

**REPORT TO GOVERNANCE AND FINANCE COMMITTEE
MEETING OF WEDNESDAY, NOVEMBER 04, 2020**

SUBJECT **Bylaw No. 4383: 2020 to 2024 Financial Plan Bylaw, 2020, Amendment Bylaw No. 4, 2020**

ISSUE SUMMARY

The 2020 to 2024 Financial Plan was adopted on March 18, 2020, and amended April 8, June 24 and September 2, 2020. Amendments to the Plan are required to authorize revised operating and capital expenditures.

BACKGROUND

The Capital Regional District (CRD) Board approved the 2020 to 2024 Financial Plan (Bylaw No. 4349) on March 18, 2020; Amendment No. 1 on April 8, 2020 (Bylaw No. 4354), Amendment No. 2 on June 24, 2020 (Bylaw No. 4357) and Amendment No. 3 on September 2, 2020 (Bylaw 4366). Amendments are required in accordance with Section 374(2) of the *Local Government Act* (LGA), which states that the financial plan may be amended at any time by bylaw to incorporate changes in budget, for certainty. As new information becomes available and pursuant with Section 374 of the LGA, the CRD Board may further revise the financial plan.

The following table highlights the 2020 impact of the proposed amendments to the 5-year 2020-2024 Financial Plan.

SERVICE	DESCRIPTION	BUDGET	FUNDING	NET IMPACT	COMMITTEE / COMMISSION APPROVAL
Otter Point Fire Protection	Update to Building Expansion project	Capital	Equipment Replacement Fund, Capital Funds on Hand	\$17,500	Otter Point Fire Protection and Emergency Response Service Commission 08-Jul-20
Port Renfrew Sewer	Emergency Work for Port Renfrew WWTP/Influent Wet Well Platform	Capital	Community Works Funds	\$15,000	N/A*
East Sooke Fire Protection	Fire Hall Energy Renovation	Capital	Reserve Fund	\$30,000	East Sooke Fire Protection and Emergency Response Services Commission 17-Aug-20

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SERVICE	DESCRIPTION	BUDGET	FUNDING	NET IMPACT	COMMITTEE / COMMISSION APPROVAL
Mayne Island Community Parks & Recreation	Update to Dinner Bay Playground and Sports Field project	Capital	Community Works Funds	\$30,000	Mayne Island Parks and Recreation Commission 08-Oct-20
Wilderness Mountain Water	Danger Tree Removal and Access Road Regrade	Capital	Community Works Funds	\$20,000	Wilderness Mountain Water Service Commission 30-Jul-2020
Maliview Sewer	Maliview Sewer WWTP Building Upgrade	Capital	Community Works Funds, Reserve Fund	\$257,620	Highland Water and Sewer (Maliview) Services Commission 22-Oct-20
SSI Liquid Waste	Phase 2 Preliminary Site Investigation of Burgoyne Bay Septage Disposal	Capital	Reserve Fund	\$7,700	SSI Liquid Waste Disposal Commission 27-Oct-20

* N/A: Emergency Repair for EA service, authorized by EA Director in lieu of Commission

The proposed Financial Plan amendment Bylaw No. 4383 incorporates these changes, and is attached as Appendix A, including an updated Schedule B.

ALTERNATIVES

Alternative 1

The Governance and Finance Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4383, "2020 to 2024 Financial Plan Bylaw, 2020, Amendment Bylaw No. 4, 2020" be introduced and read a first, second, and third time; and
2. That Bylaw No. 4383 be adopted.

Alternative 2

That Bylaw No. 4383 be deferred pending further analysis by CRD staff.

IMPLICATIONS

Financial Implications

Otter Point Fire Protection

An amendment is required for the Building Expansion project to cover a contingency fund of 10% of the tender value, in the amount of \$17,500. This will be funded from the Equipment Replacement Fund and capital funds on hand.

Port Renfrew Sewer

Emergency work required on outfall remediation, and new influent wet wall platform and grating, to address health and safety issues at the treatment plant. An amendment of \$15,000 is required to the capital budget. Funding will be provided by the Community Works Fund.

East Sooke Fire Protection

As part of the Fire Hall energy renovation project, an amendment of \$30,000 is required for propane conversion, including the installation of fuel lines, equipment and the fuel tank. Funding is provided from the capital reserve.

Mayne Island Community Parks & Recreation

The Dinner Bay Playground and Sports Field capital project requires an amendment to add an additional \$30,000. The amendment will add a fall protection surface area, a containment barrier, two pieces of equipment to replace unsafe play equipment, new hardware and guard rails. This is the only playground available to the public on Mayne Island, and the updates will help to promote healthy outdoor activities, particularly during the pandemic. This will be funded by Community Works Funds.

Wilderness Mountain Water

The Wilderness Mountain Water Service Commission endorsed the approval of \$20,000 in new capital activities to be completed prior to the winter season, to ensure that system operation is not impacted negatively. This includes the removal of hazardous trees and regrading of the road to the treatment plant. Funding to be provided by Community Works Funds.

Maliview Sewer

To comply with Ministry of Environment regulations and to respond to the warning letter received from the ministry, a detailed engineering design, geotechnical investigation and site survey of the Maliview wastewater treatment plant is required. To accommodate this, an amendment of \$257,620 to the capital plan has been endorsed by Commission, with \$235,320 to be funded by Community Works Funds, and \$22,000 from reserve.

SSI Liquid Waste

Current site investigations of the Burgoyne Bay septage treatment facility requires site assessments to comply with provincial regulatory requirements. Phase 1 assessments are complete, and phase 2 of the assessment must now begin. Phase 2 includes limited intrusive investigations (drilling, sampling, and monitoring soil and groundwater) to confirm whether contamination is present at the site. A budget amendment of \$7,700 is required, to be funded by reserve.

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CONCLUSION

In compliance with the *Local Government Act*, the proposed amending Bylaw No. 4383 authorizes the changes required to the 2020 to 2024 Financial Plan Bylaw No. 4349, which the CRD Board approved on March 18, 2020, and amended on April 8, June 24, and September 2, 2020.

RECOMMENDATION

The Governance and Finance Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4383, “2020 to 2024 Financial Plan Bylaw, 2020, Amendment Bylaw No. 4, 2020” be introduced and read a first, second, and third time; and
2. That Bylaw No. 4383 be adopted.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

ATTACHMENT(S)

Appendix A: Bylaw 4383, with Schedule B