officer; L. Hutcheson, General Manager, Environmental Sustainability and Acting General Manager, Parks and Community Services; R. Lapham, General Manager, Planning and Protective Services; D. Lokken, General Manager, Corporate Services; T. Robbins, Acting General Manager, Integrated Water Services; A. Orr, Senior Manager, Corporate Communications; R. Sharma, Senior Manager, Finance Services; B. MacDonald, Manager, Financial Planning and Treasury; S. Santarossa, Corporate Officer, and N. More, Committee Clerk (Recorder)

The Chair reconvened the meeting at 10:12 a.m., February 6, 2013.

The Supplementary Agenda was adopted by consensus, including the staff report “2013 Financial Plan Review—Supporting Information”.

The Committee discussed the conflict of interest issue raised for appointed, elected, and volunteer boards and committees by a current ruling involving a case on Salt Spring Island, and how it might affect the Capital Regional District Board, committees and commissions.

MOVED by Director Jensen, **SECONDED** by Director Fortin,
That the Chair of the Capital Regional District write to the Province to request that the Province take immediate steps to clarify rules on conflict of interest for those who sit on boards and serve as elected officials.

CARRIED

On the motion, the Committee advised that the letter be copied to each of the municipalities and the Union of British Columbia Municipalities.

D. Lokken spoke to the report “2013 Financial Plan Review—Supporting Information”, which responded to information requests made at the sitting of the Committee on January 23, with items such as expanded requisition summary pages, in total, and by municipality/electoral area, a spreadsheet showing the 2012 Budget Requisition and Invoices in a single-page format for easy comparison between jurisdictions (CRD-on-a-page), a table comparing 2012 to 2013 assessments, and information with respect to Information Technology equipment costs and support services. Other topics included debt obligation reporting, asset management, procurement and internal audits. The Committee was advised that several topics will be explored more fully by the Finance and Corporate Services Committee.

The Chair remarked on the direction to staff at the 6 February 2013 Finance and Corporate Services Committee meeting to prepare a report on the feasibility of setting up asset management plans, centralized procurement policies, the internal audit function, and improved reporting on each of those areas. On the general budget review, he thanked staff for the supporting information. The Chair highlighted the fundamental principles of board oversight on the budget, and identified three significant gaps to give direction to staff:

- A schedule of reserves as part of annual budget package and significant policies regarding them and highlighting opportunities for review
- A schedule of ongoing investments for the CRD as a whole and annual, itemized performance reporting, as well as an investment policy with update and review through the Finance Committee
- Key financial reporting quarterly, or semi-annual budget reporting, with summary of actual versus budgeted expenditures

D. Lokken added that information on reserves will be dealt with at the Finance Committee.

The Committee continued to review the budget, as follows.

5. Parks & Community Services

L. Hutcheson gave an overview, mentioning new parks being opened within the three-year budget period, an increase in land acquisition funds, park and trail management plans, the co-management with Regional Water Supply Commission of bullfrog control. The Committee heard that a report on the Thetis Lake remediation will come forward to the Regional Parks Committee.

L. Hutcheson spoke to the Regional Parks and Community Services budget as outlined below, and the Committee discussed different points for clarification.

5.1 General Manager Overview

5.2 Regional Parks

5.3 SEAPARC

5.4 Panorama

6. Environmental Sustainability

L. Hutcheson spoke to the Environmental Sustainability budget, giving an overview, as outlined below, and the Committee discussed different points for clarification.

6.1 General Manager Overview

6.2 Senior Budgets

6.2.1 GM – Environmental Sustainability/Admin Senior Budget

6.2.2 Environmental Partnerships Senior budget

6.2.3 Environmental Engineering Services Senior budget

6.2.4 Environmental Protection Senior budget

6.2.5 Environmental Water Quality Senior budget

6.3 Environmental Resource Management

The Committee discussed the use of sustainability funds to fund capital projects.

6.3.1 ERM Operations

6.3.2 ERM Sustainability

6.3.3 ERM Debt

6.4 Core Area Liquid Waste Programs

6.4.1 Stormwater Quality – Core

6.4.2 Harbour Studies

6.4.3 On Site Management Program

6.4.4 Regional Source Control

6.4.5 LWMP – Core

6.5 Saanich Peninsula LWMP programs

6.5.1 Sannich Peninsula Stormwater Quality Management

- 6.5.2 Sannich Peninsula Stormwater Source Control
- 6.5.3 Peninsula LWMP Implementation

Director Fortin left the meeting at 11:10 a.m.

6.6 Other programs

- 6.6.1 Roundtable on the Environment
- 6.6.2 Climate Action
- 6.6.3 Stormwater Quality – Sooke
- 6.6.4 Septage Disposal
- 6.6.5 Millstream Remediation Debt

7. Integrated Water Services

T. Robbins spoke to the Integrated Water Services budget giving an overview, as outlined below, and the Committee discussed different points for clarification.

7.1 General Manager Overview

7.2 Water Services

- 7.2.1 Regional Water Supply
- 7.2.2 Juan de Fuca Water Distribution

Director Milne left the meeting at 11:20 a.m.

For the sake of quorum, part of item 8 was considered at this point in the meeting before the rest of item 7.

8. Amended Recommendation to Staff Report “2013 Financial Plan” dated January 23, 2013

Directors Derman, Hill, Howe, Jensen, McIntyre and Young, and Alternate Director Gerrard, excused themselves from the meeting at 11:21 a.m., stating a conflict of interest.

The Committee discussed the way costs are distributed across the municipalities in relation to grants.

MOVED by Director Brice, **SECONDED** by Director Desjardins,

- a) That agenda items 3.11 Royal & McPherson Theatres, 4.4 Community Health—Homeless Secretariat, 4.96 Regional CREST contribution and 4.10 Regional Grant-in-Aid be approved in principle, funding the ICF Regional Grant-in-Aid over two years.

CARRIED

Directors Derman, Hill, Howe, Jensen, McIntyre and Young, and Alternate Director Gerrard returned to the meeting at 11:29 a.m.

The Committee returned to consideration of item 7, with T. Robbins speaking to the budget for

Integrated Water Services, as outlined below:

7.3 Environmental Operations – Senior Budget

7.4 Liquid Waste Disposal Programs – Core/WestShore Operations

7.4.1 Northwest Trunk

7.4.2 Northeast Trunk (Clover Point)

7.4.3 Northeast Trunk(Bowker)

7.4.4 East Coast Interceptor

7.5 Debt Summary – Trunk Sewers 3.770-3.798

7.6 Saanich Peninsula Liquid Waste & Water Operations

7.6.1 Saanich Peninsula Water Supply

7.6.2 Saanich Peninsula Water Supply – Debt

7.6.3 Saanich Peninsula Wastewater Treatment Plant

7.6.4 Saanich Peninsula Wastewater TP – Debt

8. Amended Recommendation to Staff Report “2013 Financial Plan” dated January 23, 2013

MOVED by Director Hill, **SECONDED** by Director Alto,

b) That aside from agenda items listed in motion 8.a), all other agenda items in the 2013 Financial Plan be approved in principle.

CARRIED

MOVED by Director Hill, **SECONDED** by Director Brownoff,
That the meeting be adjourned at 11:44 a.m.

CARRIED

CHAIR

RECORDER