



**REGULAR MEETING OF COUNCIL**  
**Tuesday, June 14, 2016 @ 7:30 PM**  
**George Fraser Room, Ucluelet Community Centre,**  
**500 Matterson Drive, Ucluelet**

**AGENDA**

	Page
1. CALL TO ORDER	
2. ADDITIONS TO AGENDA	
3. ADOPTION OF MINUTES	
3.1. May 24, 2016 Regular Minutes	5 - 13
<a href="#">2016-05-24 Regular Minutes</a>	
4. UNFINISHED BUSINESS	
5. MAYOR'S ANNOUNCEMENTS	
6. PUBLIC INPUT, DELEGATIONS & PETITIONS	
6.1 Public Input	
6.2 Delegations	
• Lenora Lee, KPMG	15
RE: Presentation of Draft 2015 Audited Financial Statements	
<a href="#">D-1 KPMG, Audited Financial Statements</a>	
7. CORRESPONDENCE	
7.1. Invitation re: UBCM Resource Breakfast Series	17 - 18
C3 Alliance Corporation	
<a href="#">C-1 UBCM Resource Breakfast</a>	
7.2. Support re: Provincial General Election 2017	19
Elections BC	
<a href="#">C-2 Support for Elections BC</a>	
7.3. Request re: Sale of Wine in Grocery Stores	21 - 22
BC Government and Service Employees' Union	
<a href="#">C-3 Wine in Grocery Stores</a>	
7.4. Request re: Declaration and Support for Prostate Cancer Awareness	23 - 25
Prostate Cancer Canada	
<a href="#">C-4 Support for UBCM Resolution, Prostate Cancer</a>	
8. INFORMATION ITEMS	
8.1. UBCM Meetings open June 13, 2016 for Registration	27

Premier Christy Clark

[I-1 Letter from Premier Christy Clark to Mayors and Regional District Chairs re UBCM Meeting](#)

- |       |  |         |
|-------|--|---------|
| 8.2.  | Call for Proposal for the federal Enabling Accessibility Fund<br>Service Canada  | 29      |
|       | <a href="#">I-2 Call for Proposal, Enabling Accessibility Fund</a>   |         |
| 8.3.  | Letter to Minister Fassbender on Issue of Airbnb and Uber<br>Sun Peaks Municipality  | 31 - 35 |
|       | <a href="#">I-3 Letter to Minister Fassbender on Airbnb and Uber</a>   |         |
| 8.4.  | Update on Pacific Rim National Park Amenity Availability in June<br>Parks Canada   | 37 - 38 |
|       | <a href="#">I-4 Pacific Rim National Park Reserve Update</a>   |         |
| 8.5.  | General Update from Opposition Spokesperson for Local Government<br>Selina Robinson, MLA   | 39 - 40 |
|       | <a href="#">I-5 Opposition Spokesperson for Local Govt Update from Victoria</a>  |         |
| 8.6.  | Thank-You for Supporting the Community Outreach Program<br>Westcoast Community Resources Society   | 41      |
|       | <a href="#">I-6 Letter from Westcoast Community Resources Society for Grant Support</a>  |         |
| 8.7.  | Discussion of Heliport nearby to Residential Care Facility<br>Westcoast Native Health Care Society   | 43      |
|       | <a href="#">I-7 Residential Care Facility</a>  |         |
| 8.8.  | Wolf Advisory for Long Beach Unit of Pacific Rim National Park Reserve<br>Parks Canada   | 45 - 46 |
|       | <a href="#">I-8 Wolf Advisory for Long Beach Area</a>  |         |
| 8.9.  | CBT Impact Report for 2015<br>Clayoquot Biosphere Trust  | 47 - 48 |
|       | <a href="#">I-9 CBT Impact Report 2015</a>   |         |
| 8.10. | Canada 150 Infrastructure Funding Opportunity Announced<br>Gord Johns, MP  | 49      |
|       | <a href="#">I-10 Canada 150 Funding Opportunity</a>  |         |
| 8.11. | Resolution for Cigarette Butt Deposit Return Program<br>City of North Vancouver  | 51 - 63 |
|       | <a href="#">I-11 Cigarette Butt Deposit Return Program, UBCM</a>   |         |
| 9.    | <b>COUNCIL COMMITTEE REPORTS</b>   |         |
| 9.1   | Councillor Sally Mole<br><i>Deputy Mayor April – June</i>  |         |
|       | <ul style="list-style-type: none"> <li>• Ucluelet &amp; Area Child Care Society</li> <li>• Westcoast Community Resources Society</li> <li>• Coastal Family Resource Coalition</li> <li>• Food Bank on the Edge</li> <li>• Alberni Clayoquot Regional District - Alternate</li> </ul> |         |

=> *Other Reports*

9.2 Councillor Marilyn McEwen  
*Deputy Mayor July – September*

- West Coast Multiplex Society
- Ucluelet & Area Historical Society
- Wild Pacific Trail Society
- Vancouver Island Regional Library Board – Trustee

=> *Other Reports*

9.3 Councillor Mayco Noel  
*Deputy Mayor October – December*

- Ucluelet Volunteer Fire Brigade
- Central West Coast Forest Society
- Ucluelet Chamber of Commerce
- Clayoquot Biosphere Trust Society - Alternate
- Signage Committee
- Community Forest Board

=> *Other Reports*

9.4 Councillor Randy Oliwa  
*Deputy Mayor January – March*

- Vancouver Island Regional Library Board - Alternate
- Harbour Advisory Committee
- Aquarium Board
- Seaview Seniors Housing Society
- Education Liaison

=> *Other Reports*

9.5 Mayor Dianne St. Jacques

- Alberni-Clayoquot Regional District
- Coastal Community Network
- Groundfish Development Authority
- DFO Fisheries Committees for Groundfish & Hake
- Pacific Rim Harbour Authority
- Pacific Rim Arts Society
- Whale Fest Committee

=> *Other Reports*

10. REPORTS
- 10.1. Expenditure Voucher G-11/16 65 - 69  
*Jeanette O'Connor, CFO*  
[R-1 Expenditure Voucher Final](#)
- 10.2. Asset Management Development Report 71 - 159  
*David Douglas, Manager of Finance*  
[R-2 Asset Management Report](#)
- 10.3. Canada Day Road Closure Report 161 - 162  
*Abby Fortune, Director of Parks and Recreation*  
[R-3 Canada Day Road Closure Report](#)
- 10.4. 2015 Draft Financial Statements Report 163 - 226  
*Jeanette O'Connor, CFO*  
[R-4 Financial Statement Report](#)
11. LEGISLATION
- 11.1. Fees and Charges Bylaw - Three Readings 227 - 228  
*David Douglas, Manager of Finance*  
[L-1 Bylaw 1186 Report Three Readings](#)
- 11.2. District of Ucluelet Fees and Charges Bylaw No. 1186, 2016 229 - 258  
[L-2 Fees and Charges Bylaw 1186](#)
- 11.3. Zoning Amendment Bylaw (Water Lot adjacent to 1331 Eber Road) - Two Readings 259 - 262  
*John Towgood, Planner 1*  
[L-3 Bylaw 1201 Report Two Readings](#)
- 11.4. Zoning Amendment Bylaw No. 1201, 2016 263 - 265  
[L-4 RZ16-05 Bylaw 1201](#)
12. LATE ITEMS
- 12.1. Invitation re: World Paddle for the Planet Day in Ucluelet on June 26 267 - 269  
 Bob Purdy  
[LC-1 Invitation to WPFTPDay](#)
13. NEW BUSINESS
14. QUESTION PERIOD
15. CLOSED SESSION
- Procedural Motion to Move In-Camera:*  
 THAT the meeting be closed to the public in order to address agenda items under Section 90(1) of the *Community Charter*.
16. ADJOURNMENT



## 6. PUBLIC INPUT, DELEGATIONS & PETITIONS

### 6.1 Public Input

**L. Morrow expressed his concern regarding the current availability of a building inspector in Ucluelet and requested Council's response on the issue**

- Mayor St. Jacques thanked Mr. Morrow for his comments and noted that, while the District cannot afford its own inspector at this time, staff are actively pursuing options with the ACRD for shared use of their building inspectors

### 6.2 Delegations

**Samantha Hackett, West Coast Multiplex Society  
Re: Update on West Coast Multiplex**

- Council received a verbal update on the recent activities of the West Coast Multiplex Society, which included: signing of an MOU between ACRD and Tla-o-qui-aht First Nation, pursuit of an updated business plan, re-designing of Phase 1, pursuit of construction cost estimates for Phase 1, and development of communication brochure for public dissemination
- Council asked questions with regards to whether Tofino is pursuing a new gymnasium build and if that will have an impact on their contribution to the Multiplex

**Karla Robison, District of Ucluelet  
Re: Exercise Coastal Response**

- Council received a presentation from Ucluelet's Environmental and Emergency Services Manger, which included: overview of upcoming ShakeOut event and overview of upcoming Coastal Response exercise
- Council asked questions with regards to: communication with contractors and general communication to the public

## 7. CORRESPONDENCE

### 7.1 Support re: Fort McMurray Wildfire Aid City of Cranbrook

2016-233

**It was moved by Sally Mole and seconded by Marilyn McEwen**

*THAT Council receive correspondence item "Support for Fort McMurray" for information.*

CARRIED.

**7.2 Request for Information re: Public Transit and Water Infrastructure  
Gord Johns, MP**

2016-234           **It was moved by Marilyn McEwen and seconded by Sally Mole**  
*THAT Council direct staff to prepare and forward MP Gord Johns a list of projects that pertain to public transit and water/waste-water infrastructure by May 30, 2016.*

CARRIED.

**7.3 Invitation re: Marine Renewable Energy Industry Open House -  
June 14, 2016  
Marine Renewables Canada**

2016-235           **It was moved by Sally Mole and seconded by Marilyn McEwen**  
*THAT Council approve one of their membership attending the Marine Renewable Energy Open House on June 14, 2016 in Victoria.*

CARRIED.

**7.4 Request for Donation re: Community Transit Service Project  
Chuu Train Transportation Initiative**

2016-236           **It was moved by Randy Oliwa and seconded by Marilyn McEwen**  
*THAT Council approve donating \$500 from Council Discretionary funds to support the Chuu Train Transportation Initiative.*

Carried

**7.5 Request for Participation re: 2016 Tourism Week  
Tourism Industry Association of BC**

2016-237           **It was moved by Sally Mole and seconded by Marilyn McEwen**  
*THAT Council receive correspondence item "2016 Tourism Week" for information.*

CARRIED.

**8. INFORMATION ITEMS**

2016-238           **It was moved by Marilyn McEwen and seconded by Randy Oliwa**  
*THAT Council receive information items 8.1 through 8.4 as a block.*

CARRIED.

**8.1 Newly Elected Representatives of the Tla-o-qui-aht First Nation  
Tla-o-qui-aht First Nation**

2016-239           **It was moved by Marilyn McEwen and seconded by Mayco Noel**  
*THAT Council direct staff to send a letter of congratulations to the newly elected representatives of the Tla-o-qui-aht First Nation.*

CARRIED.

**8.2 AGLG Performance Audit Topic on Clean Drinking Water  
Auditor General for Local Government**

**8.3 2015 Local Health Area Profile for Alberni (70)  
Island Health**

**8.4 Bill M236 - Environmental Bill of Rights Act, 2016  
Andrew Weaver, BC Green Party Leader**

**9. COUNCIL COMMITTEE REPORTS**

9.1 Councillor Sally Mole  
*Deputy Mayor April – June*

**Ucluelet & Area Child Care Society**

- Held AGM last week; elected 6 board members, but since none stood for Chair the Society will elect a Chair at each meeting or have rotating Chairs; current Treasurer will continue on in that role

**Westcoast Community Resources Society**

- Last meeting on May 19; continuing to move forward on housing project

9.2 Councillor Marilyn McEwen  
*Deputy Mayor July – September*

**Vancouver Island Regional Library Board – Trustee**

- Upcoming meeting on May 28

=> **Other Reports**

- Harbour Authority meeting on May 17; received presentation from Harbour Contractor, Kevin Cortes, which was well received
- Met with Community Forest Board on May 19; received an update on the activities of that group
- Met May 24 with a representative from RCMP to discuss Limited Duration Posting policy for small communities like Ucluelet and whether it can be re-evaluated

9.3 Councillor Mayco Noel  
*Deputy Mayor October – December*

**Ucluelet Chamber of Commerce**

- Met May 16; board is still running without an executive director, but is doing a good job of covering staffing needs

at two locations and moving work along; Edge to Edge Marathon now has over 500 enrolments - last report was at 350; Porsche Club has 19 vendors signed up; Tourism Association of Vancouver Island conference has website up with good info, TVI.ca; this year's job expo was in Tofino, but 2017 one will be in Ucluelet; Chamber office hours are now 9:30 - 4:30pm, Monday to Friday; Pacific Rim Visitor Centre hours are now 10:00 - 5:00 pm, daily; World Community Summit committed for April 27/28, 2017

### **Community Forest Board**

- Council met with Geoff Lyons to get an update; looking forward to board working on new communication lines

9.4 Councillor Randy Oliwa  
*Deputy Mayor January – March*

#### ***No Meetings to Report***

9.5 Mayor Dianne St. Jacques

### **Alberni-Clayoquot Regional District**

- Met with board on May 11; Jeremy Dunn of the Salmon Farmers Association presented to board, noting there are 20 farms in Clayoquot Sound and the industry is doing well; farmed fish are BC's #1 agricultural export; discussed the upcoming earthquake and tsunami exercise coming up; region is interested and will invite fire centre manager to speak to board on wildfires as result of Dog Mtn. fire last year to discuss better preparedness and engaging Province
- Met with ACRD Hospital board on May 11; still concern over shortage of staff in Alberni Valley; discussed Tofino Hospital helipad, moving forward slowly; announcement that Wheels for Wellness van is fully purchased

#### **=> Other Reports**

- Met with local RCMP to see what Ucluelet's immediate future would look like, as Sgt. Swann is no longer the officer in command; learned that previous Sgt. will not be returning, so RCMP will do a promotional move to fill the position; will be 4-6 months before a new commanding officer is chosen; currently also short one RCMP member, to be remedied by June; temporary officers will be brought in as needed; Tofino RCMP will oversee Ucluelet RCMP in

interim; once new Tofino detachment starts its build, those prisoners will be housed in Ucluelet's jail until build is complete, up to a year and a half

- Met as Harbour Authority last week; Harbour Contractor gave presentation on all the duties of the position, including: safety, cleanliness, grounds-keeping, accounting, customer service, public relations, bylaw enforcement, maintenance and repairs; he reports directly to the District's Chief Financial Officer; overall harbour is going well, and ideas for new revenue opportunities are always being discussed
- Attended Tourism Association Vancouver Island meeting with Chamber of Commerce to discuss upcoming conference; District is donating use of the community centre, among other things, to facilitate; will be a great conference
- Met with provincial representative of RCMP; discussed concerns on number of outstanding issues; they are in charge of the contract between RCMP and federal government; working to keep that relationship going

2016-240            **It was moved by Marilyn McEwen and seconded by Mayco Noel.**  
*THAT Council accept all committee reports.*

CARRIED.

## 10. REPORTS

### 10.1 Expenditure Voucher G-10/16 *Jeanette O'Connor, CFO*

2016-241            **It was moved by Randy Oliwa and seconded by Mayco Noel**  
*THAT Council receive Expenditure Voucher G-10/16 for information.*

CARRIED.

### 10.2 Quarterly Managers' Report for Period Covering January - May, 2016 *Department Heads, District of Ucluelet*

2016-242            **It was moved by Marilyn McEwen and seconded by Mayco Noel**  
*THAT Council receive report item "Quarterly Managers' Report for Period Covering January - May, 2016" for information.*

CARRIED.

### 10.3 Application to Extend Hours and Add Patio Area to Food Primary Liquor License for Black Rock Resort *John Towgood, Planner I*

2016-243            **It was moved by Sally Mole and seconded by Marilyn McEwen**

*THAT Council approve recommendation 1 of report item "Application for an extension of hours from 12am to 1am to a Food Primary liquor license and an addition of a patio area to a Liquor Primary license", which states:*

1. *THAT Council request staff to gather the views of residents that may be affected by the proposed liquor license changes. To provide a report outlining the views and comments of the respondents and possible recommendations within 90 days of notification.*

Defeated

2016-244

**It was moved by Marilyn McEwen and seconded by Mayco Noel**

*THAT Council approve recommendation 2 of report item "Application for an extension of hours from 12am to 1am to a Food Primary liquor license and an addition of a patio area to a Liquor Primary license", which states:*

1. *THAT Council does not wish to provide comments or recommendations to the Liquor Control and Licensing Branch with regards to the two proposed liquor license changes.*

CARRIED.

**10.4 Mobile Vending Location Approval for 1992 Peninsula Road -  
Howlers Family Restaurant  
John Towgood, Planner I**

2016-245

**It was moved by Sally Mole and seconded by Mayco Noel**

*THAT Council direct staff to bring forward a revised report on report item "Mobile vending location approval for 1992 Peninsula Road" to include an analysis of adherence to the "mobile vendor" definition, taxation implications, and building code considerations.*

CARRIED.

**11. LEGISLATION**

**11.1 Zoning Amendment Bylaw Report for 1601 Peninsula Road - Fourth  
Reading  
John Towgood, Planner I**

2016-246

**It was moved by Marilyn McEwen and seconded by Sally Mole**

*THAT Council approve recommendation 1 of report item "Proposal to amend Zoning Bylaw No. 1160, 2013 by adding the definition for microbrewery and add microbrewery as a permissible use to 1601 Peninsula within the Village Square Commercial (cs-1) zone", which states:*

1. *Zoning Amendment Bylaw No. 1194, 2016 be given Fourth Reading and subsequent Adoption.*

CARRIED.

**11.2 Zoning Amendment Bylaw No. 1194, 2016**

2016-247

**It was moved by Marilyn McEwen and seconded by Randy Oliwa**

*THAT Council give Fourth Reading and subsequent adoption to Zoning Amendment Bylaw No. 1194, 2016.*

CARRIED.

## 12. LATE ITEMS

## 13. NEW BUSINESS

### 13.1 Councillor Mole

2016-248            **It was moved by Sally Mole and seconded by Marilyn McEwen**  
*THAT Council direct staff to investigate and create a bylaw to address medical marijuana dispensaries in Ucluelet.*

CARRIED.

### 13.2 Mayor St. Jacques

2016-249            **It was moved by Dianne St. Jacques and seconded by Sally Mole**  
*THAT Council direct staff to write a letter to RCMP Commander Craig Callens requesting that the District of Ucluelet Council be included in the interview process for the new detachment commander of the Ucluelet RCMP unit.*

CARRIED.

2016-250            **It was moved by Dianne St. Jacques and seconded by Sally Mole**  
*THAT Council direct staff to write a letter to RCMP Chief Superintendent Ray Bernoties and Clayton Pecknold, Assistant Deputy Minister and Director of Police Services, Policing and Security Branch, providing them with updates on Ucluelet's population and tourism statistics and expressing Council's dissatisfaction with the current state of Ucluelet's RCMP unit going into the summer season.*

CARRIED.

## 14. QUESTION PERIOD

## 15. CLOSED SESSION

### 15.1 Procedural Motion to Move In-Camera

2016-251            **It was moved by Sally Mole and seconded by Mayco Noel**  
*THAT the meeting be closed to the public in order to address agenda items under Section 90(1), subsections (c) and (d) of the Community Charter*

CARRIED.

### 15.2 Mayor St. Jacques suspended the regular meeting and moved in-camera at 8:45 pm

## 16. ADJOURNMENT

16.1 Mayor St. Jacques adjourned the in-camera meeting at 9:50 pm and resumed the open meeting at 9:51 pm

### 16.2 RISE AND REPORT FROM IN-CAMERA MEETING

- Resolution of the May 10, 2016 In-Camera Meeting

2016-252

**It was moved by Marilyn McEwen and seconded by Sally Mole**

*THAT Council authorize amending Ucluelet Harbour Seafoods Ltd.'s invoice total for March 2016 to a total typical with previous billing amounts; AND THAT Council authorize charging Ucluelet Harbour Seafoods Ltd. a flat total of \$5000 (or for actual amount of water used, whichever is less) for the months of April, May and June of 2016, after which time Ucluelet Harbour Seafoods Ltd. will be charged for actual amount of water used; AND THAT Council request a water conservation plan from Ucluelet Harbour Seafoods Ltd. to be reviewed with District staff; AND THAT Council direct staff to review sewer charges for Ucluelet Harbour Seafoods Ltd. to ensure rates reflect true costs to the District.*

CARRIED.

### 16.3 Mayor St. Jacques adjourned the regular meeting at 9:53 pm

**CERTIFIED CORRECT:** Minutes of the Regular Council Meeting held on Tuesday, May 24, 2016 at 7:30 pm in the George Fraser Room, Ucluelet Community Centre, 500 Matterson Road, Ucluelet, BC.

---

Dianne St. Jacques  
Mayor

---

Andrew Yeates  
CAO





## DISTRICT OF UCLUELET

### Request to Appear as a Delegation

All delegations requesting permission to appear before Council are required to submit a written request or complete this form and submit all information or documentation by 11:00 a.m. the Wednesday preceding the subsequent Council meeting. Applicants should include the topic of discussion and outline the action they wish Council to undertake.

All correspondence submitted to the District of Ucluelet in response to this notice will form part of the public record and will be published in a meeting agenda. Delegations shall limit their presentation to ten minutes, except by prior arrangement or resolution of Council.

Please arrive by 7:20 p.m. and be prepared for the Council meeting. The Mayor (or Acting Mayor) is the chairperson and all comments are to be directed to the chairperson. It is important to address the chairperson as Your Worship or Mayor St. Jacques.

The District Office will advise you of which Council meeting you will be scheduled for if you cannot be accommodated on your requested date. For more information contact the District Office at 250-726-7744 or email [info@ucluelet.ca](mailto:info@ucluelet.ca).

Requested Council Meeting Date: June 14, 2016

Organization Name: KPMG

Name of person(s) to make presentation: Lenora Lee

Topic: Presentation of Draft 2015 Audited Financial Statements

Purpose of Presentation:

- Information only
- Requesting a letter of support
- Other (provide details below)

Please describe:

Contact person (if different from above): \_\_\_\_\_

Telephone Number and Email: \_\_\_\_\_

Will you be providing supporting documentation?  Yes  No

If yes, what are you providing?

Handout(s)

PowerPoint Presentation

Note: Any presentations requiring a computer and projector/screen must be provided prior to your appearance date. The District cannot accommodate personal laptops.

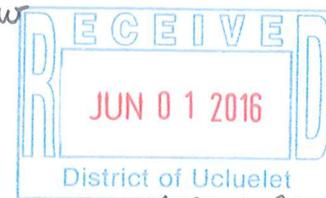




May 30, 2016

Mayor Diane St. Jacques  
District of Ucluelet  
200 Main Street  
P.O. Box 999  
Ucluelet, BC, V0R 3A0

Filecode: 0400-20 c3  
X-Ref:  
Forwarded to: Council, Andrew  
[ ] Physical [X] Electronic



Dear Mayor St. Jacques,

**Re: 3<sup>rd</sup> Annual Resource Breakfast Series September 27 to 30, 2016 – Victoria, BC**

On behalf of the BC Resource Sector, it is my sincere pleasure to offer two of your elected representatives complimentary passes to the 3<sup>rd</sup> annual *Resource Breakfast Series*. This exciting yearly event will be held at Victoria's Hotel Grand Pacific, spanning four mornings during the September 2016 Union of BC Municipalities' (UBCM) Annual Convention. The breakfasts will take place from 7:00 to 8:30am and each will focus on a different aspect of BC's resource sectors, including Energy and Mining, Natural Gas, Forestry and Finance. These breakfast events provide an excellent opportunity to network and receive brief updates on resource projects and the economy throughout the province. It is also a fantastic chance to meet representatives from the resource sector and the generous sponsoring companies.

**Energy and Mining Sector Breakfast, Tuesday, September 27, 2016**

Guest of Honour: **Honourable Bill Bennett**, Minister of Energy Mines and Core Review,  
*confirmed*

**Natural Gas Sector Breakfast - Wednesday, September 28, 2016**

Guest of Honour: **Honourable Rich Coleman**, Deputy Premier and Minister of Natural Gas  
Development and Minister Responsible for Housing, *invited*

**Forest Sector Breakfast - Thursday, September 29, 2016**

Guest of Honour: **Honourable Steve Thomson**, Minister of Forests, Lands and Natural Resource  
Operations, *confirmed*

**Finance Sector Breakfast - Friday, September 30, 2016**

Guest of Honour: **Honourable Michael de Jong**, Q.C., Minister of Finance and House Leader,  
*invited*

**Time:** 7:00 am-8:30 am  
**Invited Guests:** 200 Mayors and Councillors (MLAs are also invited)  
**Style:** Plated breakfast  
**Location:** Hotel Grand Pacific – 463 Belleville Street, Victoria, BC  
**Cost:** No charge, hosted breakfast  
**Dress:** Business Casual  
**Note:** Agenda subject to change

408 – 688 West Hastings Street (604) 353-3136  
Vancouver, British Columbia info@c3alliancecorp.ca  
V6B 1P1, Canada www.c3alliancecorp.ca

Last year's Resource Breakfast Series was a huge success, with a sellout crowd each day and representation from 75 different areas of the province. As was the case last year, there will be broad representation from Mayors, Councillors, MLAs, resource and finance sectors and association sponsors from across the province. These breakfasts present an excellent opportunity to meet and learn first-hand the latest news about BC's important resource and finance sectors.

Seating is limited and will be assigned on a first-come, first-served basis. To support and encourage a broad spectrum of leaders from across the Province, we are limiting local government seats to two per Municipal Council or Regional District at any or all of the breakfasts. Please RSVP to [info@c3alliancecorp.ca](mailto:info@c3alliancecorp.ca) and specify which event(s) you would like your representatives to attend. There is great demand for these popular events, therefore, we respectfully encourage you to request tickets to only the breakfasts you have an interest in attending and are available. We do not permit transferring of tickets.

We look forward to welcoming you at 3<sup>rd</sup> Annual Resource Breakfast Series.

Kind regards,

A handwritten signature in black ink, appearing to read 'Dan Jepsen', with a stylized flourish at the end.

Dan Jepsen  
CEO  
C3 Alliance Corp. – Resource Breakfast Series Managers

cc: Hon. Bill Bennett, Minister of Energy and Mines and Minister Responsible for Core Review  
Hon. Rich Coleman, Minister of Natural Gas Development, Minister Responsible for Housing,  
and Deputy Premier  
Hon. Steve Thomson, Minister of Forests, Lands and Natural Resource Operations  
Hon. Michael de Jong, Q.C., Minister of Finance and House Leader  
Keith Matthew, President National Aboriginal Energy and Power Association

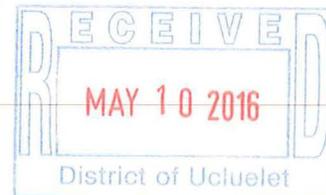


Mailing Address:  
PO Box 9275 Stn Prov Govt  
Victoria BC V8W 9J6

Phone: 250-387-5305  
Toll-free: 1-800-661-8683/ TTY 1-888-456-5448  
Fax: 250-387-3578  
Toll-free Fax: 1-866-466-0665  
Email: electionsbc@elections.bc.ca  
Website: www.elections.bc.ca

May 3, 2016

Filecode: 0410<sup>th</sup> 20 ELECTION  
X-Ref:  
Forwarded to: Council, Andrew  
f  Physical  Electronic



Dianne St. Jacques  
Mayor of Ucluelet  
PO Box 999  
Ucluelet, BC V0R 3A0

Dear Mayor:

I am writing to request your support as Elections BC begins preparations for the 41<sup>st</sup> provincial general election on May 9, 2017.

Later this year, District Electoral Officers in each of the province's 87 electoral districts will begin contacting community halls, recreation centres, fire halls, public libraries and other municipal facilities to confirm their availability for use as voting places. Once availability has been confirmed, District Electoral Officers will work with the managers of these facilities to ensure that appropriate security and logistics controls are planned.

Voting days for the 2017 provincial election include advance voting on April 29-30 and May 3-6, as well as general voting on May 9. The hours for each day of voting are 8:00 a.m. to 8:00 p.m.

If you require more information, please do not hesitate to contact Nancy Southcott, Manager, Electoral Operations, at 250-356-8884 or by email at [nancy.southcott@elections.bc.ca](mailto:nancy.southcott@elections.bc.ca).

I hope you will make note of the dates mentioned above and that you will share this information with the appropriate representatives for the facilities in your community. I appreciate your assistance in making the voting process accessible to British Columbians.

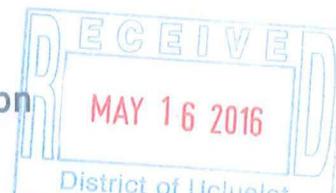
Sincerely,

Anton Boegman  
Deputy Chief Electoral Officer (Electoral Operations)  
British Columbia





**B.C. Government and Service Employees' Union**  
A component of NUPGE (CLC)



**June 14, 2016**

Filecode: 0400-20 BCGEU  
X-Ref:  
Forwarded to: Council, Andrew  
 Physical  Electronic

May 12, 2016

Mayor Dianne St. Jacques  
District of Ucluelet  
PO Box 999  
Ucluelet, BC V0R 3A0

Dear Mayor St. Jacques

As president of the B.C. Government and Service Employees' Union (BCGEU), I am writing to share my concerns about the sale of wine in grocery stores in your city. At a minimum, I urge you to implement a 1 kilometer distance rule bylaw for all alcohol beverage retailers as other municipalities, such as Kamloops, have done. This ensures there is no proliferation of liquor outlets. In addition, I urge you to consider implementing a six month moratorium on grocery store sales of wine. This will allow for thoughtful consideration of the following:

- Increasing the number and density of liquor retail locations could have unforeseen health and public safety consequences for our communities. The Centre for Addictions Research of BC has already identified 655 more alcohol-related hospitalizations and 31 more alcohol related deaths due to the provincial government's reform of B.C. liquor laws in 2014, which increased access to alcohol. With additional liquor access – in grocery stores – these numbers will only go up.
- Unlike private and government liquor stores, wine on grocery store shelves is not subject to the regulation requiring at least 1 km distance between alcohol retailers. This regulatory omission will lead to a proliferation of alcohol retailers in our communities, which has social implications as well as negative impacts on small businesses.
- Grocery store employees will not receive the same level of training as BC Liquor store employees. They will not be as knowledgeable on the rules and regulations around identification, nor as experienced in spotting false identification. As a result, it may be easier for minors to purchase alcohol at grocery stores than at BC Liquor stores.
- It will be easier for people to shoplift alcohol from grocery stores than from BC Liquor stores; BC Liquor stores are small, with attention paid to ensuring staff have good sightlines to all areas of the store. Grocery stores are larger with tall shelving that blocks sightlines.
- Proponents of wine in grocery stores haven't addressed the issue of staff who are minors. Allowing wine in grocery stores will mean that either minors will be stocking liquor and handling liquor sales, or, if they are restricted from handling alcohol, young people may lose access to grocery store jobs.
- Grocery store sales of alcohol will not always be limited to B.C. wine, cider and sake. The "B.C. only" model is likely to violate our international trade obligations and leave us vulnerable to a trade



challenge. The government of Ontario recently acknowledged this risk. A successful trade challenge would negatively impact our local B.C. wineries, thus impacting many important small, local businesses.

- A successful trade challenge could also lead to the sale of a full range of alcohol products on grocery store shelves, as once the limit to BC VQA wine is struck down, this could open the door to making all alcohol available in grocery stores.

The BCGEU's membership includes approximately 3,800 employees of the Liquor Distribution Branch (LDB), who work in communities throughout the province. Our members at the LDB take social responsibility very seriously – they understand the importance of keeping alcohol out of the hands of minors, and are trained to watch for appropriate I.D. and over-serving.

Our union cares about the communities in which our members live and work. We care about good family-supporting jobs for our members. We care about health, safety and keeping alcohol out of the hands of minors. We care about supporting small businesses and our B.C. wine industry. We strongly urge you to implement a six month moratorium on the expansion on grocery store sales of wine, to allow time to properly assess the potential social and economic ramifications of these sales. We also urge you to implement a 1 kilometer distance rule at the municipal level for all alcohol retailers to ensure there is no proliferation of liquor outlets in our communities.

If you would like further information, or would like to discuss further, please contact Campaigns Officer Earl Moloney at (604) 291-9611 or [earl.moloney@bcgeu.ca](mailto:earl.moloney@bcgeu.ca).

Thank you very much for your time and attention to this matter,

Stephanie Smith  
President  
BCGEU

cc: Kimberlee MacGregor, Vice President Component 5

SS/EM/pc/MoveUP

**Subject:** Your Support Requested Prostate Cancer Canada UBCM 2016 Resolution

**From:** Tamara Manuel [<mailto:tmanuel@oxygencapitalcorp.com>]

**Sent:** June-03-16 10:38 AM

**To:** Info Ucluelet <[InfoUcluelet@ucluelet.ca](mailto:InfoUcluelet@ucluelet.ca)>

**Subject:** Your Support Requested Prostate Cancer Canada UBCM 2016 Resolution

Dear Mayor St. Jacques,

Following the success of a first time presence at UBCM in 2015, Prostate Cancer Canada is planning on making a significant impact at UBCM 2016 in Victoria and we need your help to do so.

In 2015, the District of North Vancouver and the City of Powell River sponsored a UBCM resolution that declared September to be Prostate Cancer Awareness Month. The motion was passed and over 50 municipalities committed to the same, and 109 cities across Canada also declared the month Prostate Cancer Awareness Month.

This year we hope that you would pass two resolutions in advance of UBCM 2016. Firstly, by declaring September to be Prostate Cancer Awareness Month and secondly, to support the request to have all PSA testing fees to be covered by the Provincial Government.

We want to thank Dawson Creek, North Vancouver and Powell River for being such great leaders who have agreed to sponsor the two resolutions at UBCM 2016.

Like breast cancer, prostate cancer is a family disease and we need your help to have it treated equally. To benefit from detecting prostate cancer early, there must be awareness about the disease and men should get a PSA test that will flag if there is any need to follow up. We appreciate your support.

If you are able to voice your support for the motions and the importance of this when you meet with any cabinet members during UBCM you will be reinforcing this important message.

Why should you do this? The following is a quote from Mayor Bumstead of Dawson Creek.

***"I am living proof that the early diagnosis of prostate cancer through the PSA test is essential. I was diagnosed with prostate cancer 1 year ago and today after successful surgery 6 months ago my PSA level is currently 0.0. The PSA test as a part of my regular Medical exam saved my life."***

*-Mayor Bumstead  
City of Dawson Creek*

So we thank you for your support in advance of UBCM 2016. We hope that you can pass the two resolutions in advance of UBCM 2016 and join the hundreds of other communities across Canada that are helping us in our mission.

We have attached a backgrounder on Prostate Cancer Canada and some facts about prostate cancer for you. For further information please go to our website at [www.prostatecancer.ca](http://www.prostatecancer.ca) or reach out to Sarah Rushton our Vice President, Western Region at 604-753-8008 or [sarah.rushton@prostatecancer.ca](mailto:sarah.rushton@prostatecancer.ca)

Yours truly,

Donald McInnes

**Donald McInnes**

**Request re: Declaration and Support for Prostate Cancer  
Aware...**



## Prostate Cancer Canada Backgrounder

Prostate Cancer Canada is the leading national foundation dedicated to the elimination of the most common cancer in men through research, advocacy, education, support and awareness. For 22 years we have invested the generous donations of Canadians towards funding research that will uncover better diagnostic and treatment options, and towards providing comprehensive education and support services for those living with and affected by prostate cancer.

## Prostate Cancer facts

- 1 in 8 Canadian men will be diagnosed with prostate cancer in their lifetime; which made for 24,000 expected new cases in 2015.
- Early detection saves lives. When detected early, the survival rate for prostate cancer is over 90%.
- Prostate Cancer Canada strongly advocates for “smart screening” for prostate cancer following a shared decision making process between a man and his doctor. This involves men getting a Prostate Specific Antigen (PSA) test in their 40s to establish a baseline level which is then incorporated into the man’s risk profile with family history and ethnicity to determine when the next PSA test needs to occur.
- British Columbia and Ontario are the only provinces that do not cover PSA testing for men with no symptoms under provincial healthcare.
- Through the PSA test, otherwise undetectable cases of prostate cancer can be discovered which can lead to early intervention.
- Over the last 20 years, mortality from prostate cancer has dropped by 40% due to early diagnosis and treatment. Empirically this is over 2,000 Canadian men who are not dying each year due to prostate cancer being diagnosed when it is largely treatable.

## **UBCM RESOLUTION**

### **Eliminate Fees for PSA Testing in the Province of British Columbia - Declare September Prostate Cancer Awareness Month**

WHEREAS 1 in 8 men in British Columbia will be diagnosed with prostate cancer in their lifetime representing the number one cancer risk to men;

Request re: Declaration and Support for Prostate Cancer  
Awar...

AND WHEREAS the economic, family and social costs to our province would be significantly diminished through awareness and early detection: Page 25 of 269

THEREFORE BE IT RESOLVED that UBCM request the provincial government make PSA testing free for all men in the province to ensure all men have the opportunity to have their prostate cancer diagnosed as early as possible so that survival will be improved.

THEREFORE BE IT FURTHER RESOLVED that UBCM and its constituent members declare September to be Prostate Cancer Awareness Month.





June 1, 2016

June 1, 2016

Dear Mayors and Regional District Chairs:

As we prepare for the 2016 UBCM Convention in Victoria this September, I wanted to let you know that my caucus colleagues and I are once again looking forward to listening to the discussions around the issues and initiatives that affect British Columbia's communities and the people who live there. Our work depends on your input and your insight, and my colleagues and I will be there to listen and to learn.

This year's theme, *Stronger Together*, is an ideal way to recognize the strengths and similarities across the province. British Columbia is leading Canada like never before, and the work you do in your community is an integral part of that.

If you would like to request a meeting with me or a Cabinet Minister on a specific issue during this year's convention, the online registration form at <https://UBCMreg.gov.bc.ca> will go live on June 13th. The invitation code is [REDACTED], please note it is case sensitive.

If you have any questions, please contact my UBCM Meeting Request Coordinator, Tim Wong at [UBCM.Meetings@gov.bc.ca](mailto:UBCM.Meetings@gov.bc.ca) or by phone at 604-775-1600.

Sincerely,

A handwritten signature in blue ink that reads 'Christy Clark'. The signature is fluid and cursive.

Christy Clark  
Premier



**Subject:** Call for Proposal: Enabling Accessibility Fund

**From:** [W-T-CSPD-SCEP-NHSP-PNHA-BC-GD@servicecanada.gc.ca](mailto:W-T-CSPD-SCEP-NHSP-PNHA-BC-GD@servicecanada.gc.ca) [<mailto:W-T-CSPD-SCEP-NHSP-PNHA-BC-GD@servicecanada.gc.ca>]

**Sent:** June-01-16 9:36 AM

**Subject:** Call for Proposal: Enabling Accessibility Fund

Good Morning,

A Call for Proposal (CFP) is currently open for the **Enabling Accessibility Fund**. The Enabling Accessibility Fund is a federal Grants and Contributions program that supports capital costs of construction and renovations related to improving physical accessibility and safety for people with disabilities in Canadian communities and workplaces. The call will close on **July 26, 2016**.

**Eligible Projects:**

- Projects must demonstrate that they meet the CFP objective related to their stream.
- Projects must demonstrate that they meet all the expected results related to their stream.
- The duration of proposed projects must be a maximum of 52 weeks (one year);
- Funding from ESDC cannot exceed \$50,000 per project;
- Cash and/or in-kind contributions equal to or greater than 35% of total eligible project costs must be provided through sources other than the Government of Canada (which can include the applicant's own organization). Applicants must provide letters confirming all cash and/or in-kind support from contributors with their application.

**Eligible recipients for this Call For Proposal are:**

- not-for-profit organizations, including social enterprises;
- small businesses;
- small municipalities (population under 125,000 as per census data);
- Indigenous organizations (including band councils, tribal councils and self-government entities); and
- territorial governments

For more information and on how to apply, please visit: <http://www.edsc.gc.ca/eng/disability/eaf/index.shtml>

If you have enquiries about this process, please send them to the following address: [fpa-eaf@hrsdc-rhdcc.gc.ca](mailto:fpa-eaf@hrsdc-rhdcc.gc.ca) . Enquiries will only be answered between May 31 and July 12, 2016.



**From:** Info Ucluelet  
**Sent:** Thursday, May 26, 2016 12:53 PM  
**To:** Council  
**Cc:** Andrew Yeates; Morgan Dosdall  
**Subject:** Letter to Minister Fassbender  
**Attachments:** 2016-05-20 Fassbender re transportation and accommodation response.pdf

**From:** Nicky Braithwaite [mailto:admin@sunpeaksmunicipality.ca]  
**Sent:** May-26-16 10:12 AM  
**To:** lfacio@harrisonhotsprings.ca; mary.giuliano@fernie.ca; ron.oszust@golden.ca; mayor@invermere.net; mayor@kimberley.ca; smckortoff@osoyoos.ca; clara.reinhardt@radiumhotsprings.ca; mmckee@revelstoke.ca; mayor@rossland.ca; osborne@tofino.ca; Info Ucluelet <InfoUcluelet@ucluelet.ca>; jtownsend@valemount.ca; nwilhelm-morden@whistler.ca  
**Cc:** 'Al Raine' <[REDACTED]>  
**Subject:** Letter to Minister Fassbender

Dear RMI Mayors,

Attached please find a letter than we have forwarded to Minister Fassbender in response to the Minister's request for Municipal input on the issue of Airbnb and Uber. Sun Peaks welcomes the competition of online sellers however we have taken the position that from a taxation point of view, the playing field should as level as possible.

We have created a zoning category where short term rentals of homes is permitted because our residential zoning bylaw does not permit short term rentals. We are still wrestling with the issue of townhouse residential properties.

We have suggested that Bed and Breakfast properties within resort communities should not be PST or GST exempt. The GST is a much more problematic issue in that it is federal and there is the \$30,000 gross revenue exemption.

Sun Peaks believes that the online selling of accommodation with full tax exemptions will impact our communities public accommodators. Accommodation properties paying commercial property taxes etc. and collecting PST and GST will be impacted by the tax free sellers. As municipalities we should not be supporting a system that encourage an underground economy.

Al Raine

*Ms. Nicky Braithwaite*

Finance Officer

Sun Peaks Mountain Resort Municipality

Tel: 250-578-2020

Fax: 250-578-2023

[www.sunpeaksmunicipality.ca](http://www.sunpeaksmunicipality.ca)





May 20, 2016

Honourable Minister Fassbender  
 PO BOX 9058 Stn Prov Govt  
 Victoria BC  
 V8W 9E2

Re: Regulations of public transportation (taxi) and short term rental accommodations

Dear Minister Fassbender,

We are pleased to respond to your letter of April 8<sup>th</sup> seeking Municipal input around the public transportation and 'short term' (less than 30 days) accommodations sales issues. You clearly stated in your letter that any regulation of these services must be balanced against the need to be respectful of existing industry participants. We support this direction.

The economic viability of resort communities like Sun Peaks is dependent on the availability of a variety of accommodations for visitors. Resort accommodation providers, such as hotels, lodges and property management companies, are generally governed by existing regulations. These businesses must have municipal business licences, be appropriately zoned and pay property taxes in accordance with their zoning classification. They are required to collect Provincial Sales Tax including Municipal Regional District Taxes and Federal GST Taxes. Further, it should be noted that commercial properties are usually subject to higher fees for water, waste water, gas/propane and solid waste collection than residential properties. They also face stricter public safety regulations and have annual fire safety inspections. In addition, in resort municipalities like Sun Peaks and other locations throughout British Columbia, there are resort association fees that rental properties pay, approximately \$400 dollars per sleeping room per year in Sun Peaks.

In discussions with the operators of Sun Peaks' hotels and lodges, they estimate that these costs collectively add some 25% to 35% additional costs to the final sale price of accommodations. It should be noted that rural resort hotel occupancy rates are generally in the range of 35% to 50%, well below major urban hotel occupancy levels, thus the portion of costs represented by taxes and fees in urban locations would be lower than in resorts. In Sun Peaks, PST/GST combined are 15% at this time, soon to be 16%.

Over the past few years, the private rental of individual condominium apartments, townhouses and private residences has grown significantly. In many cases, these properties are advertised by internet companies that often act as sales agents for the property owners. As such, they usually transfer the obligation of permits and taxes to the owners, who generally do not see themselves as a business that is required to pay the applicable taxes and fees. In Sun Peaks, the main internet sellers are Airbnb.com (100 listings), ownerdirect.com (80 listings), alluradirect.com (67 listings), rentalhomes.com (166 listings), stays.com (22 listings), bookings.com (17).

Sunpeaksvacationchalets.com (25) and VRBO (117). This is a total of 625 listings however as there are many duplications within these lists, a realistic estimate is likely some 200 total individual units. There are other smaller companies also carrying on short term rentals and a few property owners advertise directly without going through the internet. On the internet, there are over 100+ North American online sellers of short term rental accommodation.

With the formation of the Sun Peaks Mountain Resort Municipality in 2010, the new Council faced a challenging dilemma. The Thompson Nicola Regional District managed zoning and land use prior to our incorporation and in response to a number of property owners complaints, had concluded after a legal review that 'short term' rentals of residential zoned properties was not a permitted use and had served 'short term' rental property owners with 'cease and desist' orders. With our incorporation, this issue was then inherited by the new municipality.

After extensive public consultation, municipal council concluded that a majority of property owners were in favour of 'short term' vacation home rentals subject to the management of noise, parking and other issues including verification of appropriate fire insurance. However, most residents were not in favour of permitting this zoning as a 'blanket use' in all residential zoned areas. It was also correctly noted in our public consultations that a number of possible rental properties had been renovated and expanded without building inspections after occupancy permits were originally issued and these properties may no longer be 'in compliance' with the building codes and public safety. Our initial inspections confirmed that a number of properties no longer met building code and zoning requirements.

To address these issues, Council concluded that a new zoning designation needed to be created that would permit short term rentals within approved properties. A new spot zoning process was introduced, which requires an inspection by the building inspector and fire safety personnel plus a public hearing process. The property owners are also required to take out a business licence and post a small performance bond and also provide owner/agent 24 hour complaint telephone contact.

However, these steps only partially address the issues. Unless there are provincial wide regulations to ensure that all appropriate taxes and fees are paid by all short term rental providers, an unfair cost advantage will exist over the traditional accommodation providers. If we fail to address these competitive pricing issues, many resort communities will witness a major shift from regulated fully taxed accommodation use to unregulated and untaxed accommodation use. Most resort accommodations are built as strata properties with individual ownership. It is very conceivable that the majority of future 'short term' rentals will be 'shared' sales that avoid PST or GST payments and other regulations and fees.

We note that the federal, provincial and municipal taxation avoidance situation is likely much larger than has been anticipated. Tourism Sun Peaks estimates that today some 15% or more of all short term accommodation rentals in Sun Peaks are carried out without payment of GST or PST. Property owner mistakenly believe that they are exempt under the 'Bed and Breakfast' regulations and limit their sales to a maximum of \$30,000 dollars in annual sales to avoid GST triggers. Sun Peaks' estimated annual accommodation sales are in the \$15 million range, 15% represents some \$2.25 million dollars in sales. The lost taxation on these sales would be

approximately \$180,000 in provincial sales tax and \$112,500 in federal GST and \$67,500 in municipal room tax at 3%, a total of \$359,500 per annum in Sun Peaks alone.

We would recommend that within resort communities, the PST exemption for 'Bed and Breakfast' properties be rescinded. Tax exemption may be appropriate in stand-alone or rural locations however within resort communities, such properties take full advantage of the collective marketing and promotion dollars often without any contributions on their part.

#### Transportation (Uber)

With regard to transportation services, we see a similar need to regulate vehicle and driver inspections/competency tests to assure public safety. We currently have no taxi or limousine service based in the resort although taxis and limousines licenced in other jurisdictions do service our community.

We further note that there are ongoing concerns about the payment of taxes by Uber with regard to PST and GST. One only has to 'google' "Does Uber pay taxes in Canada" to see this issue. (attachment follows)

Our municipality would be please to participate in any proposed ongoing discussions.

Yours sincerely,



Al Raine  
Mayor

cc Minister Terry Lake  
Minister Todd Stone



Uber pays no Corporate Income Tax in Canada and it avoids paying for all forms of employee benefits by declaring its drivers “independent contractors”. The truth is that Uber is not a benign intermediary between drivers and passengers but rather a \$50 billion corporate behemoth designed by an army of lawyers to exploit regulatory grey areas for the expressed purpose of undercutting fares charged by its competitors.





## Welcome to Pacific Rim National Park Reserve

Pacific Rim National Park Reserve is in the middle of some amazing rehabilitation projects to restore its infrastructure, including roads, shelters, and Green Point Campground, as part of Parks Canada's unprecedented \$3 billion investment in national historic sites, national parks and national marine conservation areas across the country. The park reserve is excited to have these projects underway as it means our visitors will be able to enjoy and experience the natural and cultural wonders of the park reserve for many years to come.

Parks Canada encourages guests to explore several renewed areas of the park reserve this summer. While some areas around the park are temporarily closed, we have worked hard to minimize visitor impacts and thank you for your patience. We hope you will be back again soon to see the renewed park reserve, as these investments in visitor infrastructure will ensure the quality and reliability of visitor facilities and continue to allow Canadians to connect with nature.

## What can I do in the park reserve in June?



**Wick Road** (turn off is located 5 km west of the Ucluelet-Tofino Junction on Highway 4)

A new bridge over Sandhill Creek has been completed, restoring a culvert and allowing the fish-bearing creek to flow freely. Visitors now have access to the **Shorepine Bog Trail, Nuu-chah-nulth Interpretive Trail, South Beach, Florencia Beach North and Wickaninnish Beach.**

The K<sup>w</sup>isitit Visitor Centre and day use area washrooms will remain closed until water service has been restored to the area. Portable toilets are available adjacent to existing washrooms.



**Kennedy Lake – Swim Beach** (located on Highway 4, 6 km east of the Ucluelet-Tofino Junction)

For an invigorating fresh water swim and a spectacular view of Vancouver Island's largest fresh water lake, Swim Beach cannot be beat. The road down to the sandy beach has been rehabilitated, replacing six failing culverts. The fish-bearing streams are now moving freely, and the drainage from the road has been improved ensuring that swimmers, paddle boarders and sunbathers will all be able to enjoy lake activities.



**Schooner Cove Trail** (located on Highway 4 south of Tofino)

Follow this twisting boardwalk as it descends through young and old stands of cedar/hemlock forest and Sitka spruce fringe to Schooner Cove beach – a great place to do some tidal pool exploring at low tide! This trail is 1 km one way and has some long flights of stairs.



**Long Beach at North Beach Parking Lot** (located on Highway 4 halfway between Ucluelet and Tofino)

Put on your walking shoes and make the trek to the very end of the beach to sit in one of Parks Canada's iconic red chairs. Hint: when you get to the rocky outcropping at the end of the beach, look up!

**Incinerator Rock** (located on Highway 4 north of Long Beach)

Long Beach isn't just famous for its long stretch of sand and sky, it's also one of the best places to catch waves on the west coast of Canada. Put on a (thick) wet suit, take a lesson, and give surfing a try.

**Rainforest Trail** (located on Highway 4 south of Long Beach)

Explore a world of ancient giants, drifting mists, witches' moss, twisted trees and rainforest wildlife on the Rainforest Trail. Each loop of the trail is 1 km and there are many short flights of stairs.

**Willowbrae and Halfmoon Bay Trails** (located off of Highway 4, 2 km south of the Ucluelet -Tofino Junction)

Stroll along a path through old growth forest and discover secluded sandy beaches just waiting for your footprints. Halfmoon Bay Trail branches off of Willowbrae Trail 1 km in. Both trails are approximately 1.5 km one way and have long flights of stairs leading to the beach.

**Green Point Campground** (located on Highway 4 halfway between Ucluelet and Tofino)

Perched on the edge of a forested bluff looking out to the Pacific Ocean, this one-of-a-kind campground has been newly renovated and now offers fully serviced sites along with new shower facilities. Campers have the choice of serviced drive-in sites, primitive walk-in sites, equipped walk-in sites or a group site. Reservations: [www.reservation.pc.gc.ca](http://www.reservation.pc.gc.ca)

**West Coast Trail** (Trailheads located just outside of Port Renfrew and Bamfield, with a 3rd access point at Nitinat Lake)

This 75km (5 to 7 day) backcountry hike along the rugged west coast is a must for the serious hiker! For hikers who only have a few days to spare, the trail has a third entrance at Nitinat Lake which makes hiking half the trail (2 to 3 days) an exciting option. Reservations: [www.reservation.pc.gc.ca](http://www.reservation.pc.gc.ca)

**Broken Group Islands** (accessible by water only, located between Ucluelet and Bamfield)

Paddle or motor through this stunning archipelago of islands with sheltered bays, shell beaches, densely forested islands, exposed reefs and bare wind-swept rocks. The islands are steeped in rich Nuu-chah-nulth culture and history and contain many sites of spiritual and cultural significance. The Tseshaht First Nation Beachkeepers patrol the islands May through September.



*Regular updates on infrastructure work in Pacific Rim National Park Reserve are available on the web at [parksCanada.gc.ca/pacificrim](http://parksCanada.gc.ca/pacificrim), Facebook at [www.facebook.com/PacificRimNPR](https://www.facebook.com/PacificRimNPR), and Twitter at @PacificRimNPR, or by calling 250-726-3500.*

Disponible en français

Last Update: 2016-06-06



Parks  
Canada

Parcs  
Canada

**From:** Info Ucluelet  
**Sent:** Thursday, June 02, 2016 8:43 AM  
**To:** Council  
**Cc:** Morgan Dosdall; Andrew Yeates  
**Subject:** Selina's update from Victoria

**From:** Selina Robinson [mailto:selina.robinson.mla@leg.bc.ca]  
**Sent:** June-01-16 2:53 PM  
**To:** Info Ucluelet <InfoUcluelet@ucluelet.ca>  
**Subject:** Selina's update from Victoria

Hello friend,

As the Opposition Spokesperson for Local Government I think it's important to check in with you, let you know what has been happening in Victoria and around the Province on this very important file.

This Spring I attended all of the area association meetings. It was great to see familiar faces and catch up with people I have known since I was in local government, serving on the Coquitlam Council. It was also wonderful to meet mayors, councilors and directors I had not yet met, some of whom had been doing this work for a long time and others who are still relatively new to local government. It is always a pleasure to listen to your debates, hear your issues and see you hard at work to strengthen your communities. I spoke to this in the Legislature during [Local Government Awareness Week](#).

My time at these area conferences is time well spent as I get a chance to understand the lay of the land in your regions. While each area is distinct and has its own issues, there are common challenges for local governments across the province. I get a really excellent overview by spending some time with you and hearing a variety of opinions and perspectives. At the various area meetings I met with some of you to address a specific problem or to share a specific issue – thank you for taking the time to meet with me. John Horgan, Leader of the Opposition was able to join you at AVICC, SILGA and LMLGA (his schedule precluded him from attending the AKBLG and the NCLGA). John knows and understands that the work you do contributes greatly to building the economy and building our province.

At the area association meetings we heard concerns about safe drinking water, provincial and federal government offloads to local government, concerns about the impacts that school closures are going to have on our rural communities, the need for infrastructure money, and the importance of rural parts of our Province encouraging economic development to a 21<sup>st</sup> century economy - one that can develop alongside our more traditional resource economy.

This spring at the legislature we debated Bill 17 – Local Election Expense Limit legislation. I was on the committee that met all through last year to hear from British Columbians about expense limits for local elections. Much of what we heard asked for us to consider a cap on donations AND a ban on corporate and union donations. I introduced amendments in order to get big money out of local elections, amendments that would ban union and corporate donations and limit contributions. However, every single amendment was rejected by the Clark government.

I had hoped to follow up with the Minister for Community, Sport and Cultural Development and other ministers about the government responses to your 2015 UBCM resolutions, but the Clark government responses were delayed until May - even though the title page says March (when they are typically released). As a result, my colleagues and I were unable to press the government this year on the issues that you raised as important to you and your communities because most of our Estimates debate time had already occurred.

General Update rom Opposition Spokesperson for Local Governm...

Page 40 of 269  
My colleague, Mike Farnworth, Opposition Spokesperson on Public Safety did ask a number of questions on the DNA download that just about every area association debated in the resolutions session of their meetings. Take a look at the exchange [here](#).

John Horgan, my NDP caucus colleagues and I all look forward to seeing you in September at the UBCM Convention in Victoria. We are available to meet with you and your colleagues during the UBCM to learn more about your communities and how the provincial government can work with you and support you in your efforts.

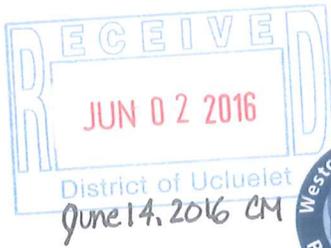
We will forward the details of how to set up meetings with us in the coming weeks.

Keep up the good work.

See you in September.

Selina Robinson  
MLA Coquitlam-Maillardville  
Opposition Spokesperson for Local Government, Sport and Seniors

*If you would no longer like to receive emails from me regarding Local Government, please [click here](#)*



**Westcoast Community Resources Society**  
P.O. Box 868, Ucluelet, British Columbia, V0R 3A0  
Phone: (250) 726-2343, Fax: (250) 726-2353

---

01 June 2016

**To: Ucluelet District Mayor and Council**

Westcoast Community Resources Society, its Management Team and Board of Directors, wish to express our sincere gratitude to each of you for your willingness to address our delegation request for a grant of funds to support our Community Outreach Program.

We are grateful for the excellent relationship that has been developed between our Society and Ucluelet District Council since the Society's beginnings. It makes a tremendous difference to the quality of service we can offer the clients in our community when we have the insight, support and advocacy of our local government leaders.

With thanks and best wishes,

Yours faithfully,

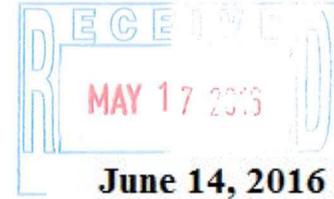
Kate Mänttä  
Personnel & Program Manager





*Tsawayuus*  
(Rainbow Gardens)  
Westcoast Native Health Care Society

6151 Russell Place  
Port Alberni, BC V9J 4V7  
Phone: 250.724.5655  
Fax: 250.724.5666  
Email: info@rainbowgardens.bc.ca



April 25, 2016  
Mayor Dianne St. Jacques  
PO Box 999,  
Ucluelet, BC V0R 3A0

Mayor Josie Osborne  
121 Third Street  
PO Box 9  
Tofino BC V0R 2Z0

Filecode: 0230-20 WNHCS  
X-Ref:  
Forwarded to: Council, Andrew  
 Physical  Electronic

Dear Mayor Dianne St. Jacques and Mayor Josie Osborne:

We are responding to your letter dated March 31, 2016 that is addressed to our Board of Directors for the Westcoast Native Health Care Society. Thank you for raising the issue of re-establishing the helipad on Tofino General Hospital Foundation lands.

Our work towards building a senior's care facility on Tofino General Hospital Foundation lands has been considerable since 2012 when we were approached by the Pacific Rim Seniors Housing Society to build and operate a residential care facility. This group of community members had worked at developing a senior's care facility on land owned by the Tofino General Hospital Foundation in Tofino for 20 years without success. We accepted the challenge and it was 2 years before we signed a lease.

After extensive research, seeking legal advice, meeting with community, municipal and health authority representatives we understood there was a plan to build the heliport next to the proposed care facility. We hosted information meetings, established a web-site and hired a consultant to push the project forward. Then, we were surprised to hear that Mayor Osbourne was concerned there was still confusion about the heliport. In consideration of the continued conflict surrounding the heliport and the inconsistent community support for building the residential care facility, the Board of Directors for the Westcoast Native Health Care Society placed the project on hold.

The mandate of WNHCS is to provide seniors housing. We are not interested in the heliport project and it is not our responsibility to negotiate whether or not a heliport is installed. Therefore, we do not wish to meet with you or anyone else to discuss plans for the heliport in Tofino. That is not our business and we are working on projects that are supported by local government, supported by community members and stand a good chance of success.

We wish you all the best.

Sincerely

Darleen Watts, President

CC ACRD



**Subject:** Wolf Advisory Issued for Long Beach Unit of Pacific Rim National Park Reserve  
**Attachments:** LBU\_Wolf\_Advisory\_6\_June\_2016.pdf

-----Original Message-----

From: todd.windle@pc.gc.ca [mailto:todd.windle@pc.gc.ca]

Sent: June-06-16 2:54 PM

Subject: Wolf Advisory Issued for Long Beach Unit of Pacific Rim National Park Reserve

Dear All;

Please be advised that effective today, we have issued a WOLF ADVISORY for the entire Long Beach Unit of Pacific Rim National Park Reserve (PRNPR).

Over the past month we have seen an increase in wolf encounters with both people and pets including: watching, approaching and following people, and both attacks and near attacks on off leash dogs.

This advisory is part of a larger strategy and is intended to inform park visitors of the current levels of wolf activity in the Park, provide them with information on what to do if they encounter a wolf, and how they can report any incidents. Our overall goal is to reduce the likelihood of close encounters with wolves, prevent further habituation, and reduce opportunities for food conditioning.

While we understand that seeing a wolf in the wild can be a once in a lifetime experience for many of our visitors, we would like to remind everyone that with 800,000 visitors passing through PRNPR annually, that can lead to a lot of human contact for the wolves. Being extremely intelligent and adaptive animals, wolves learn quickly from their experiences with us. If we all work together to help maintain healthy boundaries between wolves and people, we can teach them that approaching people is not within those boundaries. The best we can do is to prevent wolves from accessing non-natural foods (just as we do with bears), keeping our pets on leash, not approaching them, and deterring any animals that show interest or curiosity around us.

We are all ambassador for our region including its' flora and fauna. Let's be a model of living in harmony with wildlife. Please help by sharing this information with those you meet and talk to.

Sincerely,

(See attached file: LBU\_Wolf\_Advisory\_6\_June\_2016.pdf)

-----  
Todd Windle

Human-Wildlife Conflict Specialist | Spécialiste, Conflits entre la faune et les humains Pacific Rim National Park Reserve | Réserve de parc national Pacific Rim Parks Canada | Parcs Canada  
PO Box 280, Ucluelet, BC V0R 3A0

-----  
Conserve, Restore and Connect with Nature | Conserver, restaurer et se rapprocher de la

Wolf Advisory for Long Beach Unit of Pacific Rim National

Pa...



**June 6 2016** *until further notice.*

# WOLF ADVISORY IN EFFECT



There has been an increase in wolf activity in and around the **LONG BEACH UNIT** of Pacific Rim National Park Reserve.

## Stay safe and avoid a wolf encounter by:

- Hiking in a group, and making noise.
- Staying alert and watching for signs such as tracks or droppings.

## If you see a wolf:

- **DO NOT RUN**, do not crouch down.
- Pick up small children, and keep the group together.
- Back away slowly, maintaining eye contact with the animal as you leave.
- Yell, wave your arms, look large; if you have one, use an air horn.
- **If a wolf approaches you:**
  - Throw sticks and stones etc. Or use pepper spray.
  - If the aggression escalates, fight back.

**Keep small children close and dogs on leash at all times.**

**PLEASE REPORT ALL SIGHTINGS TO PARKS STAFF  
or 250-726-3500**

# 2015 Impact Report

The **Clayoquot Biosphere Trust** stands on two pillars: we are both a biosphere reserve and a community foundation. As the only organization in Canada that encompasses both of these internationally recognized mandates, we are able to see the opportunities and challenges in our region through a unique lens.

The CBT supports the work of many organizations and communities in the region through our grant programs, while also delivering our own programs and regional initiatives. On behalf of the CBT Board of Directors, we are pleased to share our 2015 highlights.

Tammy Dorward and Cathy Thicke  
CBT Co-chairs

## Our Vision

The community of the Clayoquot Sound UNESCO Biosphere Reserve Region will live sustainably in a healthy ecosystem, with a diversified economy, and strong, vibrant and united cultures while embracing the Nuu-chah-nulth First Nations “living” philosophies of iisaak (living respectfully), qwa’ aak qin teechemis (life in the balance), and hishuk ish ts’awalk (everything is one and interconnected).

## Our Biosphere Reserve

### Biosphere Reserve Research Award

The CBT is pleased to announce the Pacific Wildlife Foundation as the inaugural recipient of the 2015 CBT \$20,000 Research Award for their research on gray whale societies. Dr. Jim Darling, the principal investigator for the project, will use the research funds to analyze over 40 years of local gray whale sightings and 20 years of DNA samples to further develop his theory on gray whale social structure. Supporting scientific research is a key objective of the UNESCO Biosphere Reserve program and we are especially proud of the calibre of research conducted by our local scientists and researchers.

*Biosphere reserves inspire a positive future by connecting people and nature today.*

### Biosphere Centre

The CBT is working to establish a permanent Biosphere Centre in the region. The building will be more than an office location for the CBT — it will be a place of sharing and learning in and for the Clayoquot Sound Biosphere Reserve region. In 2015, the CBT worked with local communities to evaluate potential locations for the centre and determined that the building would operate as a social enterprise. We are now in the process of conducting a feasibility study.

### Sydney Inlet Remote Listening Station

Our first soundscape ecology project continues to expand with exciting new discoveries. Over the last 10 months, we’ve gathered nearly 1,000 hours of recorded sounds from the Sydney Inlet Remote Listening Station. Local wildlife enthusiasts Adrian Dorst, Jim Darling, Katherine Carey, and Rachel Myers have each contributed approximately 25 hours of listening time, and the recordings have documented 32 species of birds, 10 separate late-night “spouts” from marine mammals, seasonal shifts in the dawn songbird chorus, and numerous mystery sounds.

The project also provides an opportunity for ecological monitoring via the soundscape. For example, soundscape recordings from July to August captured the post-dusk and pre-dawn flight patterns of marbled murrelets returning to their nesting sites in the upper Sydney River watershed. We recently used this information to support the need for the inclusion of spatially designated marbled murrelet reserves in the BC Ministry of Forests, Lands and Natural Resources threatened species recovery plan. Within the next year, we’ll be working with the director of the UNESCO Biosphere Soundscape Project, Dr. Leah Barclay, to host sound recording workshops and soundscape ecology master classes in the Clayoquot Sound UNESCO Biosphere Reserve.



CBT summer student Katherine Carey helping to set up the Sydney Inlet remote listening station in July 2015.

### Living Wage

In 2015, the CBT produced its first Living Wage Report as a part of our research program. The living wage was calculated as \$19.27/hour for the entire Clayoquot Sound Biosphere Reserve region. We are proud to bring this unique tool to communities to help inform conversations on affordability, health, and quality of life. This calculation helps us better understand the unique context of the west coast in relation to other places on Vancouver Island, in British Columbia, and in Canada, and also allows us to track changes over time. We can compare this living wage to the provincial minimum wage, thresholds for government benefits, and the cost of inflation to understand what is required to make ends meet in our region.

### Engaging Internationally

In May, co-chairs Tammy Dorward and Cathy Thicke headed to Haapsalu, Estonia for the EuroMAB 2015 conference. EuroMAB is a network of nearly 300 European and North American biosphere reserves that are part of UNESCO’s Man and the Biosphere Programme. Our representatives had an opportunity to collaborate with peers from the Mount Arrowsmith Biosphere Region and the West Estonian Archipelago Biosphere Reserve to lead a workshop called Cultural Heritage and Indigenous Knowledge within Biosphere Reserves. Working together, we considered how indigenous protocols, practices, and ways of knowing can be better honoured and integrated into biosphere reserve management and project development.



# Your Community Foundation

## Neighbourhood Small Grants

We launched our new Neighbourhood Small Grants Program based on a simple but powerful idea: when people feel a sense of connection and belonging to their neighbourhood, they are more likely to be engaged in activities that make it a better place to live. These small grants of \$50 to \$500 helped connect and engage residents in their community by encouraging them to develop their own ideas for how their neighbourhood can be strengthened. We invited projects that shared skills and knowledge among residents, built a sense of community ownership and pride, and celebrated diversity. We were proud to fund 12 projects with the help of our partners the Vancouver Foundation and the Westcoast Community Resource Society.

## Higher Education Endowment Fund

When Cathy Thicke completed her Master of Arts in Tourism Management in 2011 she became a champion for higher learning in our communities. Her thesis explored the feasibility of a higher learning centre in Tofino by building partnerships that bring educational opportunities closer to home. This idea continues to gain momentum as local communities and organizations work to distinguish the region as an education destination. In 2015, Cathy built on this idea by creating the Higher Education Endowment Fund at the CBT. Cathy and Steven Thicke created the fund with a \$1,000 donation. Cathy's goal is to create a permanent stream of funding to support higher learning in our region. Cathy invites others to join her in building this fund by making a contribution to the CBT.

## We Thank our Supporters

Our 2015 donors join a group of committed funders who invest in our region through their donations, grants for our programs, or in-kind contributions. Sincere thanks to all our supporters, past and present.

- |                              |                                      |
|------------------------------|--------------------------------------|
| Allison Tremain              | Cermaq Canada                        |
| Anonymous                    | Decoda Literacy Foundation           |
| Barney and Trina Williams    | District of Tofino                   |
| Ben Bernstein                | Evergreen                            |
| Brooke Wood and Miles Steven | Tofino Consumer Cooperative          |
| Catherine and Steven Thicke  | Vancouver Foundation                 |
| Rebecca and Dave Hurwitz     | Vancouver Island Health Authority    |
|                              | Westcoast Aquatic Management Society |

A founding contribution from the Government of Canada has offered support to the CBT since our beginning in 2000. We are grateful for their investment in our communities through the gift of a \$12 million endowment fund. This support continues to shape our achievements.



Cultural advisor Barney Williams sharing his knowledge with Rebecca Hurwitz, executive director of the CBT.

## Create Your Own Legacy

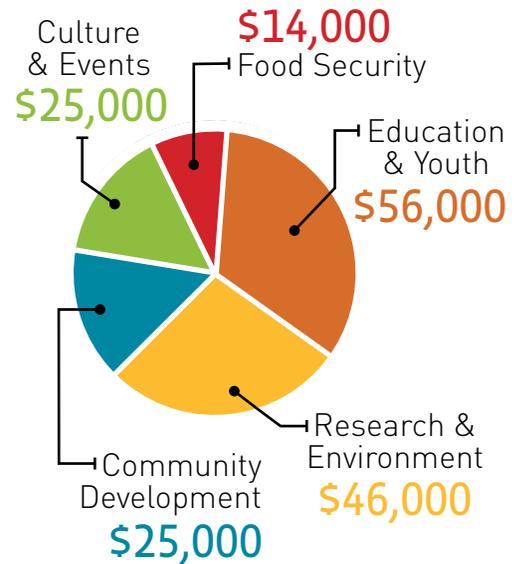
With the CBT, it's possible to give back to your community now and leave a legacy for the future as well. We can work with you to set up a personalized endowment fund dedicated to your goals whether it's supporting youth, health, or arts in the community; sharing your passion for education; or investing in the vibrancy of our environment. Donors choose the CBT as an alternative to setting up a private foundation because of our connections to the community, and because it's easier administratively. You can then focus on the most fulfilling part — giving.

Contact the CBT to learn more about how we can help you as a community foundation and how your gift will give back for years to come. Gifts can be made in many ways, including one-time cash donations, but also multi-year pledges and gifts make through estate planning such as bequests and life insurance policies.

For more information please contact CBT staff at 250.725.2219.

CBT's fully audited financial statements are available on our website at: <http://www.clayoquotbiosphere.org/web/who-we-are/documents/>  
Registered Charity Registration #870641727 RR0001

## 2015 by the Numbers



3 NEW grant programs =  
14 NEW grants awarded



\$18,000  
in scholarships

\$72,000  
in-kind contributions leveraged by grants

47  
projects

9  
public events

\$20,000  
1 inaugural Biosphere Reserve Research Award

12  
neighbourhood small grants

## Interested in knowing more?

316 Main St.  
P.O. Box 67  
Tofino, BC  
V0R 2Z0

CBT Impact Report for 2015  
[www.clayoquotbiosphere.org](http://www.clayoquotbiosphere.org)

Clayoquot Biosphere Trust



**Subject:** Canada 150 Funding Opportunity

**From:** [Gord.Johns.C1A@parl.gc.ca](mailto:Gord.Johns.C1A@parl.gc.ca) [<mailto:Gord.Johns.C1A@parl.gc.ca>]

**Sent:** June-03-16 12:06 PM

**To:** [Gord.Johns@parl.gc.ca](mailto:Gord.Johns@parl.gc.ca)

**Subject:** Canada 150 Funding Opportunity

Dear Mayor and Council,

I'm writing on behalf of Gord Johns, MP to bring your attention to an opportunity for federal funding.

You may wish to consider the recently announced infrastructure funding opportunity, Canada 150. This program will invest in projects that "seek to renovate, expand and improve existing community infrastructure, with a focus on recreational facilities, projects that advance a clean growth economy, and projects with a positive impact on Indigenous communities."

You will find information on this program, including the online application form for the Canada 150 Community Infrastructure Program, at this link: <http://www.wd-deo.gc.ca/eng/18872.asp>

If your Council has previously submitted an application under this program, you may wish to re-submit.

Please note that the deadline for this funding **June 22, 2016** is strictly enforced by Western Diversification Canada so please don't delay in getting your application in.

Yours truly,

Candace Wu for Gord Johns, Member of Parliament  
Courtenay-Alberni

---

(TEL) 250-947-2140 | (FAX) 250-947-2144

[gordjohns.ca](http://gordjohns.ca)





CITY CLERK'S DEPARTMENT

**RECEIVED  
VIA EMAIL**

June 2, 2016

File: 11-5380-01-00

June 6, 2016

To: UBCM Member Municipalities

**Re: Cigarette Butt Deposit Return Program**

City Council, at its Regular meeting of Monday, May 30, 2016, unanimously endorsed the following resolution:

“PURSUANT to the report of the Environmental Sustainability Specialist, dated May 25, 2016, entitled “Cigarette Butt Deposit Return Program”:

THAT Council submit the following resolution to the Union of BC Municipalities (UBCM):

WHEREAS cigarette butts are a significant source of litter in many local communities;

WHEREAS cigarette butts are non-biodegradable and leach toxic organic chemicals and heavy metals into the environment impacting soil, fresh and saltwater, and have a significant negative impact on the aquatic and land-based organisms that ingest them;

WHEREAS a Cigarette Butt Deposit – Return Program offers a promising solution to significantly reduce cigarette butt litter and improve environmental health;

THEREFORE BE IT RESOLVED THAT the BC Ministry of Environment implement a province-wide Cigarette Butt Deposit – Return Program for the elimination of cigarette litter.

THAT the resolution be circulated to UBCM member municipalities in advance of the 2016 convention;

AND THAT the City implement an outreach program aimed at reducing cigarette butt litter.”

Yours truly,

Karla Graham, MMC  
City Clerk

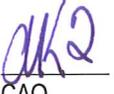
Attachment - Report

cc J. Lowry, Environmental Sustainability Specialist

Resolution for Cigarette Butt Deposit Return Program

Document: 1401146-v1



 Department Manager	 Director	 CAO
--	--	--

The Corporation of **THE CITY OF NORTH VANCOUVER**  
**ENGINEERING, PARKS AND ENVIRONMENT DEPARTMENT**

**REPORT**

To: Mayor Darrell R. Mussatto and Members of Council

From: Julie Lowry, Environmental Sustainability Specialist

SUBJECT: CIGARETTE BUTT DEPOSIT RETURN PROGRAM

Date: May 25, 2016 File No: 11-5380-01-0001/2016

*The following is a suggested recommendation only. Please refer to Council Minutes for adopted resolution.*

**RECOMMENDATION:**

**PURSUANT** to the report of the Environmental Sustainability Specialist, dated May 25, 2016, entitled "Cigarette Butt Deposit Return Program":

**THAT** Council submit the following resolution to the Union of BC Municipalities:

**WHEREAS** cigarette butts are a significant source of litter in many local communities;

**WHEREAS** cigarette butts are non-biodegradable and leach toxic organic chemicals and heavy metals into the environment impacting soil, fresh and saltwater, and have a significant negative impact on the aquatic and land-based organisms that ingest them;

**WHEREAS** a Cigarette Butt Deposit – Return Program offers a promising solution to significantly reduce cigarette butt litter and improve environmental health;

**THEREFORE BE IT RESOLVED THAT** the BC Ministry of Environment implement a province-wide Cigarette Butt Deposit – Return Program for the elimination of cigarette litter.

**AND THAT** the above resolution be circulated to UBCM member municipalities in advance of the 2016 convention;

**AND THAT** the City implement an outreach program aimed at reducing cigarette butt litter.

Resolution for Cigarette Butt Deposit Return Program

**ATTACHMENTS:**

1. Letter to the Minister of the Environment, March 11, 2016 (Citydocs #1376335)

**PURPOSE:**

This purpose of this report is to report back regarding Council's recent motion in support of a cigarette butt deposit return program.

**BACKGROUND:**

On March 7, 2016 Council unanimously passed the following motion in support of a deposit return program for cigarette butts:

**WHEREAS** cigarette butts are the leading source of litter by both number and weight in Canada and worldwide, where billions are littered daily;

**WHEREAS** cigarette butts are non-biodegradable and leach toxic organic chemicals and heavy metals into the environment impacting soil, fresh and saltwater, and have a significant negative impact on the aquatic and land-based organisms that ingest them;

**WHEREAS** a Cigarette Butt Deposit – Return Program has been identified by public health professionals as a promising solution to reduce cigarette litter that also aligns with positive public health outcomes;

**WHEREAS** existing awareness campaigns and increased enforcement have only transient and marginal effects on cigarette litter reduction, and cigarette receptacles serve to re-normalize smoking and even have the potential to undermine smoke free regulations;

**THEREFORE BE IT RESOLVED THAT** staff report back on options for the implementation of a Cigarette Butt Deposit – Return Program in the City of North Vancouver and the potential for collaboration with surrounding municipalities;

**AND THAT** a letter be written to the BC Minister of Environment in support of a province-wide Deposit – Return Program for the elimination of cigarette litter.

On March 11, 2016, Mayor Mussatto, on behalf of the City of North Vancouver, sent a letter to the Minister of the Environment, requesting that the Province implement a province-wide deposit return program for cigarettes to accelerate efforts to eliminate cigarette litter (Attachment 1).

A streetscape litter audit completed by the City in 2013 observed that discarded cigarette butts comprise 46% of litter items. Cigarette butts create a unique challenge: the temptation to discard them as litter is higher than other forms of waste and if they do make it into the trash, they need to be extinguished properly. Cigarette butts are not biodegradable and leach toxic organic chemicals and heavy metals into the

Resolution for Cigarette Butt Deposit Return Program

City...

environment, negatively impacting soil, water and aquatic and land-based organisms that ingest them.

A study completed by Vancouver Coastal Health found that 13% of City residents smoke daily or occasionally and it is estimated that 87,000 cigarettes are smoked in the City each day.

Cigarette butts pose a significant fire and wildfire risk when not extinguished properly. During the 2015 drought, this was an issue of significant concern both for the North Shore municipalities and for the local mountain tourism areas. Reduction in littering of cigarette butts significantly reduces fire risk.

Staff have looked into options for the implementation of cigarette butt deposit return programs both within the City and on a Province-wide basis. Staff's findings are presented below.

## **DISCUSSION:**

### Deposit return programs

Deposit return systems effectively reduce litter through motivating people to recycle by providing a financial incentive. Deposit return programs operate by charging a deposit fee at the time of sale which is then refunded when the item is returned to a designated retailer or collection depot. An example is the Province's beverage container return program which incents recycling while also reducing littering since beverage containers have a monetary value.

A cigarette butt deposit return program would charge a deposit fee, which would then be refunded when the butts are returned to a designated retailer or depot. Cigarette packs would need to be marked, likely at the time of manufacture, so that they could be easily identified when returned to the retailer for deposit refund. This step would be essential in ensuring cigarette packs outside of the program, where a deposit was not paid, would not receive a refund.

Operational costs, including communication campaigns, collecting, transporting, and processing the returned butts would be funded by cigarette manufacturers and supplemented by unreturned deposits. Cigarette manufacturers would be responsible for covering program start-up costs. All of these costs would be passed on to cigarette consumers, shifting the cost of managing cigarette litter away from municipalities and the general tax payer.

### City operated deposit return program

Staff have investigated the feasibility of a deposit return in the City and have concluded that such a program would be very challenging, if not impossible, to administer. All 54 cigarette retailers in the City would have to participate in the program along with cigarette manufacturers themselves. It would be difficult to track cigarettes purchased outside of the City, which would be a financial draw on the program if they were returned for a deposit.

## Resolution for Cigarette Butt Deposit Return Program

Therefore, staff conclude that a cigarette butt deposit program in the City itself would not be possible, and that such a program would only be effective on a Province-wide scale.

#### Province-wide deposit return program: UBCM resolution

British Columbia leads the country in extended producer responsibility (EPR) programs such as the beverage container program operated by Encorp. These programs are in place due to regulations enacted by the Province through the Recycling Regulation of the Environmental Management Act.

Staff's discussions with Ministry of Environment staff suggest that no new EPR programs are currently planned for implementation in the near future.

Therefore, staff recommend that the City submit a resolution to the Union of British Columbia Municipalities (UBCM) to advocate for a province-wide cigarette butt deposit return program.

#### Outreach program: potential partnership with the City of Vancouver

Staff have discussed the problem of cigarette butt litter with other Metro Vancouver municipalities and staff from the City of Vancouver have indicated significant interest in partnering with the City to deliver an outreach to discourage smokers from littering cigarette butts.

Through partnering with the City of Vancouver and developing consistent messaging, such an outreach program could have a very significant impact in raising awareness and changing behavior, thereby laying the groundwork for any potential provincial deposit return program.

#### **FINANCIAL IMPLICATIONS:**

There are no financial implications associated with the report recommendation. Costs of a cigarette butt litter reduction outreach program would be funded by the City's existing litter management utility. Reduced costs would be achieved through partnering with the City of Vancouver.

#### **INTER-DEPARTMENTAL IMPLICATIONS:**

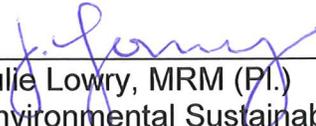
This report was reviewed and endorsed by the Directors Team on April 26, 2016. Engineering, Parks and Environment staff would work with Bylaws and Communications staff in the implementation of a cigarette butt litter reduction campaign.

**CORPORATE PLAN AND/OR POLICY IMPLICATIONS:**

The recommendation is in keeping with the goals and objectives in the City's Official Community Plan, specifically:

- Objective 4.3.5: Work with the community, partners and agencies to accelerate waste reduction and avoidance in support of regional goals.
- Objective: 8.1.9 Pursue the reduction of waste throughout the lifecycle of production, consumption, recycling and disposal to achieve local and regional waste management goals.

RESPECTFULLY SUBMITTED:

  
\_\_\_\_\_  
Julie Lowry, MRM (Pl.)  
Environmental Sustainability Specialist

Resolution for Cigarette Butt Deposit Return Program

City...

**The City of North Vancouver**  
OFFICE OF MAYOR DARRELL MUSSATTO



March 11, 2016

The Honourable Mary Polak  
Minister of Environment  
Province of British Columbia  
Room 112, Parliament Buildings  
Victoria, BC V8V 1X4

Dear Minister Polak: *MARY,*

Further to North Vancouver City Council's unanimous resolution on March 7, 2016 (attached), I am writing to request that the Province of British Columbia implement a province-wide deposit-return program for cigarettes to accelerate efforts to eliminate cigarette litter.

Cigarette butts are the leading source of litter both in number and weight, with an estimated 6.6 million cigarettes smoked daily in British Columbia. Not only are they non-biodegradable, they also leach toxic organic chemicals and heavy metals into the environment which negatively impacts soil, water and the aquatic and land-based organisms that ingest them. Furthermore, discarded butts can lead to increased litter generally, have the potential to start fires, and their clean-up creates a significant and ongoing cost to taxpayers.

Existing awareness campaigns and enforcement efforts have had limited effects on reducing cigarette litter. Furthermore, cigarette receptacles present the risk of re-normalizing smoking and giving the impression that smoking is common, potentially undermining existing smoke-free regulations. A deposit-return program avoids these pitfalls.

As public health professionals have identified smoking as the leading cause of preventable death in Canada and worldwide, it is imperative that communities implement solutions to cigarette litter that support positive environmental and public health outcomes. The concept of a deposit-return program offers the Province of BC the opportunity to show leadership in both of these areas to support healthy communities now and in the future. On behalf of City Council I therefore express our support once again for a province-wide deposit-return program for cigarettes.

Thank you for your consideration of this request, and we look forward to working with the Province of BC to further promote a healthy, clean environment.

Yours sincerely,

*Darrell*

Darrell Mussatto  
Mayor

Enclosures (2)

cc: Honourable Naomi Yamamoto, MLA, North Vancouver – Lonsdale  
North Vancouver City Council

**MINUTES OF THE REGULAR MEETING OF COUNCIL HELD IN THE COUNCIL CHAMBER, CITY HALL, 141 WEST 14<sup>th</sup> STREET, NORTH VANCOUVER, BC, ON MONDAY, MARCH 7, 2016.**

---

**NOTICE OF MOTION**

**25. Support for a Deposit – Return Program for Cigarettes  
– File: 10-4900-01-0001/2016**

Submitted by: Mayor Mussatto

Moved by Mayor Mussatto, seconded by Councillor Buchanan

**WHEREAS** cigarette butts are the leading source of litter by both number and weight in Canada and worldwide, where billions are littered daily;

**WHEREAS** cigarette butts are non-biodegradable and leach toxic organic chemicals and heavy metals into the environment impacting soil, fresh and salt-water, and have a significant negative impact on the aquatic and land-based organisms that ingest them;

**WHEREAS** a Cigarette Butt Deposit – Return Program has been identified by public health professionals as a promising solution to reduce cigarette litter that also aligns with positive public health outcomes;

**WHEREAS** existing awareness campaigns and increased enforcement have only transient and marginal effects on cigarette litter reduction, and cigarette receptacles serve to re-normalize smoking and even have the potential to undermine smoke-free regulations;

**THEREFORE BE IT RESOLVED THAT** staff report back on options for the implementation of a Cigarette Butt Deposit – Return Program in the City of North Vancouver and the potential for collaboration with surrounding municipalities;

**AND THAT** a letter be written to the BC Minister of Environment in support of a province-wide Deposit – Return Program for the elimination of cigarette litter.

**CARRIED UNANIMOUSLY**

# A Provincial Deposit – Return Program for Cigarettes

A well structured program can protect the environment and overcome the deficiencies of public ashtray programs.

Cigarette butts are the leading source of litter, both by number and weight, both in Canada and worldwide, where billions are littered daily. They are unsightly, non-biodegradable and toxic to the environment. They are increasingly getting the attention that they deserve as an environmental concern.

Awareness and enforcement campaigns are ineffective and/or impractical, therefore recently public ashtray-equivalent-based programs have been proposed. This tactic is supported by the tobacco industry and clean-up groups, who often do not see any problem in partnering with them.

A pilot program of such is currently underway in Vancouver, yet is not succeeding (estimated 3% to 6% efficacy) with multiple butts seen not only meters away from the “receptacles”, but even directly below them. A properly designed deposit-return program will likely be much more effective as it relies only on personal financial self-interest, and not any plea to “do the right thing”.

## Ashtray programs are bad for public health.

**1** By nature, these programs counter a principal public health tenet - the denormalization of tobacco use. Government programs should aim to lessen the visibility and acceptability of the tobacco industry and smoking. The widespread presence of ashtrays (Vancouver’s ultimate plan was for 2000 of them) imply tacit government consent, acceptance and even approval of widespread smoking in public. They strengthen the impression that smoking is common, and create smoking zones in public places. Such re-normalization of smoking is directly aligned with the strongest interests of the tobacco industry.

**2** Many of these ashtrays are placed within no-smoking buffer zones around doorways etc.. This ridicules and encourages violations of, hard-fought for, City Health Bylaws.

**3** These programs often involve partnering with the tobacco industry (as initially was the case in Vancouver, albeit indirectly). This is inappropriate and runs counter to government obligations under Canada’s participation in the WHO Framework Convention on Tobacco Control .

## Deposit-Return Programs can support public health objectives.

**1** Tobacco litter serves as free, albeit perverse, advertising for the tobacco industry, possibly just the sort that appeals to rebellious teenagers, the highest risk group for starting.

**2** Tobacco litter serves as withdrawal triggers/reminders to all smokers, and especially those trying to quit.

**3** Tobacco litter in places where smoking is prohibited (eg: building entrances, park benches) is used as an excuse by the next potential smoker to break the bylaw as well, knowing that so many others have previously ignored it.

**4** Although (in this proposal) fully refundable, the increased up-front cost of purchasing a pack, as well of the inconvenience of needing to return it to a depot, will likely dissuade some smokers/potential smokers from the purchase.

---

### Physicians *for a* Smoke-Free Canada

134 Caroline Avenue ♦ Ottawa ♦ Ontario ♦ K1Y 0S9  
Tel: 613 600 5794 ♦ [www.smoke-free.ca](http://www.smoke-free.ca) ♦ [psc@smoke-free.ca](mailto:psc@smoke-free.ca)

## DESIGN PRINCIPLES:

**Deposit:** this must be large enough to dissuade most smokers from actually littering. We would suggest \$1 per package or \$0.05 per cigarette butt.

**Fully Refundable:** on return of the pack with all 20 used (or preferably unused!) filters. It is important to be able to state that this is not an additional tobacco tax in order to help foster public consent for the program.

**Return:** this should be done at central depots. This will decrease the visibility of smoking and of tobacco litter, thereby furthering the public health mandate of denormalizing the tobacco industry.

(In British Columbia, Encorp Pacific, <http://www.return-it.ca> is a federally incorporated, not-for-profit, product stewardship corporation with beverage container management as their core business, who are also charged with collecting multiple other products. They have 172 locations across the province and would seem an obvious fit. It is likely that individuals will spontaneously design business arrangements whereby they collect and return multiple packs from other smokers for a small percentage of the return; we see no reason to discourage such.)

**Recyclability:** it should be recognized that being able to recycle the butts is an added bonus, and not necessary to the usefulness of the program. Even if all the butts were to end up being placed en-masse in a landfill, this would be infinitely better than billions entering sensitive areas of the environment individually.

(Currently, to our knowledge, TerraCycle is the only company recycling cigarette butts, and they do so in open partnership with the tobacco industry. We recommend that the government either develop their own recycling facility, or consider partnering only with private companies willing to forgo all ties with the tobacco industry. Whether TerraCycle would have the capacity to handle the considerably increased volumes that would be generated via a deposit-return program is unknown.)

**Portable ashtrays:** these cost very little, and their use can be encouraged as a means to extinguish and transport the butts before placing them in the packs. In reality a few seconds care in extinguishing the butt and a plastic baggie is all that is required. Alternately the packs could easily be redesigned with a foil pocket in order to serve as their own portable ashtrays from the beginning.

**Marking of packs eligible for return:** cigarette packs are already marked by provincial origin and multiple options are available to enhance such including stamps, bar codes, and other electronic means. This will lead to the packs themselves as the functional holders of most of the deposit value, and therefore any littered packs will become quite valuable, as they could be filled up with any 20 littered butts for a full refund (such is not a problem as ultimately the same end will result).

**Return of "orphaned" littered butts:** these should also be considered for refund, however at a much lower rate, We suggest 1¢/butt. This should be done in bulk by dry weight.

A pilot project run by WestEnd Cleanup June 18, 2013 proved that this will work, and gathered widespread media attention and approval (as proof of principle for a deposit-return program and a call for such), collecting 60 000 butts in several hours by paying \$20/ pound of butts, calculated to be 1¢ each.

**Including this component will virtually guarantee that almost all cigarette litter will rapidly disappear one way or the other.** This also provides a small source of income for many disadvantaged individuals, although such should not be viewed as the principal goal of the program (having the butts not be littered in the first place is). The lower rate of return is necessary in order to prevent a degree of inevitable cheating from bankrupting the system, as we see no way to prevent such cheating (both attempts to mix in non-cigarette litter, and the return of non-eligible butts from other sources).

There should also be a maximum weekly return of these, such as 7lbs/wk/individual, and names/addresses should be recorded in order to discourage organized cheating. We would also suggest that the roll-out of this aspect of the program occur only following a 3-6 month delay for two reasons: Firstly, so that the percentage of marked packs being returned can be assessed; if it is very high (~95%?) then there would be less need for this component, and also both a tendency for a greater percentage of cheating, and less available funds to cover such. Secondly there should be time for an attempt to clean up butts pre-existing from before the deposit program was initiated as, of course, all such butts will not have been covered by any deposit.

**Funding:** with the above details the program would be ahead 4¢/ littered butt, this should be enough to both cover cheating (even if an unimaginable 50% by weight, the program would still be ahead 3¢/ littered butt), and administration costs. Therefore, after start-up, the program should be self-funding. There also will be some income from the temporary holding of funds. Should the above calculations fail, the program could be modified to claw back a small percentage of the deposit. Current efforts to clean up tobacco litter are quite expensive-estimated at over \$7 million/yr by the City of San Francisco.

**Anticipated Volumes:** according to Propel's Tobacco Use in Canada<sup>1</sup> British Columbia has 515,000 smokers, who smoke an average of 12.9 cigarettes per day, suggesting a daily consumption in this province of 6.6 million cigarettes or 330,000 packages.

The following calculations obviously make multiple assumptions, but should serve as a useful guide:

- If all eligible and returned in full packs, the above would translate to \$330,000 in deposit funds collected daily, or \$120 million in a year.
- If there were 172 depots, each would be expected to handle on average 1,900 packages per day, providing \$1,900 in refunds.
- Most customers could be assumed to batch packs and return them on an infrequent (say monthly) basis, resulting in about 65 transactions per depot per day.

**The tobacco industry should not be involved:**

other recycling programs do involve the source industry, via the notion of Extended Producer Responsibility.

However as a pariah industry which has repeatedly shown that its intentions are not in-line with the good of society, and the sole to be affixed the relationship status of "denormalization" by the government, the tobacco industry should be allowed no role in this program. Deposit funds awaiting return should be held either by the government, the collecting corporation, or one of their proxies.

The industry's views on this program are not known at this time. Given that it would lessen the visibility of their product, their opposition could be anticipated.

**Pilot projects are not advisable:** The feasibility of a deposit-return model has already been demonstrated by the success of B.C.'s beverage container recovery system. Additionally any smaller pilot jurisdiction would face challenges that would be less daunting province-wide, including the incentive for smokers to just buy their packs outside the region and the marking of packs eligible for deposit-return.

However if a pilot project is viewed as politically expedient, we believe that if designed properly such could be successful. It would be most feasible in isolated communities such as islands (Haida Gwaii?) or up north (or if larger is desired an entire health region could be considered, such as Island Health or Northern Health) where the closest tobacco vendor outside the region would be quite far, and hopefully local leaders would sign on and help instil a sense of pride in the community at being pioneers in this fully refundable environmental/health initiative. We advise against including any return for "orphaned" littered butts in such a pilot as there would be too great a potential for butts being brought in from elsewhere.

*British Columbia's beverage container recovery system, enacted in 1970, is the oldest legislated deposit-return system in North America, and has been highly successful, and widely copied.*

*British Columbia can again take the environmental lead with a bold and innovative approach to fighting cigarette litter.*

*It must do so in a manner that is consistent with public health objectives.*

**Dr. Stuart H. Kreisman**  
[stuarthk@telus.net](mailto:stuarthk@telus.net)

Physicians for a Smoke-free Canada  
British Columbia  
June, 2014

<sup>1</sup> *Propel Centre for Population Health Impact. Tobacco Use in Canada. Patterns and Trends – 2014 edition.*

Resolution for Cigarette Butt Deposit Return Program

City...



# District of Ucluelet Expenditure Voucher

**G-11/16**

**Date: June 8, 2016**

**Page: 1 of 5**

**CHEQUE LISTING:**

**AMOUNT**

Cheques: # 24154 - # 24239	\$	121,325.84
----------------------------	----	------------

**PAYROLL:**

PR 11/16	\$	57,823.48
PR 12/16		60,190.60

	<b>\$</b>	<b><u>239,339.92</u></b>
--	-----------	--------------------------

**RECEIVED FOR INFORMATION AT MEETING HELD: June 14, 2016**

*Jeanette O'Connor, CFO*

Cheque #	Bank	Pay Date	Vendor #	Vendor Name	Invoice #	Description	Invoice Amount	Hold Amount	Paid Amount	Void
024154	002	20/05/2016	CI192	CIBC - VISA CENTRE	APR/16	APR/16	7,303.23		7,303.23	
024155	002	25/05/2016	AVI01	AVICC	2016-66	AVICC ANNUAL DUES/	228.90		228.90	
024156	002	25/05/2016	BE737	BENSON ERICA	121644	BENSON-YOUTH CONTR	1,411.20		1,411.20	
024157	002	25/05/2016	BMC01	BELL MOBILITY INC	4/2016 3/2016	APR/16 MAR/16	803.58 812.54		1,616.12	
024158	002	25/05/2016	C9194	CANNON WARREN	121645 121646	CANNON BCWWA CONFE CANNON VICTORIA	226.00 258.27		484.27	
024159	002	25/05/2016	CK608	KASSLYN CONTRACTIN	D522	D522	4,180.49		4,180.49	
024160	002	25/05/2016	CW005	CANNON WARREN	1001223	CANNON REIMBURSEME	404.54		404.54	
024161	002	25/05/2016	KA001	KOERS & ASSOCIATES	1403-001 1581-006 9601-142	1403 WATER MASTER 1581 WATER MASTER ENGINEERING ASSIST	3,018.90 1,664.78 1,323.31		6,006.99	
024162	002	25/05/2016	M9012	MCAVOY, WANDA	1919431	McAVOY-HEP B VACCI	36.07		36.07	
024163	002	25/05/2016	N9371	NOEL MAYCO	121647	NOEL ACRD	103.68		103.68	
024164	002	25/05/2016	PC285	PETTY CASH - BARBA	MAY/16	MAY/16	195.25		195.25	
024165	002	25/05/2016	PI110	PUROLATOR INC	431117823	MAXXAM	114.69		114.69	
024166	002	25/05/2016	SBR01	SONBIRD REFUSE & R	25150 25146 25147 25148 25149	APR/16 APR/16 APR/16 APR/16 APR/16	226.17 786.45 184.91 278.15 477.89		1,953.57	
024167	002	25/05/2016	TJ843	THORNTON JHON	121643	THORNTON-INSTRUCTO	50.00		50.00	
024168	002	25/05/2016	UC142	UCLUELET CONSUMER'	71711630 71714791 71713497 71712870 71713097 71710410 71712536 71712380 71715570 71710306 71712109	#12-BACKHOE #23-2008 RANGER #23-WHITE RANGER #12-CATERPILLAR #2-2008 CANYON #23-WHITE RANGER #24-2012 F150 #10-2001 FORD #13-KUBOTA PROPANE #1-2002 CHEVY	47.30 53.48 50.71 40.99 46.31 48.82 74.72 120.00 20.20 16.50 111.11		630.14	
024169	002	25/05/2016	UC142	UCLUELET CONSUMER'	71718198 71719479 71719382 71719248 71716591 71719683 71718911 71717814 71716484 71716622 71720947	#12-CATERPILLAR #12-1998 CATERPILL BOBCAT WHITE RANGER #4-1998 CHEVY #3-2008 GMC #2-2008 CANYON #24-F150 #10-2001 FORD #5-1991 INTERNATIO #23-2008 RANGER	54.17 39.12 53.56 53.74 123.94 112.30 55.70 100.50 121.30 48.08 55.81		818.22	
024170	002	25/05/2016	UC142	UCLUELET CONSUMER'	C01074373 71723100 71723094 71721035 71721997 7173593 71723107 C01048293 C01096310 C01082684 71723039	COUNCIL LUNCHEON GAS CAN GAS CANS #1-2002 CHEVY #2 CANYON-FUEL #4-1998 CHEVY #23-2008 RANGER YOUTH PROGRAMS AFTERSCHOOL SNACKS FOOD AND FLICKS #14-2000 BOBCAT	84.83 29.11 90.99 106.25 57.02 15.54 45.73 39.01 41.38 23.83 41.75		575.44	
024171	002	25/05/2016	UC142	UCLUELET CONSUMER'	CO1093025	YOUTH PROGRAMS	9.61		189.33	

Cheque #	Bank	Pay Date	Vendor #	Vendor Name	Invoice #	Description	Invoice Amount	Hold Amount	Paid Amount	Void
					CO1090427	TEEN MOVIE NIGHT	31.95			
					CO1048372	PARKS/REC SUPPLIES	103.53			
					CO1049850	SNACKS	44.24			
024172	002	25/05/2016	UI923	UKEE INFO TECH	10298	IT SUPPORT	796.43		796.43	
024173	002	26/05/2016	CBT67	CLAYOQUOT BIOSPHER	121648	CHUU TRAIN	500.00		500.00	
024174	002	27/05/2016	WCCRS	WEST COAST COMMUNI	121652	2016 COUNCIL CONTR	5,000.00		5,000.00	
024175	002	30/05/2016	B9385	BAKER EMMA	011/16	BAKER - PP011/16	242.41		242.41	
024176	002	02/06/2016	AE003	ACTION EXCAVATING	1687	5 HRS EXCAVATION	630.00		630.00	
024177	002	02/06/2016	AL001	ACKLANDS - GRAINGE	9113784400 9113784392 9086811206 9107562275	PPE-GLOVES PPE-GLOVES/EARPLUG SCBA TEST/9V BATTE PW SHOP SUPPLIES	16.73 102.99 310.87 96.28		526.87	
024178	002	02/06/2016	AP251	ALBERNI PAVING & C	05/16	PAVING-HEMLOCK STR	5,184.76		5,184.76	
024179	002	02/06/2016	BP940	BLACK PRESS	32861348	APR/16 ADS	1,679.98		1,679.98	
024180	002	02/06/2016	BR330	BLACK ROCK MANAGEM	121657	PR STAFF LUNCHEON	169.92		169.92	
024181	002	02/06/2016	CE004	CORPORATE EXPRESS	41445610	UCC OFFICE SUPPLIE	143.07		143.07	
024182	002	02/06/2016	CK608	KASSLYN CONTRACTIN	D523	D523	5,776.83		5,776.83	
024183	002	02/06/2016	CT002	CLEARTECH INDUSTRI	147724 663889	CONTAINER RETURN HYPOCHLORITE	273.00 715.18		442.18	
024184	002	02/06/2016	DC001	DOLAN'S CONCRETE L	UP77579 UP77585 UP77582	BOAT LAUNCH CLEANU BOAT LAUNCH CLEANU BOAT LAUNCH CLEANU	231.85 1,035.02 7.25		1,274.12	
024185	002	02/06/2016	DFC01	DUMAS FREIGHT COMP	38248 48631 40730	FOURSTAR WATERWORK CLEARTECH AJ FORSYTH	71.38 427.43 153.66		652.47	
024186	002	02/06/2016	EL048	ERIK LARSEN DIESEL	713680	UVFD-SERVICE GENER	1,352.02		1,352.02	
024187	002	02/06/2016	EP047	ENGINEERED PUMP SE	11133	LIFT STATION MAINT	1,859.45		1,859.45	
024188	002	02/06/2016	FRD67	FINELINE ROAD MARK	14446	2016 ROAD MARKINGS	14,365.21		14,365.21	
024189	002	02/06/2016	FS004	FOUR STAR WATERWOR	47532 47474	WATER METER PARTS WATER METER PARTS	1,752.44 10,532.00		12,284.44	
024190	002	02/06/2016	FW050	FAR WEST DISTRIBUT	299545 299639 299664 299465 299490 299472	GARBAGE BAGS CLEANING SUPPLIES PW WORK DAY BBQ PW-HAND SANITIZER DOG WASTE BAGS DOG WASTE BAGS	90.81 235.88 205.57 155.85 105.38 126.97		920.46	
024191	002	02/06/2016	GAR05	GARAVENTA (CANADA)	1660611-0	HANDY LIFT UCC	1,200.00		1,200.00	
024192	002	02/06/2016	GF001	GRAPHICS FACTORY	23580	PORSCHE CLUB SIGN/	479.36		479.36	
024193	002	02/06/2016	IB275	ISLAND BUSINESS PR	157730 157731	AP CHEQUES LETTERHEAD EVELOPE	591.36 235.20		826.56	
024194	002	02/06/2016	JCR25	JUNIOR CANADIAN RA	121364	UKEE DAYS CLEAN-UP	250.00		250.00	
024195	002	02/06/2016	LBG73	LONG BEACH GUTTERS	647871 877786	REC HALL GUTTER CL UCC NEW GUTTER/DOW	252.00 384.30		636.30	
024196	002	02/06/2016	LEASE	UCLUELET CONSUMERS	05/16 04/16	MAY/16 APR/16	250.00 250.00		500.00	
024197	002	02/06/2016	LG003	LGMA	P-224	LGMA DUES-2016	2,058.00		2,058.00	

Cheque #	Bank	Pay Date	Vendor #	Vendor Name	Invoice #	Description	Invoice Amount	Hold Amount	Paid Amount	Void
024198	002	02/06/2016	M9012	MCAVOY, WANDA	121654	MCAVOY-SAFETY WORK	167.99		167.99	
024199	002	02/06/2016	MA952	MAXXAM ANALYTICS	VA972530 VA971791 VA972329	B50299 B50299 B50299	147.00 78.75 78.75		304.50	
024200	002	02/06/2016	MC423	MCPHERSON CAREY	121655	MCPHERSON-GYMNASTI	2,115.60		2,115.60	
024201	002	02/06/2016	PB703	PHOENIX BENEFITS S	101	UVFD RENEWAL INSUR	2,615.00		2,615.00	
024202	002	02/06/2016	PGS93	PIN-GEL STEEL FABR	8523	REPAIRS-PLAYGROUND	90.72		90.72	
024203	002	02/06/2016	PI110	PUROLATOR INC	431182774	MAXXAM	45.62		45.62	
024204	002	02/06/2016	PV001	PIPE-EYE VIDEO INS	11029	SEWER STATION	1,341.38		1,341.38	
024205	002	02/06/2016	RK179	ROBISON KARLA	121650 121651	ROBISON-EOC FINANC ROBISON-MIECM MEET	247.40 79.68		327.08	
024206	002	02/06/2016	SBR01	SONBIRD REFUSE & R	25151	APR/16	45.15		45.15	
024207	002	02/06/2016	SS419	SOLIDARITY SNACKS	458 457	UVFD-FIRST RESPOND ECC-MEETING	98.18 29.25		127.43	
024208	002	02/06/2016	TA845	TURNER AARON	121642	RENTAL REIMBURSEME	25.20		25.20	
024209	002	02/06/2016	TE541	TECH ELECTRICAL CO	1440A	REPAIR AERATOR MOT	1,240.90		1,240.90	
024210	002	02/06/2016	UP459	UCLUELET PETRO-CAN	17121242	#1-CHEVY REPAIRS	1,883.16		1,883.16	
024211	002	02/06/2016	UR849	UCLUELET RENT-IT C	23324 23325	PW EQUIP SERVICE BLOCKAGE	74.74 260.41		335.15	
024212	002	02/06/2016	WC345	WURTH CANADA LTD	22302335		39.21		39.21	
024213	002	02/06/2016	XC300	XPLORNET COMMUNICA	INV13379318	MAY/16	77.27		77.27	
024214	002	07/06/2016	AD004	TYCO INTEGRATED FI	80461250	JUN 1-AUG 31/16	196.35		196.35	
024215	002	07/06/2016	AI151	ALL ISLAND MAILING	2467	SUPPLIES-INK CARTR	107.82		107.82	
024216	002	07/06/2016	BE737	BENSON ERICA	121663	BENSON-YOUTH CONTR	1,433.60		1,433.60	
024217	002	07/06/2016	CE004	CORPORATE EXPRESS	41572120	SUPPLIES	162.40		162.40	
024218	002	07/06/2016	CFP22	CALEDONIA FIRE PRO	16197-1	FIRE EXTINGUISHERS	5,813.85		5,813.85	
024219	002	07/06/2016	CGISC	CGIS CENTRE	42522	JUNE/16	691.92		691.92	
024220	002	07/06/2016	CK608	KASSLYN CONTRACTIN	D524	D524	2,641.18		2,641.18	
024221	002	07/06/2016	DC001	DOLAN'S CONCRETE L	UP77574 UP77589	MULCH-ROADS/SHOULD MULCH-PW YARD	493.64 463.55		957.19	
024222	002	07/06/2016	DK143	DEVRIES KATHY	121660	DEVRIES-AFTERSCHOO	312.50		312.50	
024223	002	07/06/2016	HC279	HUBER CHANTAL	121667	HUBER-YOGA SUB	136.80		136.80	
024224	002	07/06/2016	HS002	HOGAN, SARAH	121661	HOGAN-DANCE	1,388.78		1,388.78	
024225	002	07/06/2016	JSC61	J & S CONTRACTING	160524	TROUBLESHOOT HEAT	481.95		481.95	
024226	002	07/06/2016	MA952	MAXXAM ANALYTICS	VA974513 VA973730	B50299 B50299	78.75 78.75		157.50	
024227	002	07/06/2016	MC481	MARTIN CRIS	121668	MARTIN-YOG SUB	75.60		75.60	
024228	002	07/06/2016	NA071	NOVAK ANNE	121662	NOVAK-CLAY CLASS	1,726.10		1,726.10	
024229	002	07/06/2016	NR310	NADEAU RENEE	121664	NADEAU-YOGA SUB	34.80		34.80	
024230	002	07/06/2016	OBMG1	OAK BAY MARINE GRO	REFUND	REFUND OF OVERPAYM	128.35		128.35	

Cheque #	Bank	Pay Date	Vendor #	Vendor Name	Invoice #	Description	Invoice Amount	Hold Amount	Paid Amount	Void
024231	002	07/06/2016	PC336	PETTY CASH FORTUNE	121656	MAY/16	45.80		45.80	
024232	002	07/06/2016	PC336	PETTY CASH FORTUNE	121676	JUNE/16	25.79		25.79	
024233	002	07/06/2016	RK179	ROBISON KARLA	121658 121671	CLOCK/CHAIRS/TABLE ROBISON-PROJECTOR	622.68 938.54		1,561.22	
024234	002	07/06/2016	RL068	RIVERA LYVIER	121659 121669	RIVERA-REGGAETON RIVERA-LATIN CARDI	442.80 225.60		668.40	
024235	002	07/06/2016	SF061	STEVENS FLICKERINE	121666	STEVENS-YOGA	514.20		514.20	
024236	002	07/06/2016	SJ004	S & J SERVICES	234267 234268 234265 234269 234266	 MAY/16 MAY/16 MAY/16 MAY/16	315.00 315.00 1,386.00 651.00 138.60		2,805.60	
024237	002	07/06/2016	UP459	UCLUELET PETRO-CAN	17121212	GMC VAN REPAIRS	789.01		789.01	
024238	002	07/06/2016	UR849	UCLUELET RENT-IT C	23244	MAY/16 TOILET CLEA	1,523.20		1,523.20	
024239	002	07/06/2016	WN977	WOODS NANCY	121665	WOODS-STEP IT UP	111.60		111.60	
Total:							121,325.84	0.00	121,325.84	

\*\*\* End of Report \*\*\*





## STAFF REPORT TO COUNCIL

Council Meeting: JUNE 14, 2016  
500 Matterson Drive, Ucluelet, BC V0R 3A0

**FROM:** DAVID DOUGLAS, MANAGER OF FINANCE.

**FILE NO:** 1025-01

**SUBJECT:** ASSET MANAGEMENT

**ATTACHMENT(S):** ASSET MANAGEMENT DEVELOPMENT REPORT

### **RECOMMENDATION(S):**

1. **THAT** Council accept the Asset Management Development Report **and**
2. **THAT** Council provide direction to staff concerning the Asset Management Development Report.

### **PURPOSE:**

The purpose of this report is to present Council with the Asset Management Development Report prepared by Kristiansen and Associates.

### **BACKGROUND:**

Over the last several months District staff and consultant Kristiansen and Associates have been working on the planning for the management of the District's assets. This report summarizes the process of asset management, describes the age of the District's assets and provides financial information on the shortfall of funding for the District's assets. The report is broken down into seven asset categories: Roads, Water, Sewer, Drainage, Equipment, Buildings and Other Structures

The asset report is a start on the road to best practices approach to asset management. District staff are working on plans for condition reporting, maintenance plans as well as long range capital plans. In the future asset management software will help to ensure that the information in the asset management plan can be readily available, updated, tracked and accessible for future decision making.

### **SUMMARY AND CONCLUSION:**

As planning proceeds for asset management for the District of Ucluelet, the information will become an integral part of future grant applications, budget considerations and annual review of the long term capital planning process.

Respectfully submitted:

A handwritten signature in blue ink, appearing to read "David M. Douglas", written over a horizontal line.

DAVID DOUGLAS, MANAGER OF FINANCE

A handwritten signature in black ink, appearing to read "A. Yeates", written over a horizontal line.

Andrew Yeates, CAO

B

THE DISTRICT OF UCLUELET

**MANAGEMENT PLANNING FOR THE DISTRICT'S ASSETS**

Asset Plan Development Project Report

April 15<sup>th</sup> 2016

Prepared by: Kristiansen & Associates



<b>Table of Contents</b>	<b>Page</b>
<b>EXECUTIVE SUMMARY</b>	3
<b>INTRODUCTION TO THE REPORT</b>	7
<b>ABOUT ASSET MANAGEMENT</b>	10
<b>ABOUT ASSET PLANS</b>	12
<b>ABOUT THE RENEWAL COSTING EXERCISE</b>	14
<b>ROADS ASSETS</b>	15
<b>WATER ASSETS</b>	23
<b>SEWER ASSETS</b>	30
<b>DRAINAGE ASSETS</b>	37
<b>BUILDINGS ASSETS</b>	44
<b>EQUIPMENT ASSETS</b>	52
<b>OTHER STRUCTURES ASSETS</b>	60
<b>A COMPARISON OF THE ASSET GROUPS – MANAGEMENT APPROACH</b>	68
<b>CLOSING COMMENTS</b>	71
<b>NEXT STEPS</b>	73
<b>ASSET PLANNING PROGRESS REPORTING</b>	74
<b>APPENDIX A - RENEWAL COSTING EXERCISE METHODS</b>	75
<b>APPENDIX B - LONG VERSION ROADS ASSET INVENTORY SUMMARY</b>	77
BUILDINGS ASSETS	80
WATER ASSETS – WATER MAIN PIPES	81
<b>APPENDIX C - ASSET MANAGEMENT RESOURCES &amp; TOOLS</b>	82
<b>APPENDIX D - CAPITAL ASSET MANAGEMENT TERMS</b>	84

# EXECUTIVE SUMMARY

## THE DISTRICT'S APPROACH TO WORKING TOWARD MEETING THE REQUIREMENTS OF ASSET MANAGEMENT

The District of Ucluelet has embarked on a journey to develop Asset Plans for seven of its eight asset groups<sup>1</sup>. These initial versions of the Asset Plans will be the first to be formally documented by the District.

At this stage in their process the District is focused on:

- ensuring the required asset information is sufficient, reliable, and accessible, and
- assessing the adequacy of their current funding practices to ensure sustainable service delivery in the long term.

This report details the District's Asset Planning preparedness to date including:

1. A summary and assessment of **asset information** currently available to describe the 7 asset group inventories.
2. A description of the contents and extent of the 7 asset inventories.
3. The adequacy of current funding practices against the long term asset renewal needs.
4. High level observations and implications regarding the current to managing each of each of the asset groups.
5. The elements of the beginnings of a **financial strategy** based on the findings of a renewal costing study.
6. Next Steps - A plan for carrying out asset condition studies.

## WHAT ASSET INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?

The District currently maintains information that tells them what assets they own, where they are, roughly how long they will last, and their original cost. To support their asset management practices the District plans to work toward assembling a wider range of information regarding their assets including: how much they are used, their current worth and condition, and what might happen to them. With this additional information the District will be able to prioritize the actions needed to ensure their critical assets are able to provide necessary services.

## WHAT ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?

The 2015 replacement value of the asset groups studied totals **67.34 Million (M)**. Portfolio details are provided below.

### **Equipment**

2015 replacement value: **2.67 M**

The District owns 74 individual "EQUIPMENT" assets falling under 10 category headings: Non-emergency Vehicles, Emergency Vehicles, Excavation/Removal/Transport Equipment, Building Contents, TeleCom /IT/Technical Equipment, Recreation Equipment, Waste Containment Equipment, Misc. Equipment, Landscaping/Maintenance Equipment, Buildings. The 2015 replacement costs for the 3 Emergency Vehicles account for 50% of the value of the entire portfolio.

### **Drainage**

2015 replacement value: **3.14 M**

The District owns and operates 6.6 km of '**linear**' DRAINAGE assets including 5 KM of storm pipe, 0.4 KM of culvert pipe, and 1.3 KM of drainage pipe. The storm pipe is the oldest. The Drainage register also lists 215 '**other**' or non-linear assets, including 130 catch basins and 84 manholes which are the longest lived<sup>2</sup> of the 'other' drainage assets.

### **Other Structures**

2015 replacement value: **4.08 M**

District owns 33 OTHER STRUCTURES assets falling under 8 category headings: Outdoor Sports/Rec Facilities, Wild Pacific Trail, Information Centre, Small Craft Harbours, Boat Launch, Cemetary, Community Center, He-tin-kis. The 2015

<sup>1</sup> These 7 asset groups include: Roads, Water, Sewer, Drainage, Equipment, Buildings and Other Structures. Land is excluded.

<sup>2</sup> Longest lived = has used up the largest percentage of its expected useful life.

replacement costs of the *Outdoor Sports/Rec Facilities* and *Wild Pacific Trail* assets account for 69% of the portfolios total replacement cost. The Tugwell Field turf & irrigation, worth 1.26 M, is the most valuable asset in this group.

## Roads

2015 replacement value: **9.83 M**

The District owns and operates 34.87 km of concrete and asphalt '**paved**' assets. Roads account for 22.9 km of the portfolio. The remaining paved assets include bike lanes, curbs and gutters and sidewalks. The '**other**' ROADS assets operated by the District include signage, lighting, and the Telus Arial Underground.

## Water

2015 replacement value: **14.39 M**

The District owns and operates 26.1 km of '**linear**' WATER assets including: 14.2 KM of PVC water main, 8.6 KM of Asbestos Concrete water main, and 3.3 KM of PE water main. The Water register also lists 106 '**other**' assets including: 4 aquifers, 97 hydrants, a reservoir colilert lab, the Wellfield flow meters, water conditioning equipment, and a replacement well. The Steel Reservoir accounts for 56% of the 2015 replacement costs.

## Buildings

2015 replacement value: **14.79 M**

The 6 oldest buildings of nine owned by the District include the: Recreation Hall, Municipal Hall, Fire Hall, Public Works Shops 1 and 2, and the Athletic Club. Only the Recreation and Municipal Halls have undergone capital improvements. The newest and most valuable building (9.4M) is the 21,473 square foot Community Center was completed in 2011.

## Sewer

2015 replacement value: **18.44 M**

The District owns and operates 28 km of '**linear**' SEWER assets. The sewer pipe is generally older than the forcemain: it has used up 15% more of its useful life. The Sewer register also lists 248 '**other**' assets. Among these are: the 11 sewer lift station wet wells (the longest lived of these assets); the Kimoto lift station (the youngest of the lift stations), and 218 Sewer manholes (2015 replacement value of 2.5 M).

## WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE ASSETS?

### Public works report

The District's older **Roads** receive reactive complaint driven maintenance in the form of patching of deficient pavement. Paved roads in the new development areas receive preventative maintenance.

The District is in also reactive mode with regard to addressing **Water** main and **Sewer** pipe and pump issues: there is no systematic replacement process. Due to cost and timing issues deteriorating water/sewer pipes are currently not addressed simultaneously with pavement issues. Public reports inform the detection and subsequent monitoring of **Water** main breaks.

There is a systematic **Sewer** monitoring program which accounts for much of the operational demands of those assets. A systematic plan is in the works to reduce this load by linking all lift stations to a centralized control system.

In general the **Drainage** system is an older type of system. There is no overarching drainage plan per se and, in turn, no capital improvement projects to go with it.

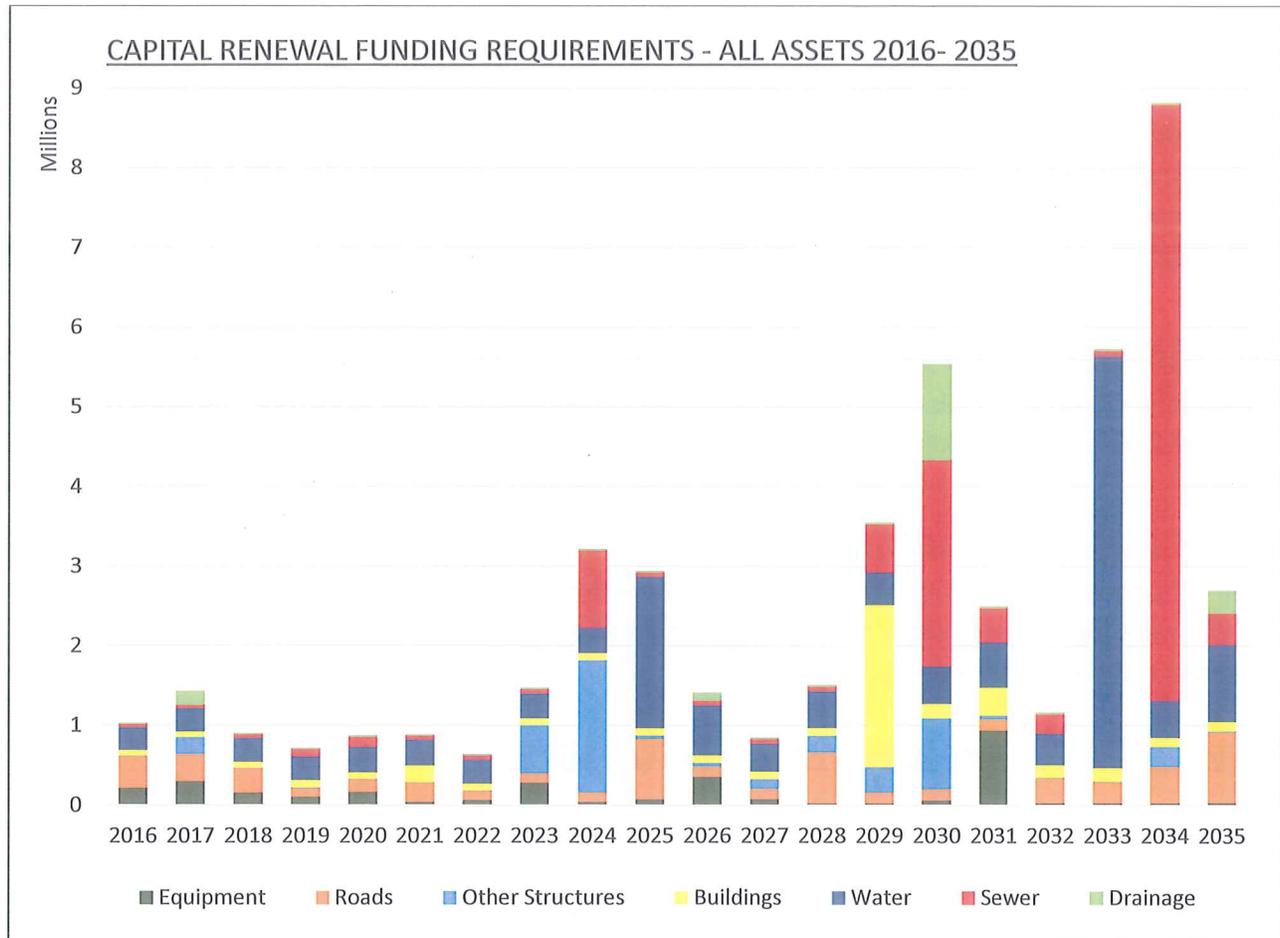
There is no master plan in place for managing the **Buildings** assets. It is the opinion of the public works team that the Rec Hall, Athletic Club, Firehall, and the Public Works Shops are ready to be retired.

The Districts **Equipment** is operated to fail with the exception of the vehicles which are on a standard maintenance schedule and receive reactive maintenance for major issues as needed.

There was no information available regarding the management of the **Other Structures** assets group.

WHAT IS THE TIMING AND MAGNITUDE OF ASSET RENEWAL FUNDING REQUIREMENTS?

The chart below illustrates projected capital renewal funding requirements for the District’s 7 asset groups for the period 2016 - 2035. It is easy to see the variation in renewal cost magnitudes across the asset groups and how the costs ‘spike’ at various points along the 20 year timeline. It is through the development of asset plans and comprehensive long term funding strategy that the District will be able to proactively address these renewal requirements.



WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?

The Asset Funding profile below is based on the costing exercise findings. Among other things, the profile summarizes the 20 year capital renewal budget and renewal requirements for all seven asset groups combined. The 20 year and annual capital renewal shortfalls (see the green boxes) indicate the District would have to *increase the annual capital renewal budget by 34.96 Million over 20 years or by 1.75 Million annually to eliminate the renewal shortfall.*

<u>All ASSETS</u> <u>FUNDING PROFILE</u>		20 year Budget (2016-2035)		20 Year Renewal Funding	Renewal Funding Requirements vs. Available Funds	
2015 Replacement Value	2015 Capital Renewal Backlog	Available Operations & Maintenance Budget*	Available Capital Renewal Budget	Renewal Requirements	<b>20 year</b> Capital Renewal Shortfall	<b>Annual</b> Capital Renewal Shortfall
67.34	10.23	28.65	12.90	47.86	34.96	1.75

\*Available budget (for the period 2016-2035) Based on 2015-2019 (current) practice.

## IMPLICATIONS OF THE RENEWAL COSTING FINDINGS & INFORMATION ASSESSMENT

Many of the District's assets are approaching the later years of their life and require replacement. The current level of funds budgeted will not meet the amounts required to cover replacement costs for assets coming due in the period 2016-2035. As such, these funding levels are insufficient to continue to sustain existing services.

If the District does not have the financial capacity to manage the shortfalls described in the costing exercise service levels in some areas will have to be reduced and/or external sources of funding or revenue increases will have to be considered.

### NEXT STEPS

The District of Ucluelet will prioritize the use of the findings of the asset information assessments and renewal costing exercise to:

1. Improve, and build upon, existing asset information to create a quality and complete information base that will support both financial and management planning.
2. Develop and document a CORPORATE WIDE LONG TERM APPROACH to asset renewal funding in preparation for the development of a long term asset management funding strategy and related policy.
3. Use the projected estimates of the 20 year renewal, operations and maintenance funding/budgeting levels to gage the financial impact of a self-funded asset management approach on service users for a variety of cost recovery frameworks.
4. Address the ADEQUACY OF CURRENT AND HISTORIC APPROACHES to managing each of the 7 asset groups by examining and where necessary amending:
  - a. ongoing asset management practices, such as accruing a renewal backlog, providing minimal maintenance, operating to fail etc., that may negatively impact service delivery, and more importantly compromise public safety,
  - b. inconsistencies in practices between the 7 asset groups to determine whether, and why, they are justifiable and what special attention may be required as a result.
5. Address any INFORMATION GAPS that may have compromised the accuracy of the costs and the efficiency of the costing exercise through:
  - a. beginning the process of assessing the condition of critical assets to improve the accuracy of renewal timelines to inform the asset planning exercise.
  - b. componentizing, where necessary, the assets to improve the specificity of both the condition, and remaining useful life, estimates.

# INTRODUCTION TO THE REPORT

## HOW TO GET THE MOST OUT OF THIS DOCUMENT

The primers that follow this introduction: 1) About Asset Management and 2) About Asset Planning, provide a wider context around what the District is trying to achieve by working toward creating a comprehensive **Asset Plan** for each of their significant asset groups.

Where possible, the sections of this report are designed to answer questions serving as section headings, for example:

- What assets does the District own? OR
- What are the assets worth?

Keep these questions in mind as you read each of the sections to help you stay on track.

An effort was made to keep explanations of technical terms out of the body of the report. If you find yourself needing more information there are clarifying footnotes built into the body of the report as well as references to more detail available in the appendices. The general asset management terminology definitions provided in Appendix D may also be helpful.

For readers interested in accessing more asset management related information, Appendix C lists asset management resources and tools suitable for Local Governments.

## ABOUT THE REQUIREMENTS OF ASSET MANAGEMENT

To meet their obligations to the Community the District of Ucluelet's Asset Management practices must:

- involve investments in capital assets that support lowest costs throughout the useful life of the assets,
- ensure assets consistently deliver a satisfactory and financially sustainable level of service,
- prioritize and address the long term renewal/replacement needs of all assets,
- aligned with a financial strategy for implementing the renewal/replacement actions, and
- accomplish the above within the limits of financial sustainability.

In order to manage their capital assets in this manner the District requires: information, decisions, execution plans and financial means.

The INFORMATION requirements include:

1. extent of the asset inventory
2. level of service (LOS) the public expects from the assets (e.g. no cracks in roads, no water main failures)
3. when and what actions will need to be taken against the assets (e.g. road surface maintenance, replacement of worn out pipes)
4. the likelihood and consequences of not taking those actions (e.g. premature road surface deterioration, water main failures)
5. what it will cost to execute those actions and what, if anything, stands in the way of executing the actions (e.g. lack of financial or human resources, time etc.).

The DECISIONS to be taken include determining:

- which asset needs, and in turn which actions, get prioritized
- how much money will be spent.

With the decisions made, EXECUTION or ASSET PLANS must be specified to determine:

- how and when the prioritized actions are to be carried out, and
- the source of funding for each of the actions.

Finally, it is necessary to have the FINANCIAL MEANS to execute the **Asset plans** for at least their critical assets. This preparedness requires:

- knowledge of the full set of asset requirements and their associated costs in the short, medium and long term
- a long term financial plan to achieve the state of “financial preparedness” to meet those requirements.

The INFORMATION and FINANCIAL MEANS components of the asset management planning process are foundational to its success: effective planning decisions and the plans for a successful execution are dependent upon these components being in place.

The foundational role of INFORMATION in asset management endeavours has led to legislation requiring all local governments in Canada to maintain the information that describes their comprehensive asset inventory in an ‘asset register’. In the District’s case each of the asset registers is maintained in a Microsoft Excel spreadsheet: one for each of the district’s asset groups. This information should be assembled and updated on an ongoing basis as it provides the foundation for asset management planning and decision making, as well as informing scheduled maintenance and emergency response and public safety actions to be taken in the event of a service failure. In short, asset information is the key to understanding what can happen to disrupt the services delivered by capital assets, when it may happen and how it can managed.

The District of Ucluelet has met the legislated accounting requirements regarding the asset information they must track and update to satisfy the financial reporting element of asset management.

However, the District is aware of the need to:

- improve and expand their registers to support the information needs of information users
- take an integrated approach and sense of ownership across the local government so staff in relevant roles can share responsibility for improving and maintaining the information
- identify a leader to coordinate the process and take overall accountability for reporting progress in this area to the council/board.

## THE DISTRICT'S APPROACH TO WORKING TOWARD MEETING THE REQUIREMENTS OF ASSET MANAGEMENT

The District of Ucluelet has embarked on a journey to develop Asset Plans for seven of its eight asset groups<sup>3</sup>.

The first versions of these Asset Plans will be the first to be formally documented by the District.

At this stage in their process the District is focused on:

- Ensuring the required asset information is/will be sufficient, reliable, and available to all, and
- assessing the adequacy of their current funding practices to sustain service delivery in the long term.

Once that is accomplished, the District will be better prepared to begin to work toward the development of fully specified management plans for each of their asset groups. These plans will be based on:

- an asset risk, condition, and criticality informed prioritization method that considers the needs of assets both within and between asset groups,
- a long term financial strategy to ensure the financial means required to carry out those plans will be in place when needed, and
- a set of systematic and proactive (where warranted) and adequately funded asset plans to approach to the renewal/replacement of their assets.

## THE CONTENT OF THIS DOCUMENT

### **In Scope**

The District's Asset Planning progress to date will be discussed including:

1. A summary and assessment of **asset information** currently available for each of the 7 asset group inventories.
2. A description of the contents and extent of the 7 asset inventories will be reported in this document.
3. The findings of the study of the adequacy of current funding practices against the long term renewal needs of each of the asset groups.
4. Some high level observations and implications regarding the management of each of the asset groups.
5. The elements of the beginnings of a **financial strategy** based on the comparison study findings.
6. Next Steps - A plan for carrying out asset condition studies.

### **Out of Scope**

There will be no discussion around the prioritizing actions against the various assets or the plans required to execute such actions. Prioritization of actions will be possible once the gathering of condition information for the District's core assets is carried out.

## THE DISTRICT'S NEXT STEPS

Where relevant, the District's intentions for improving the Asset Plans over time will be noted in this document along with a brief description of next steps.

As Asset management progress occurs: e.g. additional/improved asset information comes available following this report, it will be tracked and shared with council to inform the state of the assets and any significant issues on an ongoing basis.

---

<sup>3</sup> These 7 asset groups include: Roads, Water, Sewer, Drainage, Equipment, Buildings and Other Structures. Land is excluded.

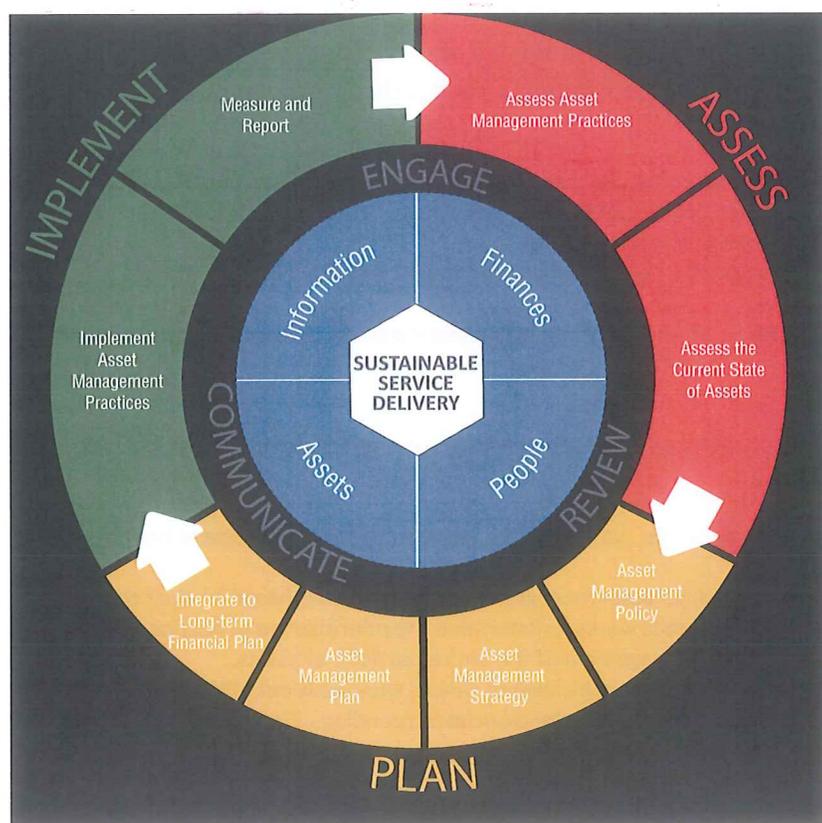
# ABOUT ASSET MANAGEMENT

## What is asset management?

While there are numerous definitions of asset management, Asset Management BC'S definition clearly outlines the key components and was developed by and for B.C. local governments: "An integrated approach involving planning, finance, engineering and operations to effectively manage existing and new infrastructure to maximize benefits, reduce risks and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner."

## What does it entail?

At a minimum, asset management requires a local government to know the condition and performance of its **core assets** and prioritize actions against the most **critical** of those assets. This knowledge will enable sound decisions around their future repair or replacement, and prevent any potential safety issues. **Core assets** for a local government are those that are essential to the delivery of service e.g. a municipal water treatment system. The larger a municipality the larger the number of core assets that one would expect to find. **Critical assets** are those with relatively high risk of failure and major consequences (e.g. safety related) when they do fail.



The diagram on the left summarizes activities, considerations, and outputs of the asset management cycle. It starts with the assessment of your current practices and assets, proceeds to the planning phase, and then concludes with the implementation phase. The process, however, is continuous in that once you have implemented and reported, new information will be available and the assessment of your assets and policies will start over again. As noted earlier the extent of the work required at each step will depend on the size and complexity of the local government. What is important is to focus on the principles behind good asset management.

Source: This diagram comes from an asset management initiative funded by the Union of BC Municipalities and developed in partnership with the Ministry of Community, Sport and Cultural Development and members of Asset Management BC.

## Why is asset management important?

A **strong** asset management program maximizes local government funds by targeting scarce resources to the most critical asset needs. An **optimized** asset management program ensures costs to the community are minimized while maintaining financial and service sustainability.

Sources: AMBC asset management framework for BC, AGLG asset management perspectives series

## ABOUT ASSET MANAGEMENT cont'd

### What is the key to success?

Asset management starts with raising awareness and understanding within both the local government and the community, making asset management a priority and then taking action. Local governments who have built successful asset management programs consider the following strategies to be fundamental to their success:

1. Engaging all of the stakeholders to asset management: council, community, municipal staff and leadership.
2. Keeping stakeholders engaged, consulted and informed along the way.
3. Creating early stakeholder buy-in thru providing education regarding what asset management involves and why it's important.
4. Ensuring all stakeholders understand and respect their own roles and responsibilities in the process.

### What are the risks of failing to implement the above strategies?

1. This asset management process may be thwarted on various levels by stakeholders who are not aware of the financial and public safety implications of the District failing to proactively manage publicly-owned assets.
  - This includes the various departments of the administration as asset management is a cross-organization/functional activity requiring considerable coordination at the strategic, operational and financial level. These people need to work together to prepare the business cases council requires to make effective asset management decisions.
  - Similarly, if council does not support the District's efforts to advance asset management, it will be difficult to carry it out successfully.
  - Finally, if the community is not aware they may put pressure on otherwise committed elected officials to take decisions that will not support the asset management process.
2. A lack of distinction between stakeholder roles and responsibilities may prevent the appropriate balance of accountability for asset management.
  - Elected officials have a stewardship responsibility and an oversight role, while staff are responsible for asset management planning, implementation and for reporting back to the council.
  - Staff have both complimentary and interdependent roles, but distinct asset management responsibilities based on their roles and expertise: e.g. finance to develop long term funding approaches, public works to determine the prioritization of actions against assets, and both to participate in the planning for the sustainable management of the entire portfolio of assets.
  - The community is responsible for participating in the process of identifying the level of service they want out of their assets. The levels of service will in turn inform the actions against the District's assets and the associated spending.
3. Service level choices made by the community without proper consideration may not support their best interests and may in fact have serious down the road implications for the liveability, safety and financial viability of their community.
  - The setting of service levels has huge and long term implications for the community. Lack of effective communication from the District may prevent the community from properly weighing in on their service level expectations, hinder their understanding and/or support for decisions relating to affordability, and their willingness to constructively participate in future decision making.

Sources: AMBC asset management framework for BC, AGLG asset management perspectives series

## ABOUT ASSET PLANS

Asset management best practices include creating and updating **Asset Plans** for each significant asset or asset group in a local government's portfolio. Each of these plans will define the activities required to effectively manage that asset or asset group, including maintenance, refurbishment and ultimate replacement. Together the asset plans account for a significant portion of the activities taking place as part of the overall **Asset Management plan**.

### WHAT DOES AN ASSET PLAN ENTAIL? ACCOMPLISH?

The content of a typical asset plan should include:

- A clear link to the local government's high level strategic and financial sustainability plans.
- Up-to-date information on the asset or asset group.
- The desired level of service of the asset from both a technical and stakeholder perspective.
- Strategies intended to maximize the life of the asset and minimize renewal costs.

Typical asset planning activities include/involve the following:

- **Asset Information** – Understand what could happen, when it may happen and how to manage it.
- **Levels of Service** – Determine where you're going and what you need. Identify any surplus or under-performing assets.
- **Option Analysis and Lifecycle Costing** – Assess your options for taking action and know their costs.
- **Option Selection** – Make decisions based on good information and financial sustainability considerations.
- **Asset Management Practices & Systems** – Use planning tools including assessment and standardizing frameworks.
- **Improvement Plan** – Show your commitment for the future.

The plans should also specify and document the resources, responsibilities, priorities and timelines for implementing the various parts of the plan.

The District's asset planning approach and activities need to be formalized by a policy that supports the council in their stewardship role and execution of responsibilities.

The information gathered and analyzed during the creation/updating of asset plans often highlights the need for particular capital projects based on the results of asset condition monitoring, information about current or projected future demand for the service the asset supports and the functionality of the asset.

Sources: AMBC asset management framework for BC, AGLG asset management perspectives series

## ABOUT ASSET PLANS cont'd

### HOW DO THE ASSET PLANS FIT INTO THE OVERALL PROCESS?

The asset management cycle starts with an assessment of an organizations current practices and assets, proceeds to the planning phase - where the asset plans are developed - and then moves to the implementation phase. Asset plans are a component of the overall **Asset Management Plan** which together with the **Asset Management Policy** and the **Long Term Financial Plan** formalize the logistics of, and manner in which, the **Asset Management Program** is to be implemented, evaluated, and improved.

### WHY ARE ASSET PLANS IMPORTANT?

Asset plans are developed to determine the **why, how, what and when** involved in the step by step management of specific assets or groups of assets. A complete asset plan provides a broad overview of a significant portion of the activities and processes required to implement the overall asset management program. As such, these plans provide an excellent opportunity for **engaging and educating stakeholders**.

### HOW DO ASSET MANAGEMENT PLANS INFORM CAPITAL PLANNING?

The information contained in effective asset plans 'locates' the relative priority of the needs of each asset within its asset group. The asset group priorities can then be assessed against those of other groups within the context of the overall asset management program. The data and information contained in sound asset plans drives project selection, informs capital project plans, their associated business cases, and the procurement process. Asset plans are also useful in keeping track of the 'too long' list of capital projects from year to year to avoid losing track of significant capital projects that don't make the cut.

### THE IMPORTANCE OF MAINTAINING UP-TO-DATE ASSET MANAGEMENT PLANS

To ensure the information is current for all uses, asset management plans should be reviewed at least annually and updated as required based on changes to asset condition, performance and service levels. If a major asset fails between updates of the plan, then an immediate update to the plan is required. At a minimum, established asset plans should be updated at least once every four years. Early stage asset plans will need more frequent development and updating.

# ABOUT THE RENEWAL COSTING EXERCISE

## BACKGROUND

In the fall of 2015 the District undertook a “Renewal Costing” exercise to establish the timing and magnitude of the funding required to support the long term capital needs of each of the District’s asset groups. The exercise involved a comparison of current short term funding practices against long term renewal and replacement needs. The annual capital funding that would be needed to support the replacement/renewal of each of the asset groups was also addressed. A standardized method determined the capital funding needs over the period 2016 – 2035.

A summary of the costing exercise approach is discussed below. Full details of the methods of estimation and projection used in the study are described in Appendix A.

## **PURPOSE**

The costing exercise findings will inform the District’s long term financial, and asset planning approach through:

1. Enabling a corporate wide long term view of capital funding practices & requirements.
2. Illustrating the current/historic, approach to managing assets groups.
3. Supporting the initiation of the District’s asset planning process.
4. Informing the modelling of the impact of self-funded assets on user rates and fees.

## **SCOPE/ASSUMPTIONS**

- Existing assets only were included in the study: no asset additions were accounted for.
- Population growth, new development, and changes in assets levels of service were not taken into account.
- The sufficiency of the operations and maintenance funding practices to cover those costs was not addressed.
- The sufficiency of the capital renewal funding practices to cover those costs was addressed.
- As there is no physical condition information available for any of the District’s assets, it was assumed that all assets studied would need to be replaced or would be completely renewed by the end of their expected useful lives<sup>4</sup>.

## **METHODS**

1. The renewal years<sup>5</sup> and the associated replacement costs<sup>6</sup> of each of the District’s assets were determined.
2. The replacement costs calculated are based solely on construction costs (i.e. no general contingency, engineering, administration or finance costs were accounted for)
3. The 2015-2019 operational and capital budgets were averaged and projected across the period 2016-2035. The operational funding provided context for interpreting the District’s asset management approach for each portfolio.
4. Asset group specific capital funding requirements for the years under study, 2016 through 2035, were determined and compared to the budgeted funding described in (3) above.
5. The adequacy of current capital funding practices relative to the long term capital funding requirements was systematically assessed for each of the asset groups.

<sup>4</sup> Expected useful life - the period over which a capital asset is expected to be used - useful life is used in the calculation of depreciation.

<sup>5</sup> Renewal year: the year in which the asset's useful life will end which is typically industry/multiplier determined.

<sup>6</sup> Replacement value: current replacement cost of an existing asset based on market research data (when available) and adjusted for inflation.

## ROADS ASSETS

---

WHAT ROADS INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?	16
WHAT ROADS ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?	18
WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE ROADS ASSETS?	20
WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?	21

---

## WHAT ROADS ASSET INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?

At the very least the District needs to maintain the information that tells them what ROADS assets they own, where they are, roughly how long they will last, and what they are worth today. To optimize their approach to managing these assets, the District will work towards assembling asset register content that meets *best practices* guidelines. This additional information will put the District in a position to address a wider range of questions about their assets including how much they are used, what condition they are in, and what might happen to them.

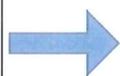
See Table 1 below for a description of the current status of the ROADS asset register. The full set of data items listed in the “**Asset Information**” column of Table 1 are those the District would ultimately like to have in their register. The colour coded columns describe the status of each of the 18 ‘Best Practices’<sup>7</sup> data items listed in the 2<sup>nd</sup> column of the table.

TABLE 1 - CURRENT STATE OF THE ROADS ASSET RECORDS

	Asset Information: 18 'Best Practices' Data Items	Item Exists in Register	Data Complete	Quality Issues
What does the District own and where is it?	ownership status	No		
	description	Yes	All	lacks componentization detail / consistency
	location - street map based	Yes	All	lacks detail / format not standardized
	dimension(s)	Yes	Most	None
	structural/material type	Yes	All	None
How long will it last?	age	Yes	All	None
	useful life - theoretical	Yes	All	None
	useful life - condition based	No		
What does it cost?	deferred maintenance & renewal costs (depreciation calculation)	Yes	All	None
	current replacement value	No		
	value of major assets (cash value as is)	No		
	cost of the full lifecycle of key assets	No		
How much is it used and what shape is it in?	utilization - capacity	No		
	functional condition - useability	No		
	physical condition	No		
What has/could happen?	history (past failures, rehabilitation/repairs, maintenance etc.)	Yes in Description field	Unknown	paving maintenance noted in both the description and an analysis fields but are inconsistent – need field for coding history of actions against assets
	significant issues (e.g. environmental liabilities)	No		
	criticality rating (e.g. how likely to fail, role in larger system failure)	No		

<sup>7</sup> These guidelines vary from one source to another. The approach used here includes the information the District will ultimately be assembling.

## NEXT STEPS



Going forward, the District's activities and methods for improving/updating their ROADS asset records will be documented in the **Format** shown below and progress shared with the council and administration staff on an ongoing basis. The examples provided for improvement projects are based on the information shortcomings described Table 1 and on the following page under the heading: Data quality issues.

## Sample Format – ROADS Asset Records Improvement Tracking

ROADS Asset Records Improvement Project (asset – information – method – outcome/product)	Project Timelines	Project Lead – Team Members	Proposed Funding Source
e.g. asset information ownership policy developed	Start date – End date	e.g. CAO – key stakeholders	e.g. none needed
e.g. gathering and inputting ROADS information including missing dimension or attribute data: size/length/width etc.,	Start date – End date	e.g. Public Works Superintendent - O & M staff	e.g. Gas Tax funding
e.g. standardizing the format of location descriptions of assets to ease data usage and comparability of assets. The linear assets (ROADS, SEWER ETC.) have different location formats so can't identify commonly located assets.	Start date – End date	e.g. Finance manager – Public Works	e.g. no funding available
e.g. gathering up to date market informed replacement cost information annually and entering it into a table that links to applicable asset register fields, componentizing roads to address each of the components when des	Start date – End date	etc.	etc.

## WHAT ROADS ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?

The following discussion is based on the information in Table 2.

TABLE 2 ROADS Portfolio Description

The District owns and operates the following ‘paved’ assets:

- 25.93 km of asphalt paved assets: .67 km of bike lanes, 2.40 km of sidewalks and 22.86 km of roadway.<sup>8</sup>
- 8.94 km of concrete paved assets: 6.90 km of curbs and gutters and 2.04 km of sidewalks.

The ‘other’ ROADS assets tracked in the inventory and owned and operated by the District include signage, lighting, and the Telus Aerial Underground.

ROADS ASSET/COMPONENT DESCRIPTION	LENGTH (meters)
<u>Paved Assets</u>	
<i>Asphalt</i>	
Bike Lanes	678
Roads	22,857
<i>Concrete</i>	
Curbs & Gutters	6,895
<i>Asphalt (54%) Concrete (46%)</i>	
Sidewalks	4,441
Total	34,871
<u>Other Assets</u>	
Telus aerial underground	
Signage	
Lighting	

Data quality issues: (See Appendix B for further illustration)

- The lengths and widths of a portion of the District’s ‘paved’ assets were not accounted for in Table 2 as they were not listed in the asset register. This hindered the efficiency of the costing exercise: e.g. lengths of some sidewalks were not available in the register and had to be gathered outside of the register.
- Some of the rows in the asset register fields lacked sufficient detail to effectively *describe* the asset itself as well as the *location* of asset. This was an issue for both the ‘paved’ and ‘other’ ROADS assets listed in the table. This situation compromises the efficient use of the ROADS information and may impact the accuracy of reports.
- These shortcomings will need to be addressed in future and have been discussed along with some others noted in the previous section addressing asset register information.

<sup>8</sup> This includes those paved roads whose length is available in the register – some were not available.

**METHODS:** The approach to the replacement cost calculations reported in this section.

The 'paved' ROADS assets 2015 replacement costs were based on market prices provided by the Public Works department (43\$ PER square meter). As no market prices were provided for the 'other' ROADS assets, replacement costs were estimated by applying a construction cost index adjustment of 2.7% per year to the most recent costs available in the asset register. To calculate end of useful life replacement costs the 2015 replacement costs were projected and adjusted to the end of useful life year.

TABLE 3 ROADS Portfolio Worth

The following summary is based on the cost estimates listed in Table 3 to the right.

- The total 2015 and end of life replacement values of the total ROADS assets portfolio are 9.83 and 17.05 Million (M) respectively.
- The 'paved' linear ROADS assets owned by the District include bike lanes, roads, curbs, gutters and sidewalks.

The total 2015 replacement value of the 'paved' linear assets is 9.06 M.

The District's paved roads and bike lanes account for 7.15 M (81%), and the curbs, gutters and sidewalks for 1.6 M (19%), of these costs.

The cost to replace these paved roads, curbs and gutters at the end of their useful lives sits at 15.61 M.

- The 'other' ROADS assets owned by the District have a 2015 replacement value of .77 M.

The cost to replace these assets at the end of useful life sits at 1.44 M.

ROADS ASSET/COMPONENT	2015 Replacement Cost	End of Useful Life Replacement Cost
<b><u>Paved Assets</u></b>		
Bike Lanes	134,261	297,806
Roads	7,248,991	10,703,589
Curbs & Gutters	1,022,723	3,087,079
Sidewalks	655,991	1,519,518
<b>Subtotal</b>	<b>9.06 M</b>	<b>15.61 M</b>
<b><u>Other Assets</u></b>		
Lighting	383,965	886,910
Signage	367,523	521,528
Telus aerial underground	15,104	28,628
<b>Subtotal</b>	<b>.77 M</b>	<b>1.44 M</b>
<b>Grand Total</b>	<b>9.83 M</b>	<b>17.05 M</b>

#### Long Version Asset Inventory:

See **Appendix B** which lists the following information for each of the ROADS individual assets/asset components found in the inventory including: asset description/location, year added to inventory, expected useful life, renewal year, age in 2015, historic cost, 2015 and renewal year replacement costs, and length in meters where applicable and/or available.

## WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE ROADS ASSETS?

### PUBLIC WORKS REPORT

The split between the new and old roads in the District is roughly 50/50. The concentration of older roads is higher on the harbour side of town (65% - 75%) than the other side of town (30% - 35%). The maintenance of the Ministry road is considered to be lacking in comparison to that of the District owned roads.

The older roads in the District's network receive *reactive maintenance* in the form of patching deficient pavement. The patching of the older roads is driven in two ways:

1. Systematic planning to link sections that have had reactive attention, and
2. Public complaints regarding problematic areas are reviewed and a budgetary approach taken at that point.

The paved roads in the new development areas of the District receive *preventative maintenance*.

It is cost effective to use paving overlays to extend the life of the roads. Road reconstruction projects, to address slumping for example, are the opening for pipe replacement as it is more economical at that point. Note that overlays also provide some stability to roads and therefore extend the timeline for road reconstruction.

The District has completed the following capital projects in the last few years: Peninsula road, the main road into town, has had a new overlay; Matterson has been patched and had a new overlay; and some sections of Bay Street have also received attention.

## WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?

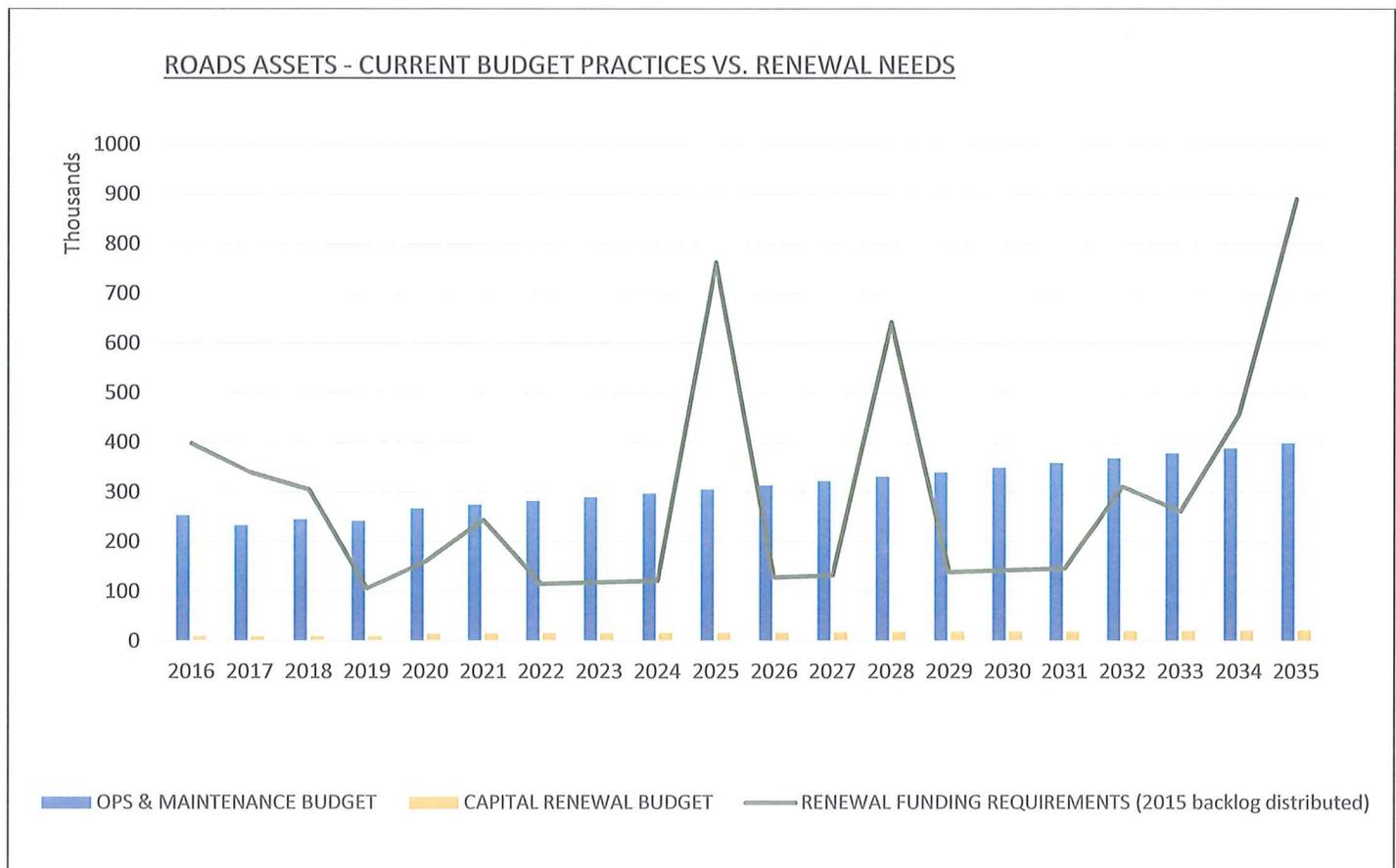
### ROADS ASSETS RENEWAL COSTING EXERCISE FINDINGS

#### How do the District’s current budgeting practices and potential renewal funding requirements compare?

The spikes in the **green line** series of Figure 1 indicate the funding needs of assets that have reached the end of their useful life and are in need of replacement. Budgeted capital renewal funds are indicated by the **gold** bars. The Operating budget series (**blue**) represents the money spent on ongoing operating and maintenance expenses.

Figure 1 provides a graphical representation of the 20 year budgeting practices and renewal funding requirements summarized in the funding profile of the assets provided in Figure 2. It also demonstrates the pattern of highs and lows in renewal funding requirements across the period. The available renewal funds fall short of the funds required over the period under study.

FIGURE 1



**What is the magnitude of the funding shortfall?**

Figure 2 quantifies the mismatch between the 20 year capital renewal budget (.34 M) and the 20 year renewal funding requirements (5.93 M). The capital renewal funding shortfall amounts to **.28 M** per year. If left unchecked this shortfall would accumulate to a total of **5.59 M** over the period 2016-2035.

FIGURE 2

ROADS ASSETS  
FUNDING PROFILE

Average Useful Life (years)	2015 Replacement Value	2015 Capital Renewal Backlog	20 year Budget (2016-2035)		20 Year Renewal Funding	Renewal Funding Requirements vs. Available Funds	
			Available Operations & Maintenance Budget*	Available Capital Renewal Budget	Renewal Requirements	20 year Capital Renewal Shortfall	Annual Capital Renewal Shortfall
40.4	9.83	1.97	6.24	0.34	5.93	5.59	0.28

\*Available budget (for the period 2016-2035) Based on 2015-2019 practice.

How does the ROADS renewal shortfall compare to that of the other asset groups?

As per Figure 3, the ROADS annual renewal shortfall is the equivalent of **46%** of the annual budget for those assets. The ROADS budget is middle of the road in this regard. The Water, Equipment and Sewer budgets come closer to meeting the renewal needs of those assets, while the Buildings and Other Structures budgets are less adequate.

As per Figures 3 and 4, the District would have to increase their annual ROADS budget by 46% or **.28 M** to eliminate the annual renewal shortfall.

FIGURE 3

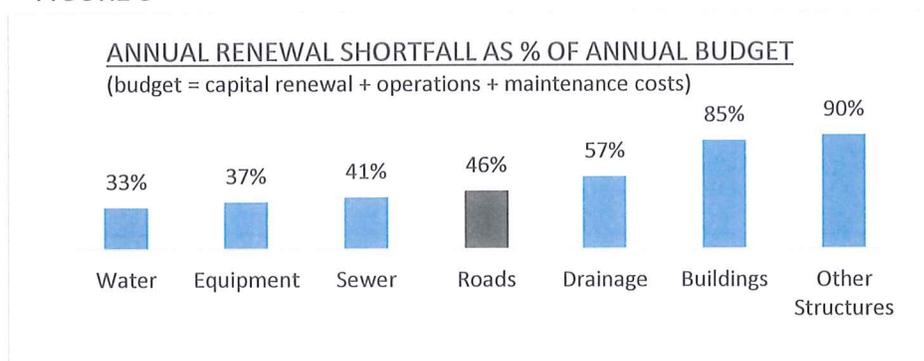
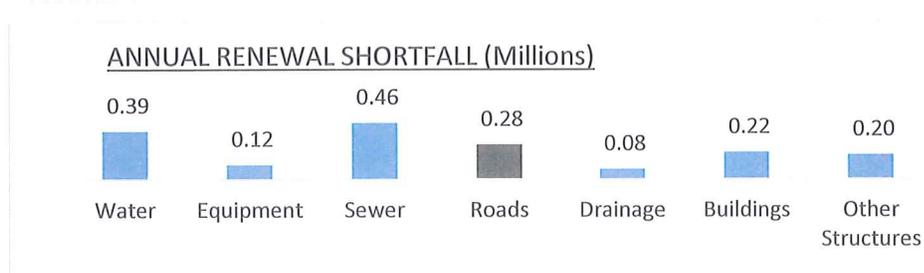


FIGURE 4



What happens if the shortfall is not dealt with?

It is likely that the District will have to reduce service levels in some areas unless new sources of funding are found.

## **WATER ASSETS**

---

<b>WHAT WATER INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?</b>	<b>24</b>
<b>WHAT WATER ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?</b>	<b>26</b>
<b>WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE WATER ASSETS?</b>	<b>27</b>
<b>WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?</b>	<b>28</b>

---

## WHAT WATER ASSET INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?

At the very least the District needs to maintain the information that tells them what WATER assets they own, where they are, roughly how long they will last, and what they are worth today. To optimize their approach to managing these assets, the District will work towards assembling asset register content that meets *best practices* guidelines. This additional information will put the District in a position to address a wider range of questions about their assets including how much they are used, what condition they are in, and what might happen to them.

See Table 1 below for a description of the current status of the WATER asset register. The full set of data items listed in the “**Asset Information**” column of Table 1 are those the District would ultimately like to have in their register. The colour coded columns describe the status of each of the 18 ‘Best Practices’<sup>9</sup> data items listed in the 2<sup>nd</sup> column of the table.

TABLE 1 - CURRENT STATE OF THE WATER ASSET RECORDS

	Asset Information: 18 'Best Practices' Data Items	Exists in Register	Data Complete	Quality Issues
What does the District own and where is it?	ownership status	No		
	description	Yes	All	pipes ok – non-linear lacks detail – partly due to lack of componentization of assets not entirely standardized – duplicated in description some pipe run lengths and pipe sizes missing pipes well described, non-linear lack sufficient componentization to support this information non-linear: would be more useful with more componentization
	location - street map based, no GPS or zoning yet	Yes	All	
	dimension(s)	Yes	Most	
	structural/material type	Yes	Most	
How long will it last?	age	Yes	All	
	useful life - theoretical	Yes	All	None
	useful life - condition based	No		
What does it cost?	deferred maintenance & renewal costs (depreciation calculation)	Yes	All	None
	current replacement value	No		
	value of major assets (cash value as is)	No		
	cost of the full lifecycle of key assets	No		
How much is it used and what shape is it in?	utilization - capacity	No		
	functional condition - useability	No		
	physical condition	No		
What has/could happen?	history (past failures, rehabilitation/repairs, maintenance etc.)	No		
	significant issues (e.g. environmental liabilities)	No		
	criticality rating (e.g. how likely to fail, role in larger system failure)	No		

<sup>9</sup> These guidelines vary from one source to another. The approach used here includes the information the District will ultimately be assembling.

## NEXT STEPS



Going forward, the District's activities and methods for improving/updating their WATER asset records will be documented in the **Format** shown below and progress shared with the council and administration staff on an ongoing basis. The examples provided for improvement projects are based on the information shortcomings described Table 1.

## Sample Format – WATER Asset Records Improvement Tracking

WATER Asset Records Improvement Project (asset – information – method – outcome/product)	Project Timelines	Project Lead – Team Members	Proposed Funding Source
e.g. asset information ownership policy developed	Start date – End date	e.g. CAO – key stakeholders	e.g. none needed
e.g. gathering and inputting WATER information including missing dimension or attribute data: size/length/width etc., componentized non-linear assets where necessary to make this possible	Start date – End date	e.g. Public Works Superintendent - O & M staff	e.g. Gas Tax funding
e.g. standardizing the format of location descriptions of assets to ease data useage and comparability of assets. The linear assets have different location formats so can't identify commonly located assets.	Start date – End date	e.g. Finance manager – Public Works	e.g. no funding available
e.g. gathering up to date market informed replacement cost information annually and entering it into a table that links to applicable asset register fields	Start date – End date	etc.	etc.

## WHAT WATER ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?

**METHODS:** The approach to the replacement cost calculations reported in this section.

The 'linear' WATER assets 2015 replacement costs were based on market prices provided by the Public Works department (\$305 to \$415 PER meter for PVC, AC or PE pipe depending on the diameter of the pipes). As no market prices were provided for the 'other' WATER assets, replacement costs were estimated by applying a construction cost index adjustment of 2.7% per year to the most recent costs available in the asset register. To calculate end of useful life replacement costs the 2015 replacement costs were projected and adjusted to the end of useful life year.

TABLE 2 WATER Inventory Description & Worth

As per Table 2, the cost to replace the WATER assets in 2015 is 14.39 M.

The District owns and operates 26.1 km of 'linear' water assets including:

- 14.2 KM of PVC water main 54%
- 8.6 KM of AC water main 33%
- 3.3 KM of PE water main. 13%
- there are 425 runs<sup>10</sup> of pipe in total and twice as many runs of PVC vs AC pipes.
- The Asbestos Concrete pipe is significantly older than the PVC pipe: has used up roughly 90% more of its Useful Life.

The total 2015 replacement value of the 'linear' content of the WATER assets portfolio is 9.2 M.

The District's WATER register also lists 106 'other' assets, including rebuilt or upgraded assets.

- The 4 Aquifers are the oldest 'other' assets.
- The Steel Reservoir accounts for 56% of the 2015 replacement costs and has used up 64% of useful life as of 2015.
- The Districts 97 Hydrants, have a 2015 replacement value of .69 M.

The 2015 replacement value of these 'other' assets totals 5.18 M.

WATER ASSET/COMPONENT	2015 Replacement Cost (Millions)	Portion of Useful Life used as of 2015 <sup>1</sup>	Quantity
<b>Linear Assets</b>			
277 runs of PVC Water Main	4.94	54%	14.2
137 runs of AC <sup>2</sup> Water Main	2.85	142%	8.6
11 runs of PE Water Main	1.41	34%	3.3
Subtotal	9.20		26.1
<b>Other Assets</b>			
Aquifers	1.38	100%	4
Hydrant <sup>3</sup>	0.69	84%	97
Reservoir <sup>4</sup>	2.93	64%	1
Colilert Lab	0.01	60%	1
Wellfield Flow Meters	0.02	50%	1
Water Conditioning	0.03	30%	1
Replacement Well	0.12	20%	1
Subtotal	5.18		106
<b>Grand Total</b>	<b>14.39</b>		

1 averaged over all assets in that category  
 2 AC: Asbestos Concrete  
 3 35 of the hydrants have exceeded their UL  
 4 the reservoir was not included in the asset register provided in September of 2015

More on the Asset Inventory: **Appendix B** for an illustration of the timing of the renewal costs coming due for the linear assets in the WATER inventory.

<sup>10</sup> A "Run" of pipe is a series of connected pipes that were installed at the same time.

## WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE WATER ASSETS?

### PUBLIC WORKS REPORT

The District is not addressing deteriorating water pipe issues at the same time they address pavement issues. This is due to the costs associated with doing so as well as the disparity in the timing of the replacement/renewal needs. Roads need re-topping every 20 -25 years and water pipes are at least double that. It is also cost effective to use paving overlays to extend the life of roads which further exacerbates the situation. The final result is that the District, not unlike other small local governments, is in a reactive mode with regard to addressing water main breaks: there is no systematic replacement process.

One method of assessing the 'cost' and extent of water main leaks is to monitor volume pumped out of the system against the volume actually consumed by users.

Outgoing volume is already being tracked by the District and water metering is expanding beyond commercial users to residential users. This expansion will enable tracking of the volume of water used by both residential and commercial users. The volume pumped vs. used will then serve as a leak detection device as well as a supporting a user specific cost recovery approach.

The detection of breaks is also informed by public reports which are investigated and result in a decision to monitor or address the break. There is however no water break framework in place that establishes the acceptable rate of breaks as a proxy for level of service.

The findings of a recent conservation study suggests the District's water system has an estimated leakage rate of over 20%. A recommendation arising from the study, which will address the largest leak in the system, called for a reservoir controls upgrade. The upgrade will primarily address a valve issue via the installation of an inter-zone valve connection between the District's 2 distinct water systems.

A map of water pipe exists and the water master plan project will involve entering the pipe network details into the District's GIS program.

A soon to be implemented capital improvement project, mentioned above, will involve the linking up of the District's two currently distinct water systems. This project is motivated by a lot of elements including but not limited to: water quality and quantity as well as conservation considerations.

## WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?

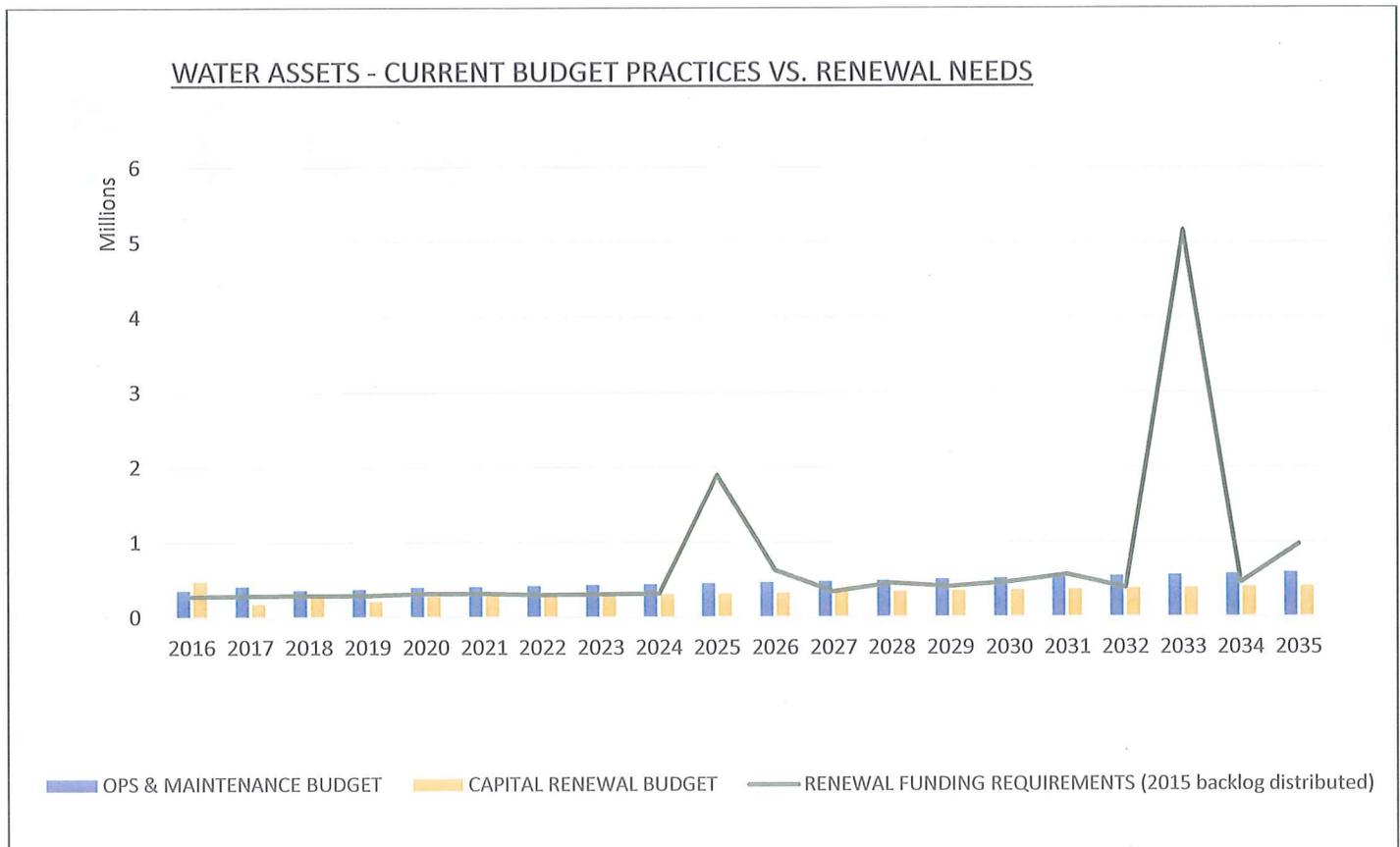
### WATER ASSETS RENEWAL COSTING EXERCISE FINDINGS

#### How do the District’s current budgeting practices and potential renewal funding requirements compare?

The spikes in the **green line** series of Figure 1 indicate the funding needs of assets that have reached the end of their useful life and are in need of replacement. Budgeted capital renewal funds are indicated by the **gold** bars. The Operating budget series (**blue**) represents the money spent on ongoing operating and maintenance expenses.

Figure 1 provides a graphical representation of the 20 year budgeting practices and renewal funding requirements summarized in the funding profile of the assets provided in Figure 2. It also demonstrates the pattern of highs and lows in renewal funding requirements across the period. The available renewal funds fall short of the funds required over the period under study.

FIGURE 1



**What is the magnitude of the funding shortfall?**

Figure 2 quantifies the mismatch between the 20 year capital renewal budget (6.64 M) and the 20 year renewal funding requirements (14.45 M). The capital renewal funding shortfall amounts to **.39 M** per year. If left unchecked this shortfall would accumulate to a total of **7.80 M** over the period 2016-2035.

FIGURE 2

WATER ASSETS  
FUNDING PROFILE

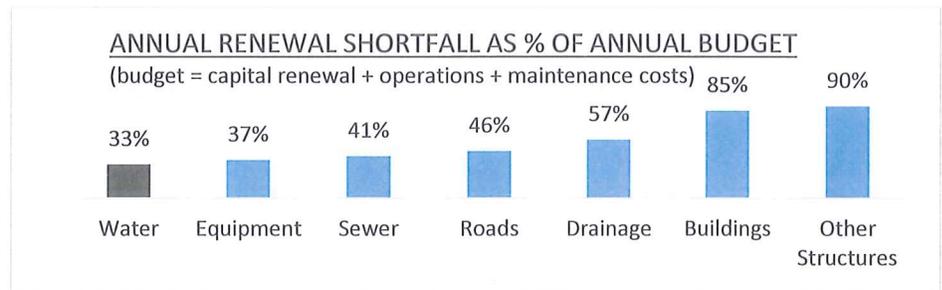
Average Useful Life (years)	2015 Replacement Value	2015 Capital Renewal Backlog	20 year Budget (2016-2035)		20 Year Renewal Funding	Renewal Funding Requirements vs. Available Funds	
			Available Operations & Maintenance Budget*	Available Capital Renewal Budget	Renewal Requirements	20 year Capital Renewal Shortfall	Annual Capital Renewal Shortfall
42.4	14.39	5.12	9.35	6.64	14.45	7.80	0.39

\*Available budget (for the period 2016-2035) Based on 2015-2019 practice.

How does the WATER renewal shortfall compare to that of the other asset groups?

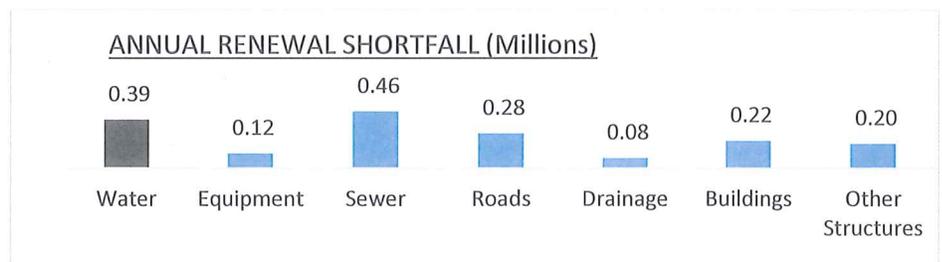
FIGURE 3

As per Figure 3, the WATER annual renewal shortfall is the equivalent of **33%** of the annual budget for those assets. The District would have to increase their annual WATER budget by 33% or **.39 M** to avoid the renewal shortfall. The WATER budget is the most adequate in this regard.



As per Figures 3 and 4, the District would have to increase their annual WATER budget by 33% or **.39 M** to eliminate the annual renewal shortfall.

FIGURE 4



What happens if the shortfall is not dealt with?

It is likely that the District will have to reduce service levels in some areas unless new sources of funding are found.

## SEWER ASSETS

---

WHAT SEWER INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?	31
WHAT SEWER ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?	33
WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE SEWER ASSETS?	34
WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?	35

---

## WHAT SEWER ASSET INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?

At the very least the District needs to maintain the information that tells them what SEWER assets they own, where they are, roughly how long they will last, and what they are worth today. To optimize their approach to managing these assets, the District will work towards assembling asset register content that meets *best practices* guidelines. This additional information will put the District in a position to address a wider range of questions about their assets including how much they are used, what condition they are in, and what might happen to them.

See Table 1 below for a description of the current status of the SEWER asset register. The full set of data items listed in the “**Asset Information**” column of Table 1 are those the District would ultimately like to have in their register. The colour coded columns describe the status of each of the 18 ‘Best Practices<sup>11</sup>’ data items listed in the 2<sup>nd</sup> column of the table.

TABLE 1 - CURRENT STATE OF THE SEWER ASSET RECORDS

	Asset Information: 18 'Best Practices' Data Items	Exists in Register	Data Complete	Quality Issues
What does the District own and where is it?	ownership status	No		
	description	Yes	All	pipes ok – non-linear lacks detail – partly due to lack of componentization of assets
	location - street map based, no GPS or zoning yet	Yes	All	not entirely standardized – duplicated in description
	dimension(s)	Yes	Most	some pipe run lengths and pipe sizes missing
	structural/material type	Yes	Most	pipes well described, non-linear need componentization to support this information
How long will it last?	age	Yes	All	non-linear: would be more useful with componentization
	useful life - theoretical	Yes	All	None
	useful life - condition based	No		
What does it cost?	deferred maintenance & renewal costs (depreciation calculation)	Yes	All	None
	current replacement value	No		
	value of major assets (cash value as is)	No		
	cost of the full lifecycle of key assets	No		
How much is it used and what shape is it in?	utilization - capacity	No		
	functional condition - useability	No		
	physical condition	No		
What has/could happen?	history (past failures, rehabilitation/repairs, maintenance etc.)	Yes in Description field	Unknown	upgrades and rebuilds are noted in the description field – need field for coding history of actions against assets
	significant issues (e.g. environmental liabilities)	No		
	criticality rating (e.g. how likely to fail, role in larger system failure)	No		

<sup>11</sup> These guidelines vary from one source to another. The approach used here includes the information the District will ultimately be assembling.

## NEXT STEPS



Going forward, the District's activities and methods for improving/updating their SEWER asset records will be documented in the **Format** shown below and progress shared with the council and administration staff on an ongoing basis. The examples provided for improvement projects are based on the information shortcomings described Table 1.

## Sample Format – SEWER Asset Records Improvement Tracking

SEWER Asset Records Improvement Project (asset – information – method – outcome/product)	Project Timelines	Project Lead – Team Members	Proposed Funding Source
e.g. asset information ownership policy developed	Start date – End date	e.g. CAO – key stakeholders	e.g. none needed
e.g. gathering and inputting SEWER information including missing dimension or attribute data: size/length/width etc., componentized non-linear assets where necessary to make this possible	Start date – End date	e.g. Public Works Superintendent - O & M staff	e.g. Gas Tax funding
e.g. standardizing the format of location descriptions of assets to ease data useage and comparability of assets. The linear assets have different location formats so can't identify commonly located assets.	Start date – End date	e.g. Finance manager – Public Works	e.g. no funding available
e.g. gathering up to date market informed replacement cost information annually and entering it into a table that links to applicable asset register fields	Start date – End date	etc.	etc.

## WHAT SEWER ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?

**METHODS:** The 'paved' SEWER assets 2015 replacement costs were based on market prices provided by the Public Works department (\$305 to \$387 PER meter for force main or sewer pipe depending on the diameter of the pipes). As no market prices were provided for the 'other' SEWER assets, replacement costs were estimated by applying a construction cost index adjustment of 2.7% per year to the most recent costs available in the asset register. To calculate end of useful life replacement costs the 2015 replacement costs were projected and adjusted to the end of useful life year. See footnote<sup>12</sup> regarding the Sewer Lagoons.

TABLE 2 SEWER Portfolio Description & Worth

As per Table 2, the cost to replace the SEWER assets in 2015 is 18.4 M.

- The District owns and operates 28 km of 'linear' sewer assets including:
  - 16 KM of PVC sewer pipe
  - 12 KM of PVC force main
  - 2.4 times more runs<sup>13</sup> of sewer pipe than force main.
- The sewer pipe is generally older: it has used up 15% more of its useful life.

The total 2015 replacement value of the 'linear' content of the SEWER assets portfolio is 8.3 M.

The District's SEWER register also lists 248 'other' assets, including rebuilt or upgraded assets.

- The 11 Sewer Lift Station wet wells are the oldest SEWER assets – they have exceeded their useful lives by an average of 59% as of 2015.
- The Kimoto lift station is the youngest of the lift stations – only 11% of its useful life was used as of 2015.
- The Districts 218 Sewer manholes, have a 2015 replacement value of 2.5 M.

The 2015 replacement value of these 'other' assets totals 10.1 M.

SEWER ASSET/COMPONENT	2015 Replacement Cost (Millions)	Portion of Useful Life used as of 2015 <sup>1</sup>	Quantity
<b>Linear Assets</b>			
334 runs of PVC Sewer Pipe	5.10	59%	16.0
139 runs of PVC Force Main	3.23	44%	12.0
Subtotal	8.33		28.0
<b>Other Assets</b>			
Sewer Lift Station - Wet Wells <sup>2</sup>	1.19	159%	11
Sewer Lift Station – Controls <sup>3</sup>	0.33	99%	3
Sewer Lift Station - Generators	0.10	64%	1
Sewer Lift Station - Pumps	0.69	64%	3
Manholes	2.52	70%	218
Aerator rebuilds	0.12	55%	2
Kimoto Lift Station	0.15	11%	2
Lift Station (no name)	2.68	16%	1
BAY ST Lift Station Upgrade	0.004	8%	1
SCADA upgrades	0.43	7%	1
Reef Pt Lift Station (roots)	1.43	6%	1
Norah St sewer	0.25	4%	3
Peninsula/Main Upgrade	0.22	4%	1
Subtotal	10.11		248
<b>Grand Total</b>	<b>18.44</b>		

1 averaged over all assets in that category  
 2 5 of 11 wet wells have used an average of 302% of their UL  
 3 2 of 3 controls have exceeded their UL

<sup>12</sup> The 4 existing sewer lagoons were not included in replacement costs or renewal backlog for the sewer assets. They will not be renewed – their expected end of life is 2034 and their 2015 replacement value would be: 2.73M.

<sup>13</sup> A "Run" of pipe is a series of connected pipes that were installed at the same time.

## WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE SEWER ASSETS?

### PUBLIC WORKS REPORT

The District is not addressing deteriorating sewer pipes at the same time they address pavement issues. This is due to the costs associated with doing so as well as the disparity in the timing of the replacement/renewal needs. Roads need re-topping every 20 -25 years and sewer pipes are at least double that. It is also cost effective to use paving overlays to extend the life of roads which further exacerbates the situation.

Given this situation, the District is currently in a reactive mode with regard to addressing sewer pipe issues, there is no systematic replacement process.

There is however a systematic monitoring program in place which accounts for much of the operational load of the sewer system. The public works staff carry out on-site monitoring of the control panels at each of the District's 13 sewer lift stations. Manual monitoring of pump hours is carried out 5 days a week with a smaller version of it on the weekend. A Sewer focused capital renewal project will address this operational burden via the installation of a SCADA<sup>14</sup> system and the redevelopment of control panels at each of the lift stations. This SCADA system (used for both water and sewer) will enable real time remote digital monitoring as well as a callout system to trigger and control required attention. There is a systematic plan to bring all lift stations on board over time. Once that is in place there will be a fully centralized control system. This will ultimately reduce operational costs and aid the process of carrying out I&I studies. It is the Sewer collection system that is most impacted by I&I issues but it is the upstream pipes or sections of pipes that are being infiltrated and whose location must be detected.

Regular Sewer maintenance activities include pulling out and testing pumps annually. Tanks are degreased monthly.

Reactive maintenance occurs when pumps break down and are sent out for repairs.

---

<sup>14</sup> SCADA = supervisory control and data acquisition

## WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?

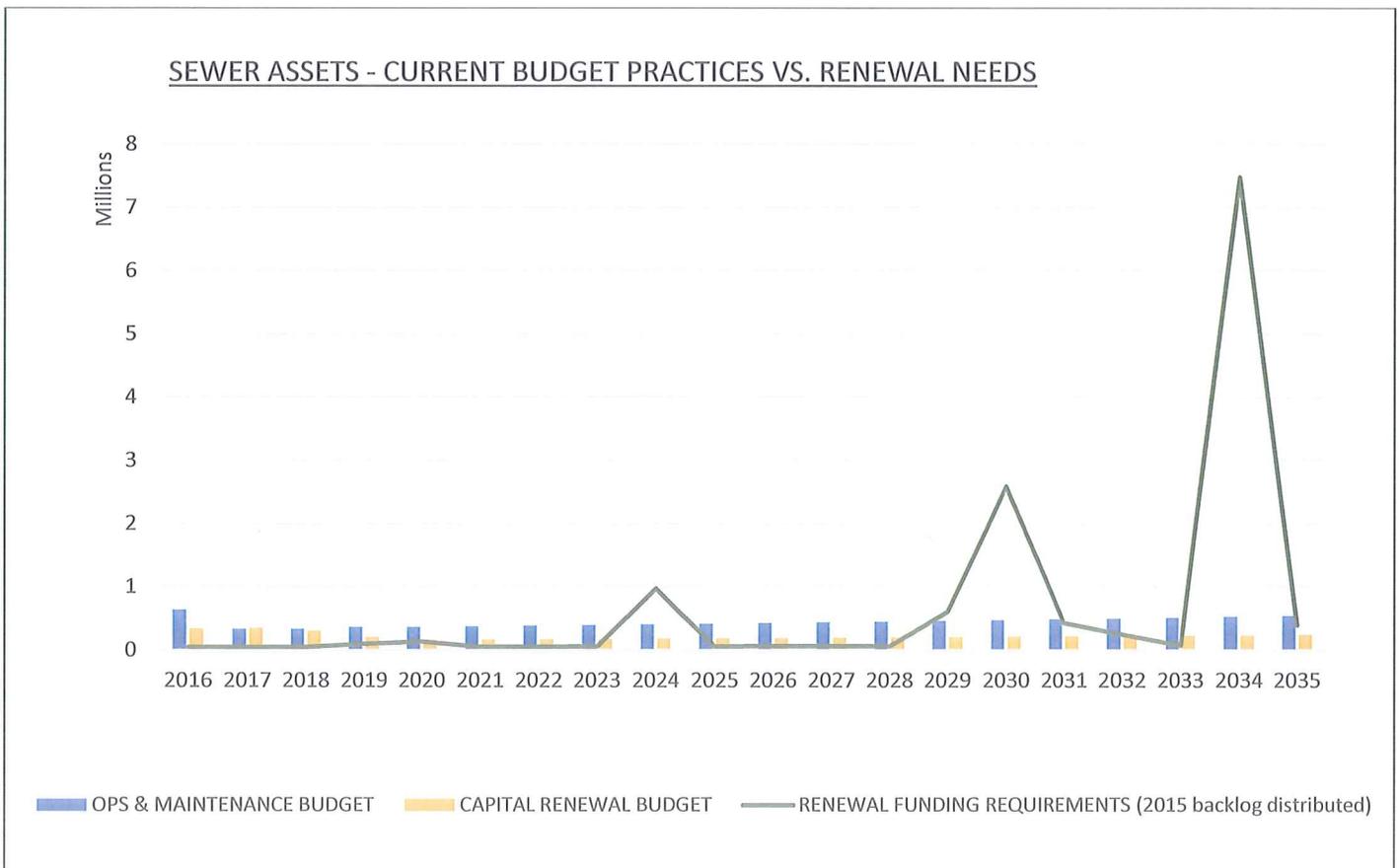
### SEWER ASSETS RENEWAL COSTING EXERCISE FINDINGS

#### How do the District’s current budgeting practices and potential renewal funding requirements compare?

The spikes in the green line series of Figure 1 indicate the funding needs of assets that have reached the end of their useful life and are in need of replacement. Budgeted capital renewal funds are indicated by the gold bars. The Operating budget series (blue) represents the money spent on ongoing operating and maintenance expenses.

Figure 1 provides a graphical representation of the 20 year budgeting practices and renewal funding requirements summarized in the funding profile of the assets provided in Figure 2. It also demonstrates the pattern of highs and lows in renewal funding requirements across the period. The available renewal funds fall short of the funds required over the period under study.

FIGURE 1



**What is the magnitude of the funding shortfall?**

Figure 2 quantifies the mismatch between the 20 year capital renewal budget (4.42 M) and the 20 year renewal funding requirements (13.55 M). The capital renewal funding shortfall amounts to **.46 M** per year. If left unchecked this shortfall would accumulate to a total of **9.13 M** over the period 2016-2035.

FIGURE 2

SEWER ASSETS  
FUNDING PROFILE

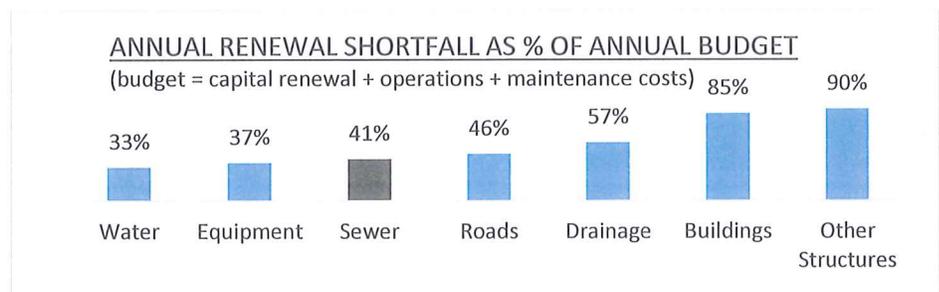
			20 year Budget (2016-2035)		20 Year Renewal Funding	Renewal Funding Requirements vs. Available Funds	
Average Useful Life (years)	2015 Replacement Value	2015 Capital Renewal Backlog	Available Operations & Maintenance Budget*	Available Capital Renewal Budget	Renewal Requirements	20 year Capital Renewal Shortfall	Annual Capital Renewal Shortfall
48.8	18.44	0.91	8.84	4.42	13.55	9.13	0.46

\*Available budget (for the period 2016-2035) Based on 2015-2019 practice.

How does the SEWER renewal shortfall compare to that of the other asset groups?

As per Figure 3, the SEWER annual renewal shortfall is the equivalent of **41%** of the annual budget for those assets. The adequacy of the SEWER budget takes 3<sup>rd</sup> place in this regard following behind the Water and Equipment budgets.

FIGURE 3



As per Figures 3 and 4, the District would have to increase their annual SEWER budget by 41% or **.46 M** to eliminate the annual renewal shortfall.

FIGURE 4



What happens if the shortfall is not dealt with?

It is likely that the District will have to reduce service levels in some areas unless new sources of funding are found.

## **DRAINAGE ASSETS**

---

<b>WHAT DRAINAGE INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?</b>	<b>38</b>
<b>WHAT DRAINAGE ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?</b>	<b>40</b>
<b>WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE DRAINAGE ASSETS?</b>	<b>41</b>
<b>WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?</b>	<b>42</b>

---

## WHAT DRAINAGE ASSET INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?

At the very least the District needs to maintain the information that tells them what DRAINAGE assets they own, where they are, roughly how long they will last, and what they are worth today. To optimize their approach to managing these assets, the District will work towards assembling asset register content that meets *best practice* guidelines. This additional information will put the District in a position to address a wider range of questions about their assets including how much they are used, what condition they are in, and what might happen to them.

See Table 1 below for a description of the current status of the DRAINAGE asset register. The full set of data items listed in the “**Asset Information**” column of Table 1 are those the District would ultimately like to have in their register. The colour coded columns describe the status of each of the 18 ‘Best Practices<sup>15</sup>’ data items listed in the 2<sup>nd</sup> column of the table.

TABLE 1 - CURRENT STATE OF THE DRAINAGE ASSET RECORDS

	Asset Information: 18 'Best Practices' Data Items	Exists in Register	Data Complete	Quality Issues
What does the District own and where is it?	ownership status	No		
	description	Yes	All	pipe types abbreviated – need full name as well – non-linear lacks detail – partly due to lack of componentization of assets
	location - street map based LINEAR, GPS also for NON-LINEAR (except storm drains), no zoning yet	Yes	All	mostly standardized
	dimension(s)	Yes	All	None
	structural/material type	Yes	Most	pipes well described, non-linear lack sufficient componentization to support this information
How long will it last?	age	Yes	All	non-linear: would be more useful with componentization
	useful life - theoretical	Yes	All	None
	useful life - condition based	No		
What does it cost?	deferred maintenance & renewal costs (depreciation calculation)	Yes	All	None
	current replacement value	No		
	value of major assets (cash value as is)	No		
	cost of the full lifecycle of key assets	No		
How much is it used and what shape is it in?	utilization - capacity	No		
	functional condition - useability	No		
	physical condition	No		
What has/could happen?	history (past failures, rehabilitation/repairs, maintenance etc.)	No		
	significant issues (e.g. environmental liabilities)	No		
	criticality rating (e.g. how likely to fail, role in larger system failure)	No		

<sup>15</sup> These guidelines vary from one source to another. The approach used here includes the information the District will ultimately be assembling.

## NEXT STEPS



Going forward, the District's activities and methods for improving/updating their DRAINAGE asset records will be documented in the **Format** shown below and progress shared with the council and administration staff on an ongoing basis. The examples provided for improvement projects are based on the information shortcomings described Table 1.

### Sample Format – DRAINAGE Asset Records Improvement Tracking

DRAINAGE Asset Records Improvement Project (asset – information – method – outcome/product)	Project Timelines	Project Lead – Team Members	Proposed Funding Source
e.g. asset information ownership policy developed	Start date – End date	e.g. CAO – key stakeholders	e.g. none needed
e.g. gathering and inputting DRAINAGE information including missing dimension data: size/length/width etc.	Start date – End date	e.g. Public Works Superintendent - O & M staff	e.g. Gas Tax funding
e.g. standardizing the format of location descriptions of assets to ease data useage and comparability of assets. The linear assets have different location formats so can't identify commonly located assets.	Start date – End date	e.g. Finance manager – Public Works	e.g. no funding available
e.g. gathering up to date market informed replacement cost information annually and entering it into a table that links to applicable asset register fields	Start date – End date	etc.	etc.

## WHAT DRAINAGE ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?

**METHODS:** The approach to the replacement cost calculations reported in this section.

The 'paved' DRAINAGE assets 2015 replacement costs were based on market prices provided by the Public Works department (\$210 to \$780 PER meter for force main or DRAINAGE pipe depending on the type the pipes – CONC (\$780) and BOSS (\$600) pipes are the most expensive). As no market prices were provided for the 'other' DRAINAGE assets, replacement costs were estimated by applying a construction cost index adjustment of 2.7% per year to the most recent costs available in the asset register. To calculate end of useful life replacement costs the 2015 replacement costs were projected and adjusted to the end of useful life year.

TABLE 2 DRAINAGE Portfolio Description & Worth

As per Table 2, the cost to replace the DRAINAGE assets in 2015 is 3.14 M.

The total 2015 replacement value of the 'linear' content (pipes) of the drainage assets portfolio is 2.35 M.

The District owns and operates 6.6 km of 'linear' DRAINAGE assets including:

- 5 KM of mixed storm pipe
- 0.4 KM of culvert pipe
- 1.3 KM of drainage pipe.
- there are 1.5 times more runs<sup>16</sup> and kilometres of PVC storm pipe than all other pipe types.
- The culvert and drainage pipe is markedly younger than the storm pipes. There were 4 new runs totalling 108 metres of culvert pipe added in 2013 along Victoria Rd, at Pen & Windsor, and at Cedar & Bay.

The District's DRAINAGE register also lists 215 'other' or non-linear assets, including:

- The 130 catch basins and 84 manholes are the oldest of the 'other' drainage assets - they have used 70% of their useful lives as of 2015.
- There is also surface drainage in Cedar Parking lot. The surface drainage is the newest addition to the non-linear portion of the portfolio with only 8% of useful life used as of 2015.
- The Districts 84 storm manholes account for the largest 2015 replacement value for non-linear assets: .65 M.

The 2015 replacement value of these 'other' assets totals 1.02 M.

DRAINAGE ASSET/COMPONENT	2015 Replacement Cost (Millions)	Portion of Useful Life used as of 2015 <sup>1</sup>	Quantity
<u>Linear Assets</u>			<u>Km</u>
<u>Storm Pipe</u>			
9 runs - corrugated steel storm pipe <sup>2</sup>	0.08	132%	0.2
18 runs - asbestos concrete storm pipe	0.16	65%	0.3
159 runs - PVC storm pipe	1.59	52%	4.5
<u>Other Pipe</u>			
25 runs - corrugated PVC culvert pipe <sup>3</sup>	0.24	21%	0.4
49 runs - perforated <sup>4</sup> PVC drainage pipe	0.28	22%	1.3
Subtotal	2.35		6.7
<u>Other Assets</u>			<u>N</u>
Storm Catch Basins	0.14	70%	130
Cedar Parking Lot (designed to enhance drainage)	0.01	8%	1
Storm Manhole	0.65	70%	84
Subtotal	.79		215
<b>Grand Total</b>	<b>3.14</b>		
<sup>1</sup> averaged over all assets in that category <sup>2</sup> CSP: corrugated steel pipe <sup>3</sup> BOSS: corrugated metal culvert pipe			

<sup>16</sup> A "Run" of pipe is a series of connected pipes that were installed at the same time.

## WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE DRAINAGE ASSETS?

### PUBLIC WORKS REPORT

Flooding is generally not an issue in Ucluelet and therefore gets very little funding. In general the drainage system is an older type system, there is no overarching drainage plan per se and therefore no capital improvement projects to go with it. However, the District has done some one-off drainage related improvements over the last few years. The Victoria Road culvert enlargement is an example of one project that was carried out to address a flooding issue in that area. A surface drainage fix in Cedar parking lot, also not part of a master plan, was design oriented and involved elevating and grading the parking lot so surface water would drain more effectively to the roadside and then go into the drainage system.

There are not very many drainage assets in the old areas of Ucluelet. Those in the new areas mostly provide a flushing function: i.e. open ditches.

## WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?

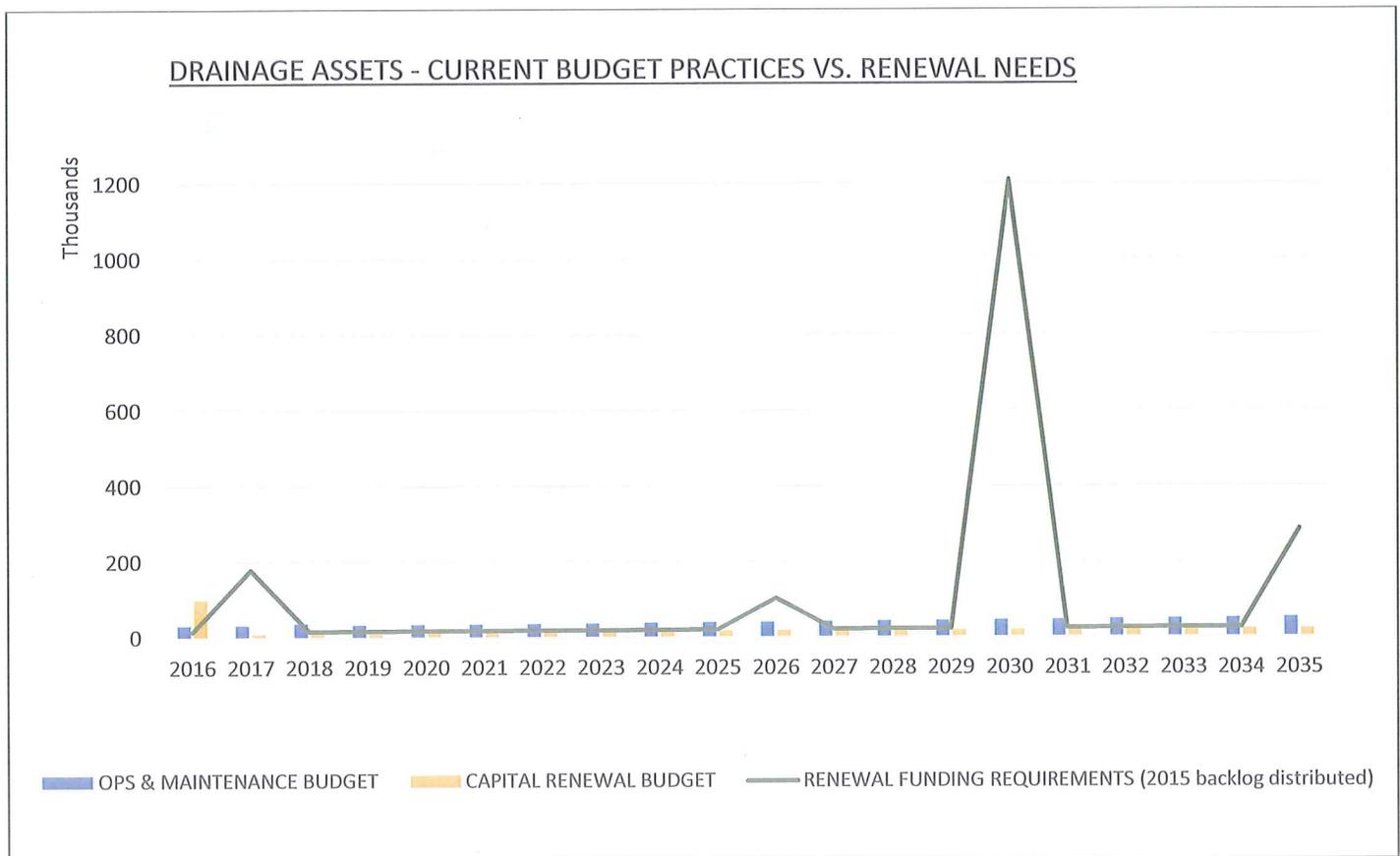
### DRAINAGE ASSETS RENEWAL COSTING EXERCISE FINDINGS

#### How do the District’s current budgeting practices and potential renewal funding requirements compare?

The spikes in the **green line** series of Figure 1 indicate the funding needs of assets that have reached the end of their useful life and are in need of replacement. Budgeted capital renewal funds are indicated by the **gold** bars. The Operating budget series (**blue**) represents the money spent on ongoing operating and maintenance expenses.

Figure 1 provides a graphical representation of the 20 year budgeting practices and renewal funding requirements summarized in the funding profile of the assets provided in Figure 2. It also demonstrates the pattern of highs and lows in renewal funding requirements across the period. The available renewal funds fall short of the funds required over the period under study.

FIGURE 1



**What is the magnitude of the funding shortfall?**

Figure 2 quantifies the mismatch between the 20 year capital renewal budget (.43 M) and the 20 year renewal funding requirements (2.11 M). The capital renewal funding shortfall amounts to **.08 M** per year. If left unchecked this shortfall would accumulate to a total of **1.68 M** over the period 2016-2035.

FIGURE 2

DRAINAGE ASSETS  
FUNDING PROFILE

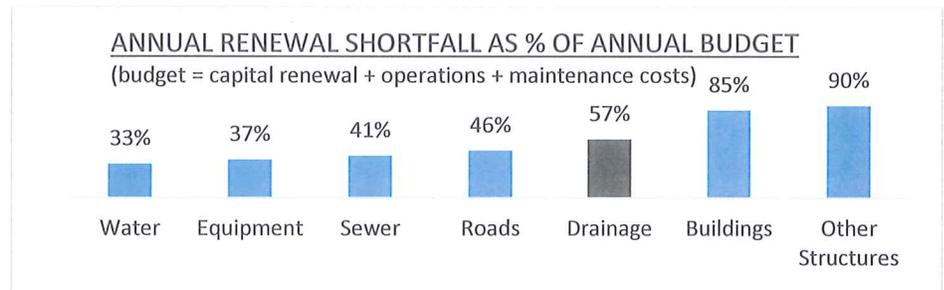
Average Useful Life (years)	2015 Replacement Value	2015 Capital Renewal Backlog	20 year Budget (2016-2035)		20 Year Renewal Funding	Renewal Funding Requirements vs. Available Funds	
			Available Operations & Maintenance Budget*	Available Capital Renewal Budget	Renewal Requirements	20 year Capital Renewal Shortfall	Annual Capital Renewal Shortfall
47.7	3.30	0.32	0.04	0.43	2.11	1.68	0.08

\*Available budget (for the period 2016-2035) Based on 2015-2019 practice.

How does the DRAINAGE renewal shortfall compare to that of the other asset groups?

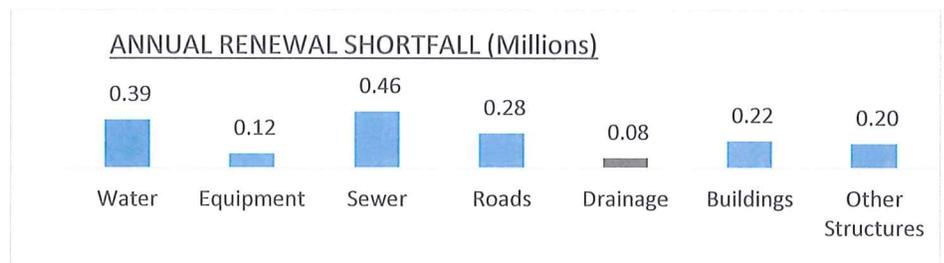
FIGURE 3

As per Figure 3, the DRAINAGE annual renewal shortfall is the equivalent of **57%** of the annual budget for those assets. In this regard, the DRAINAGE budget is the most adequate of the bottom 3 which includes Buildings and Other Structures.



As per Figures 3 and 4, The District would have to increase their annual DRAINAGE budget by 57% or **.08 M** to eliminate the renewal shortfall.

FIGURE 4



What happens if the shortfall is not dealt with?

It is likely that the District will have to reduce service levels in some areas unless new sources of funding are found.

## BUILDINGS ASSETS

---

WHAT BUILDINGS INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?	45
WHAT BUILDINGS ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?	47
WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE BUILDINGS ASSETS?	49
WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?	50

---

## WHAT BUILDINGS ASSET INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?

At the very least the District needs to maintain the information that tells them what BUILDINGS assets they own, where they are, roughly how long they will last, and what they are worth today. To optimize their approach to managing these assets, the District will work towards assembling asset register content that meets *best practices*<sup>17</sup> guidelines. This additional information will put the District in a position to address a wider range of questions about their assets including how much they are used, what condition they are in, and what might happen to them.

See Table 1 below for a description of the current status of the BUILDINGS asset register. The full set of data items listed in the “**Asset Information**” column of Table 1 are those the District would ultimately like to have in their register. The colour coded columns describe the status of each of the 18 ‘Best Practices’<sup>18</sup> data items listed in the 2<sup>nd</sup> column of the table.

TABLE 1 - CURRENT STATE OF THE BUILDINGS ASSET RECORDS

	Asset Information: 18 'Best Practices' Data Items	Exists in Register	Data Complete	Quality Issues
What does the District own and where is it?	ownership status	No		
	description	Yes	All	not standardized, lacks appropriate detail – partly due to lack of componentization, history mixed in
	location - street map based	Yes	Most	lacks appropriate detail / format not standardized / use name of building in address
	dimension(s)	Yes	Most	None
	structural/material type	Yes	Some	lack diversity – partly due to lack of componentization
How long will it last?	age	Yes	All	would be more useful with more componentization
	useful life - theoretical	Yes	All	None
	useful life - condition based	No		
What does it cost?	deferred maintenance & renewal costs (depreciation calculation)	Yes	All	None
	current replacement value	No		
	value of major assets (cash value as is)	No		
	cost of the full lifecycle of key assets	No		
How much is it used and what shape is it in?	utilization - capacity	No		
	functional condition - useability	No		
	physical condition	No		
What has/could happen?	history (past failures, rehabilitation/repairs, maintenance etc.)	Yes in Description field	Unknown	renovations are noted in the description field – need field for coding history of actions against assets
	significant issues (e.g. environmental liabilities)	No		
	criticality rating (e.g. how likely to fail, role in larger system failure)	No		

<sup>17</sup> These guidelines vary from one source to another. The approach used here includes the information the District will ultimately be assembling.

<sup>18</sup> These guidelines vary from one source to another. The approach used here includes the information the District will ultimately be assembling.

## NEXT STEPS



Going forward, the District's activities and methods for improving/updating their BUILDINGS asset records will be documented in the **Format** shown below and progress shared with the council and administration staff on an ongoing basis. The examples provided for improvement projects are based on the information shortcomings described Table 1 and on the following page under the heading: Data quality issues.

### Sample Format – BUILDINGS Asset Records Improvement Tracking

BUILDINGS Asset Records Improvement Project (asset – information – method – outcome/product)	Project Timelines	Project Lead – Team Members	Proposed Funding Source
e.g. asset information ownership policy developed	Start date – End date	e.g. CAO – key stakeholders	e.g. none needed
e.g. gathering and inputting incomplete BUILDINGS information including missing dimension data: size/length/width etc. to inform maintenance, renos, updating project costs etc.	Start date – End date	e.g. Public Works Superintendent - O & M staff	e.g. Gas Tax funding
e.g. componentizing the buildings in the portfolio to better describe, cost, and plan for actions against these assets – this will require rethinking how the register fields are being used currently	Start date – End date	e.g. Finance manager – Public Works	e.g. no funding available
e.g. gathering up to date market informed replacement cost information annually and entering it into a table that links to applicable asset register fields	Start date – End date	etc.	etc.

## WHAT BUILDINGS ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?

The approach to the replacement cost calculations reported in this section is described in the **Methods Box** below.

### **METHODS:** Replacement Cost Calculations

The BUILDINGS assets 2015 replacement costs were estimated by applying a construction cost index (CCI) adjustment of 2.7% per year to the original cost listed in the asset register. To calculate end of useful life replacement costs the 2015 replacement costs were CCI adjusted and projected out to the end of useful life year.

The following discussion is based on the information in Table 2 on the following page.

The District owns the buildings, components and contents described in the left most column of Table 2. These assets are listed based on the year in which they were acquired: from the earliest to the most recent. The original cost of these assets/components of assets etc. are listed in the table along with their 2015 and end of useful life replacement costs. The column concerned with portion of useful life used indicates the 'age' of the asset/component in 2015 relative to its expected useful life.

- The total 2015 replacement cost of the 7 buildings listed at the top of the table is 14.1 M. This amount accounts for 95% of the 2015 replacement cost for the District's entire Buildings portfolio.
- The total end of useful life renewal cost for the asset portfolio is estimated at 40.88 M.
- The six oldest buildings owned by the District include the: Recreation Hall, Municipal Hall, Fire Hall, Public Works Shops 1 and 2, and the Athletic Club.

The total 2015 replacement cost of these six buildings is 3.42 M. The square footage of these buildings totals 19,027 and the average replacement cost per square foot is \$180.

On average, these 6 buildings have been in existence for 109% of their expected useful life. According to the asset register information only the Municipal and Recreation Hall buildings have undergone capital improvements: .31 M spent in 2013 – 2014. These improvements are listed in the in the bottom half of the table.

- The newest and most valuable building is the 21,473 square foot Community Center which was added to the inventory in 2011 at a cost of 9.41 M. The construction cost per square foot was \$438.

---

### Data quality issues:

- The register lacks sufficient detail to effectively describe the attributes of the assets: e.g. the physical attributes of the Buildings assets listed in the register are insufficient for market price replacement/renewal costing. Square footage is provided for only the 6 oldest buildings. The only 'material type' entries are for the same 6 buildings and are limited to indicating that these are wood structures.
- There is also an issue with the description field in the register. Due to the brevity and content of the descriptions used it is difficult to pinpoint what it is that is being replaced or renewed: e.g. Lyche Building Reno.
- These issues may limit the ease of use of some of the BUILDINGS information and the accuracy of reports relying on it.

### Alternate Version Asset Inventory:

See the BUILDINGS table in **Appendix B**. This table demonstrates the opportunities to improve location data, as well as the attribute data, to inform replacement value calculations and condition assessments.

Table 2 - BUILDINGS Portfolio Description &amp; Worth

BUILDING ASSET/COMPONENT	Location Description	Year Added	Expected Useful Life (years)	Original Cost (Millions)	2015 Replacement Cost (Millions)	Portion of Useful Life used as of 2015	End of Useful Life Replacement Cost <sup>1</sup>
<b>Buildings</b>							
Rec Hall (5000 sq.ft.)	160 Sea Plane Base Rd	1942	45	0.12	0.82	162%	see 2015 \$
Municipal Hall (5724 sq.ft.)	200 Main St	1967	40	0.28	1.02	120%	see 2015 \$
Fire Hall (4520 sq.ft.)	Peninsula Rd	1969	60	0.25	0.86	77%	1.25
Public Works Shop 1 (2400 sq.ft.)	2070 Peninsula Rd	1969	60	0.14	0.47	77%	0.68
Public Works Shop 2 (448 sq.ft.)	2070 Peninsula Rd	1969	40	0.02	0.07	115%	see 2015 \$
Athletic Club (935 sq.ft.)	Peninsula Rd	1975	40	0.06	0.18	100%	see 2015 \$
Community Centre (21473 sq.ft.)	500 Matterson Dr	2010	50	9.41	10.76	10%	35.67
PWY <sup>2</sup> Trailer Office / Lunch Room	Public Works Yard	2011	10	0.10	0.11	40%	0.13
SCH <sup>3</sup> Laundry Facility (1300 sq.ft.)	SCH Hemlock St	2011	20	0.14	0.15	20%	0.23
<b>SubTotal / Average</b>			<b>41</b>	<b>10.52</b>	<b>14.43</b>	<b>80%</b>	<b>40.05</b>
<b>Buildings components/contents/upgrades</b>							
SCH Washer & Dryers	SCH Hemlock St	2011	20	0.01	0.01	20%	0.01
Boat Basin Retaining Wall	SCH	2012	20	0.03	0.03	15%	0.05
Municipal Hall - electrical/cablig	200 Main St	2013	20	0.01	0.01	10%	0.02
Municipal Hall - Plumbing	200 Main St	2013	20	0.00	0.00	10%	0.00
Lyche Bldg - Structure	200 Main St	2013	30	0.15	0.16	7%	0.34
Lyche Bldg Reno - Contracted	200 Main St	2013	40	0.13	0.13	5%	0.37
Rec Hall	200 Main St	2014	40	0.01	0.02	3%	0.05
<b>SubTotal / Average</b>			<b>27</b>	<b>0.34</b>	<b>0.36</b>	<b>10%</b>	<b>0.83</b>
<b>Grand Totals</b>				<b>10.86</b>	<b>14.79</b>	<b>48%<sup>4</sup></b>	<b>40.88</b>

1 end of life renewal costs for assets that have used up >= 100% of their Useful Life are the same as those listed in the 2015 replacement cost column

2 PWY - public works yard

3 SCH - Small Craft Harbours

4 averaged over all assets in the column

## WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE BUILDINGS ASSETS?

### PUBLIC WORKS REPORT

There is no master plan in place for managing the Buildings assets. It is the opinion of the public works team that the Recreation Hall, Athletic Club, Firehall, and the Public Works Shops are ready to be retired. Of these assets, the priority is the Recreation Hall which has extensive and varied issues and is thought to be beyond the scope of a cost effective renovation for that reason. While City hall has undergone extensive interior renovations, a new roof is next on the list.

## WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?

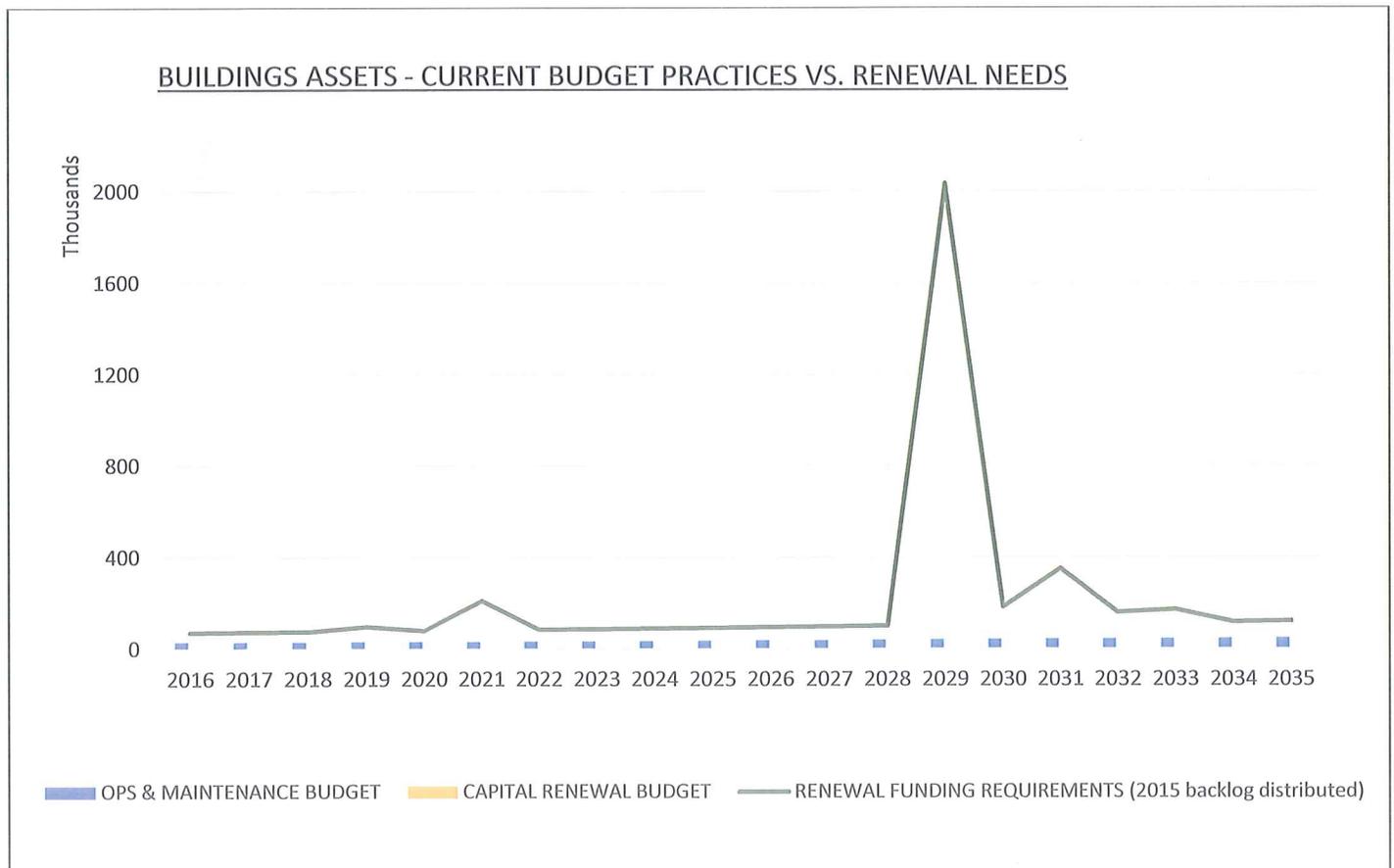
### BUILDINGS ASSETS RENEWAL COSTING EXERCISE FINDINGS

#### How do the District’s current budgeting practices and potential renewal funding requirements compare?

The spikes in the **green line** series of Figure 1 indicate the funding needs of assets that have reached the end of their useful life and are in need of replacement. Budgeted capital renewal funds are indicated by the **gold bars**. The Operating budget series (**blue**) represents the money spent on ongoing operating and maintenance expenses.

Figure 1 provides a graphical representation of the 20 year budgeting practices and renewal funding requirements summarized in the funding profile of the assets provided in Figure 2. It also demonstrates the pattern of highs and lows in renewal funding requirements across the period. The available renewal funds fall short of the funds required over the period under study.

FIGURE 1



**What is the magnitude of the funding shortfall?**

Figure 2 quantifies the mismatch between the 20 year capital renewal budget (.00 M) and the 20 year renewal funding requirements (4.40 M). The capital renewal funding shortfall amounts to **.22 M** per year. If left unchecked this shortfall would accumulate to a total of **4.40 M** over the period 2016-2035.

FIGURE 2

BUILDINGS ASSETS  
FUNDING PROFILE

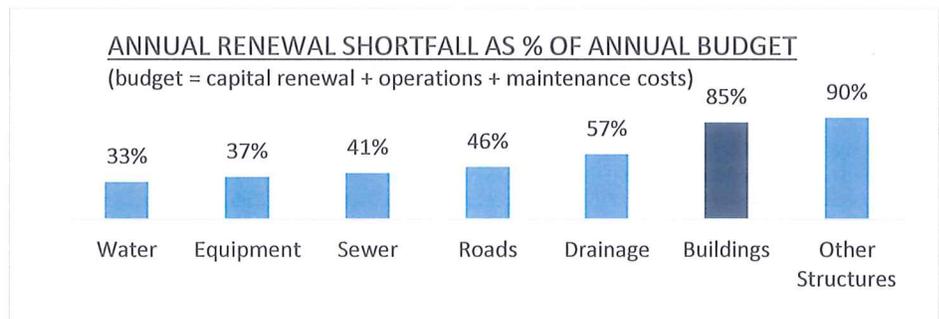
Average Useful Life (years)	2015 Replacement Value	2015 Capital Renewal Backlog	20 year Budget (2016-2035)		20 Year Renewal Funding	Renewal Funding Requirements vs. Available Funds	
			Available Operations & Maintenance Budget*	Available Capital Renewal Budget	Renewal Requirements	20 year Capital Renewal Shortfall	Annual Capital Renewal Shortfall
32.1	14.79	1.45	0.75	0.00	4.40	4.40	0.22

\*Available budget (for the period 2016-2035) Based on 2015-2019 practice.

How does the BUILDINGS renewal shortfall compare to that of the other asset groups?

As per Figure 3, the BUILDINGS annual renewal shortfall is the equivalent of **85%** of the annual budget for those assets. In this regard, the inadequacy of the BUILDINGS budget is second only to that of the Other Structures budget.

FIGURE 3



As per Figures 3 and 4, the District would have to increase their annual BUILDINGS budget by 85% or **.22 M** to eliminate the annual renewal shortfall.

FIGURE 4



What happens if the shortfall is not dealt with?

It is likely that the District will have to reduce service levels in some areas unless new sources of funding are found.

# MACHINERY & EQUIPMENT ASSETS

(WILL BE SHORTENED TO 'EQUIPMENT' ASSETS GOING FORWARD)

---

<b>WHAT EQUIPMENT INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?</b>	<b>53</b>
<b>WHAT EQUIPMENT ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?</b>	<b>55</b>
<b>WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE EQUIPMENT ASSETS?</b>	<b>57</b>
<b>WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?</b>	<b>58</b>

---

## WHAT EQUIPMENT ASSET INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?

At the very least the District needs to maintain the information that tells them what EQUIPMENT assets they own, where they are, roughly how long they will last, and what they are worth today. To optimize their approach to managing these assets, the District will work towards assembling asset register content that meets *best practices* guidelines. This additional information will put the District in a position to address a wider range of questions about their assets including how much they are used, what condition they are in, and what might happen to them.

See Table 1 below for a description of the current status of the EQUIPMENT asset register. The full set of data items listed in the “**Asset Information**” column of Table 1 are those the District would ultimately like to have in their register. The colour coded columns describe the status of each of the 18 ‘Best Practices’<sup>19</sup> data items listed in the 2<sup>nd</sup> column of the table.

TABLE 1 - CURRENT STATE OF THE EQUIPMENT ASSET RECORDS

	Asset Information: 18 'Best Practices' Data Items	Exists in Register	Data Complete	Quality Issues
What does the District own and where is it?	ownership status	No		
	description	Yes	All	no standardization to demonstrate like machinery or equipment / lacks detail
	location - street map based, no GPS or zoning yet	Yes	Very Little	location field mostly not used - some inconsistent inclusion of location in description
	dimension(s)	Yes	Some	make, model and year of vehicles and manufacturer tracked in some cases
	structural/material type	No		
How long will it last?	age	Yes	All	None
	useful life - theoretical	Yes	All	None
	useful life - condition based	No		
What does it cost?	deferred maintenance & renewal costs (depreciation calculation)	Yes	All	None
	current replacement value	No		
	value of major assets (cash value as is)	No		
	cost of the full lifecycle of key assets	No		
How much is it used and what shape is it in?	utilization - capacity	No		
	functional condition - useability	No		
	physical condition	No		
What has/could happen?	history (past failures, rehabilitation/repairs, maintenance etc.)	Yes in Description field	Unknown	a single entry of a machinery rebuild - need field for coding history of actions against assets
	significant issues (e.g. environmental liabilities)	No		
	criticality rating (e.g. how likely to fail, role in larger system failure)	No		

<sup>19</sup> These guidelines vary from one source to another. The approach used here includes the information the District will ultimately be assembling.

**NEXT STEPS**

Going forward, the District's activities and methods for improving/updating their EQUIPMENT asset records will be documented in the **Format** shown below and progress shared with the council and administration staff on an ongoing basis. The examples provided for improvement projects are based on the information shortcomings described Table 1 and on the following page under the heading: Data quality issues.

**Sample Format – EQUIPMENT Asset Records Improvement Tracking**

EQUIPMENT Asset Records Improvement Project (asset – information – method – outcome/product)	Project Timelines	Project Lead – Team Members	Proposed Funding Source
e.g. asset information ownership policy developed	Start date – End date	e.g. CAO – key stakeholders	e.g. none needed
e.g. gathering and inputting EQUIPMENT location information in a more detailed and standardized format - rule of thumb being that in information user should be able to go the location and lay hands on the equipment – this is important in the event of an emergency. ensure all asset in the register belong in this asset group – if not transfer them to the appropriate register.	Start date – End date	e.g. Public Works Superintendent - O & M staff	e.g. Gas Tax funding
e.g. identifying the useable level of specificity, and then standardizing the format for tracking manufacturer, model, year manufactured etc. – this detail has fallen off since 2011 and is useful in tracking replacement costs for larger items..	Start date – End date	e.g. Finance manager – Public Works	e.g. no funding available

## WHAT EQUIPMENT ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?

The approach to the replacement cost calculations reported in this section is described in the **Methods Box** below.

### **METHODS:** Replacement Cost Calculations

The EQUIPMENT assets 2015 replacement costs were estimated by applying an inflation factor adjustment of 1% per year to the original cost listed in the asset register. To calculate end of useful life replacement costs the 1% per annum adjusted original costs were projected out to the asset specific renewal year.

The following discussion is based on the information in Table 2 on the following page.

### What does the District own?

- The District owns and operates the machinery, equipment, vehicles, buildings and building contents described in the left most column of Table 2.
- The 74 individual assets have been sorted and grouped into 9 categories. The 9 categories are arranged from most to least valuable based on their subtalled 2015 replacement value. Counts of each of the assets or asset groups are provided and subtalled over the categories.
- The column concerned with average portion of useful life used indicates the average 'age' of the asset/group of assets in 2015 relative to their expected useful life.

### How much are the assets worth?

- The total 2015 replacement cost of the EQUIPMENT assets portfolio is 2.67 M.
- The 2015 replacement costs for the 3 Emergency Vehicles alone account for 50% of the value of the entire EQUIPMENT portfolio.
- The 2015 replacement value of all of the 15 vehicles and all 7 of the heavy duty equipment accounts for 70% of that for the entire EQUIPMENT portfolio.
- The 12 non-emergency vehicles are the oldest assets in this portfolio. The remaining useful life of these vehicles indicates that all but 2 of these vehicles have reached or exceeded their useful life.
- The most valuable equipment asset is the rescue truck which is worth \$750,000 and has used 36% of its useful life as of 2015.

---

### Data quality issues:

- Asset descriptions, manufacturer, model, and year manufactured are unsystematically recorded: use of these fields is mixed up, incomplete and unsystematically redundant. Aside from the description, there is very little of this info available for 2011-2014 additions.
- Only 14 locations out of 74 area available in the register – there doesn't seem to be a systematic omission. This could be an issue during or following an emergency – at the very least there needs to be an up to date easy to read record of where each of the assets is that is accessible and comprehensible to multiple individuals.
- There is also an issue with the content in this portfolio. There are BUILDINGS related assets included – both buildings and buildings content - which may be better accounted for in that register. Similarly, there is content that would fit better in the OTHER STRUCTURES portfolio – see recreational 'structures' including bleachers and playground equipment,

Table 2 – MACHINERY &amp; EQUIPMENT Portfolio Description &amp; Worth

MACHINERY & EQUIPMENT ASSETS/COMPONENTS	Total Number of Assets or Components	Total 2015 Replacement Cost (Thousands)	Average Portion of Useful Life used as of 2015
<b>Vehicles - Emergency</b>	<b>Subtotal</b>	<b>3</b>	<b>1237.1</b> 46% of grand total
engines 1 and 2	2	479.9	74%
rescue truck	1	757.2	36%
<b>Excavation / Removal / Transport Equipment</b>	<b>Subtotal</b>	<b>16</b>	<b>372.0</b> 14% of grand total
dump trucks	2	55.0	197%
john deer (tractor?)	1	?	133%
bobcats	2	25.5	90%
tailgate spreader snow removal	1	9.3	80%
kubota	1	42.1	73%
trailers for: john deer unit, bobcat, ATV, unit 15	4	16.4	67%
backhoe, backhoe bucket, backhoe rebuild	3	171.2	67%
work trucks	2	52.4	15%
<b>Vehicles - Non-emergency</b>	<b>Subtotal</b>	<b>12</b>	<b>272.8</b> 10% of grand total
GMCs	5	119.5	150%
Chevs	2	43.6	138%
Fords	2	31.1	100%
ATV	1	13.4	100%
electric vehicles	2	65.2	33%
<b>Building Contents</b>	<b>Subtotal</b>	<b>3</b>	<b>217.6</b> 8% of grand total
curtains, furniture, equipment	3	217.6	32%
<b>TeleCom / IT / Technical Equipment</b>	<b>Subtotal</b>	<b>13</b>	<b>163.8</b> 6% of grand total
server, OS, computer equipment, laptops, MAIS	7	100.4	97%
phone system, phones, mobiles, accessories, radio equip., alarms	5	52.2	56%
plotter	1	11.3	20%
<b>Recreation Equipment</b>	<b>Subtotal</b>	<b>6</b>	<b>128.7</b> 5% of grand total
bleachers	4	38.5	73%
play ground equip.	2	90.2	27%
<b>Waste Containment Equipment</b>	<b>Subtotal</b>	<b>6</b>	<b>115.4</b> 4% of grand total
garbage cans, doors, frames and below ground containers	3	50.1	87%
bearsaver bins	2	46.4	85%
waste oil tank	1	18.9	20%
<b>Misc. Equipment</b>	<b>Subtotal</b>	<b>9</b>	<b>101.4</b> 4% of grand total
pumper, PEP generator, air cleaner, plate compactor, lagoon aerator	5	49.0	79%
non specified equip.	1	31.6	60%
turn out gear dryer, heavy duty gear washer	2	10.6	42%
emergency signs	1	10.1	10%
<b>Landscaping / Maintenance Equipment</b>	<b>Subtotal</b>	<b>4</b>	<b>53.9</b> 2% of grand total
rototiller, cultivator, mowers	4	53.9	78%
<b>Buildings</b>	<b>Subtotal</b>	<b>2</b>	<b>10.5</b> <1% of grand total
shelters PW <sup>2</sup>	1	8.6	110%
generator shed	1	1.9	80%
<b>GRAND TOTAL</b>	<b>74</b>	<b>2.67</b>	
	Assets	Million	

1 end of life renewal costs for assets that have used up >= 100% of their Useful Life are the same as those listed in the 2015 replacement cost column

2 PW: public works

## WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE EQUIPMENT ASSETS?

### PUBLIC WORKS REPORT

Aside from the following, there was not much mentioned regarding the approach to managing this asset group.

The District's vehicles and equipment are operated to fail.

The existing maintenance approach includes:

- Vehicles follow standard maintenance schedule and reactive maintenance for major issues as needed. A renewal approach would not be as cost effective.
- The PVC garbage equipment gets an algae wash periodically.
- The Bear savers develop rust overtime and will need attention when that happens.
- The firehall looks after the PEP equipment.

A new fire truck is coming on board in the year as per legislated requirements.

## WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?

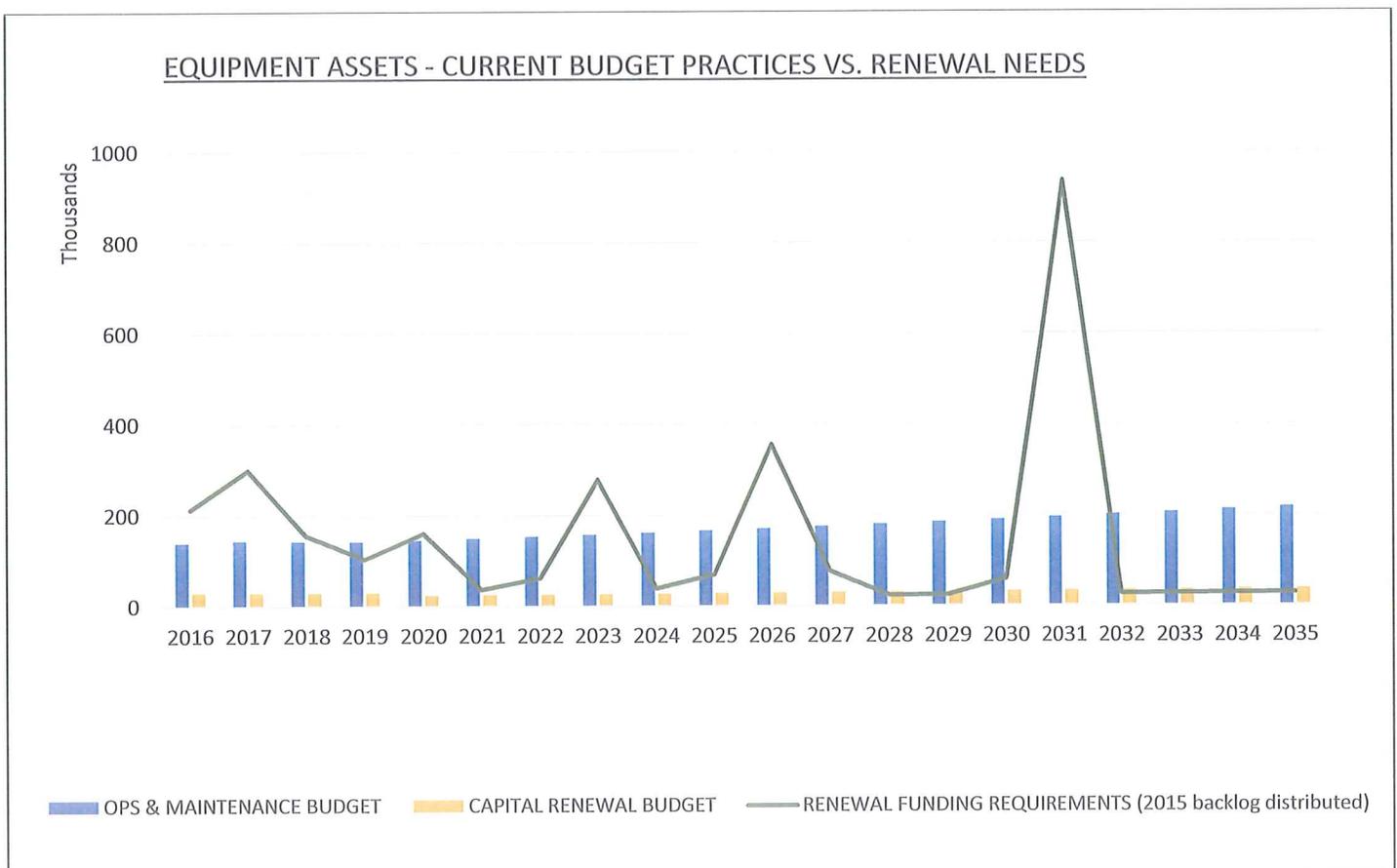
### EQUIPMENT ASSETS RENEWAL COSTING EXERCISE FINDINGS

#### How do the District’s current budgeting practices and potential renewal funding requirements compare?

The spikes in the **green line** series of Figure 1 indicate the funding needs of assets that have reached the end of their useful life and are in need of replacement. Budgeted capital renewal funds are indicated by the **gold** bars. The Operating budget series (**blue**) represents the money spent on ongoing operating and maintenance expenses.

Figure 1 provides a graphical representation of the 20 year budgeting practices and renewal funding requirements summarized in the funding profile of the assets provided in Figure 2. It also demonstrates the pattern of highs and lows in renewal funding requirements across the period. The available renewal funds fall short of the funds required over the period under study.

FIGURE 1



**What is the magnitude of the funding shortfall?**

Figure 2 quantifies the mismatch between the 20 year capital renewal budget (.61 M) and the 20 year renewal funding requirements (3.00 M). The capital renewal funding shortfall amounts to **.12 M** per year. If left unchecked this shortfall would accumulate to a total of **2.39 M** over the period 2016-2035.

FIGURE 2

EQUIPMENT ASSETS  
FUNDING PROFILE

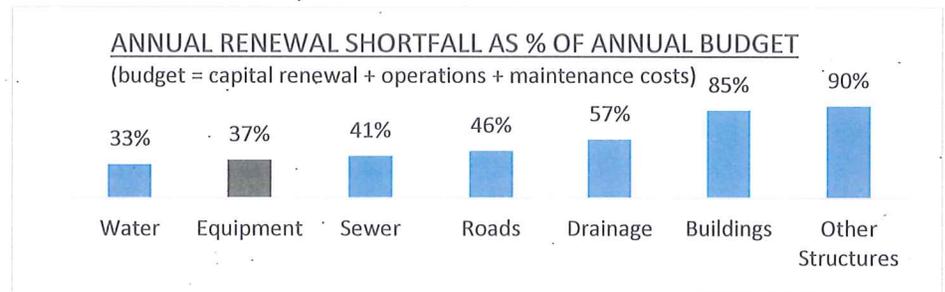
Average Useful Life (years)	2015 Replacement Value	2015 Capital Renewal Backlog	20 year Budget (2016-2035)		20 Year Renewal Funding	Renewal Funding Requirements vs. Available Funds	
			Available Operations & Maintenance Budget*	Available Capital Renewal Budget	Renewal Requirements	20 year Capital Renewal Shortfall	Annual Capital Renewal Shortfall
11.1	2.67	0.34	3.43	0.61	3.00	2.39	0.12

\*Available budget (for the period 2016-2035) Based on 2015-2019 practice.

How does the EQUIPMENT renewal shortfall compare to that of the other asset groups?

As per Figure 3, the EQUIPMENT annual renewal shortfall is the equivalent of **37%** of the annual budget for those assets. In this regard, the adequacy of the EQUIPMENT budget is second only to that of the Water budget.

FIGURE 3



As per Figures 3 and 4, The District would have to increase their annual EQUIPMENT budget by 37% or **.12 M** to eliminate the renewal shortfall.

FIGURE 4



What happens if the shortfall is not dealt with?

It is likely that the District will have to reduce service levels in some areas unless new sources of funding are found.

## OTHER STRUCTURES ASSETS

---

WHAT OTHER STRUCTURES INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?	61
WHAT OTHER STRUCTURES ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?	63
WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE OTHER STRUCTURES ASSETS?	65
WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?	66

---

## WHAT OTHER STRUCTURES ASSET INFORMATION DOES THE DISTRICT COLLECT AND MAINTAIN?

At the very least the District needs to maintain the information that tells them what OTHER STRUCTURES assets they own, where they are, roughly how long they will last, and what they are worth today. To optimize their approach to managing these assets, the District will work towards assembling asset register content that meets *best practices*<sup>20</sup> guidelines. This additional information will put the District in a position to address a wider range of questions about their assets including how much they are used, what condition they are in, and what might happen to them.

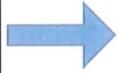
See Table 1 below for a description of the current status of the OTHER STRUCTURES asset register. The full set of data items listed in the “**Asset Information**” column of Table 1 are those the District would ultimately like to have in their register. The colour coded columns describe the status of each of the 18 ‘Best Practices’<sup>21</sup> data items listed in the 2<sup>nd</sup> column of the table.

TABLE 1 - CURRENT STATE OF THE OTHER STRUCTURES ASSET RECORDS

	Asset Information: 18 'Best Practices' Data Items	Exists in Register	Data Complete	Quality Issues
What does the District own and where is it?	ownership status	No		
	description	Yes	All	no standardization to demonstrate like machinery or equipment / lacks detail
	location - street map based, no GPS or zoning yet	Yes	Very Little	location field mostly not used - some location info in some description inconsistent
	dimension(s)	Yes	Some	make, model and year of vehicles and manufacturer tracked in some cases
	structural/material type	No		
How long will it last?	age	Yes	All	None
	useful life - theoretical	Yes	All	None
	useful life - condition based	No		
What does it cost?	deferred maintenance & renewal costs (depreciation calculation)	Yes	All	None
	current replacement value	No		
	value of major assets (cash value as is)	No		
	cost of the full lifecycle of key assets	No		
How much is it used and what shape is it in?	utilization - capacity	No		
	functional condition - useability	No		
	physical condition	No		
What has/could happen?	history (past failures, rehabilitation/repairs, maintenance etc.)	Yes in Description field	Unknown	a single entry of a machinery rebuild - noted in description field - need field for coding history of actions against assets
	significant issues (e.g. environmental liabilities)	No		
	criticality rating (e.g. how likely to fail, role in larger system failure)	No		

<sup>20</sup> These guidelines vary from one source to another. The approach used here includes the information the District will ultimately be assembling.

<sup>21</sup> These guidelines vary from one source to another. The approach used here includes the information the District will ultimately be assembling.

**NEXT STEPS**

Going forward, the District's activities and methods for improving/updating their OTHER STRUCTURES asset records will be documented in the **Format** shown below and progress shared with the council and administration staff on an ongoing basis. The examples provided for improvement projects are based on the information shortcomings described Table 1 and on the following page under the heading: Data quality issues.

**Sample Format – OTHER STRUCTURES Asset Records Improvement Tracking**

OTHER STRUCTURES Asset Records Improvement Project (asset – information – method – outcome/product)	Project Timelines	Project Lead – Team Members	Proposed Funding Source
e.g. asset information ownership policy developed	Start date – End date	e.g. CAO – key stakeholders	e.g. none needed
e.g. standardizing the format of location descriptions of assets and ensure there are locations entered for each of the assets - ensure all asset in the register belong in this asset group – if not transfer them to the appropriate register.	Start date – End date	e.g. Finance manager – Public Works	e.g. no funding available
e.g. gathering up to date market informed replacement cost information annually and entering it into a table that links to applicable asset register fields	Start date – End date	etc.	etc.

## WHAT OTHER STRUCTURES ASSETS DOES THE DISTRICT OWN AND WHAT ARE THEY WORTH?

The approach to the replacement cost calculations reported in this section is described in the **Methods Box** below.

### **METHODS:** Replacement Cost Calculations

The OTHER STRUCTURES assets 2015 replacement costs were estimated by applying an inflation factor adjustment of 1% per year to the original cost listed in the asset register. To calculate end of useful life replacement costs the 1% per annum adjusted original costs were projected out to the asset specific renewal year.

The following discussion is based on the information in Table 2 on the following page.

### What does the District own?

- The District owns and operates the structures described in the left most column of Table 2.
- The 33 individual assets have been sorted and grouped into 8 categories. The 8 categories are arranged from most to least valuable based on their subtalled 2015 replacement value.
- The column concerned with portion of useful life used indicates the ‘age’ of the asset(s) of assets in 2015 relative to their expected useful life.

### How much are the assets worth?

- The total 2015 replacement cost of the total OTHER STRUCTURES portfolio is **4.08 M**.
- The 2015 replacement costs of the *outdoor sports/rec facilities* and *Wild Pacific Trail* assets account for 69% of that 4.08 M.
- The 2015 replacement costs of the *Information Center and Small Craft Harbours* assets account for a further 24% of the portfolio replacement costs.
- The Rec Hall Field and the first section of the Wild Pacific Trail are the oldest assets in this portfolio.
- The most valuable OTHER STRUCTURES asset is the Tugwell Field turf & irrigation which is worth 1.26 M has used 55% of its useful life as of 2015.

---

### Data quality issues:

- Asset descriptions contain location information and there are very few entries in the location field: the content of these fields is not standardized.
- Only 6 of 39 locations are available in the register – there doesn’t seem to a systematic omission. This could be an issue during or following an emergency – at the very least there needs to be an up to date easy to read record of where each of the assets is that is accessible and comprehensible to multiple individuals.
- There is also an issue with the content in this portfolio. The fencing and signs at the UCC might fit better with the EQUIPMENT fencing and signs assets and the water and drainage system at the Information Center might fit better with the WATER and DRAINAGE assets.

Table 2 – OTHER STRUCTURES Portfolio Description &amp; Worth

OTHER STRUCTURES ASSET/COMPONENT	Year Added	Expected Useful Life (years)	2015 Replacement Cost (Thousands)	Portion of Useful Life used as of 2015
<b>OUTDOOR SPORTS/REC FACILITIES</b>		<b>Subtotal</b>	<b>1.75</b>	<b>43%</b>
BMX Track	2008	20	36.11	35%
Playground	2014	20	3.71	5%
Rec Hall Field	1950	20	350.79	325%
Sports Field Dugout	2008	20	76.76	35%
Sports Field Fencing	2006	20	21.73	45%
Tugwell Field turf & irrigation	2004	20	1,261.72	55%
<b>WILD PACIFIC TRAIL</b>		<b>Subtotal</b>	<b>1.06</b>	<b>26%</b>
Wild Pacific Trail	1997	20	191.97	90%
Wild Pacific Trail	2003	20	483.75	60%
Wild Pacific Trail	2004	20	36.90	55%
WPT Parking Lot	2007	20	72.44	40%
Land Improvements - WPT <sup>2</sup> Lookout	2009	20	19.78	30%
WPT Structures (3 of them)	2009	20	185.50	22%
WPT Artist's Loop	2010	20	43.99	25%
WPT - Artists Loop Section A	2011	20	22.25	20%
<b>INFORMATION CENTRE</b>		<b>Subtotal</b>	<b>0.51</b>	<b>13%</b>
Info Centre - excl water & drainage	2004	50	452.12	22%
Info Centre - water & drainage system	2004	50	60.41	22%
<b>SMALL CRAFT HARBOURS</b>		<b>Subtotal</b>	<b>0.45</b>	<b>11%</b>
SCH Fishcleaning Station	2010	15	7.34	33%
SCH Float & Electrical Repairs	2010	20	421.25	25%
SCH Landscaping	2010	20	18.02	25%
SCH Parking Lot	2007	20	7.92	40%
<b>BOAT LAUNCH</b>		<b>Subtotal</b>	<b>0.14</b>	<b>3%</b>
Boat launch	2014	20	10.58	5%
Boat Launch	2014	20	104.89	5%
Land Improvements - Kayak/Boat Launch	2009	20	25.74	30%
<b>CEMETARY</b>		<b>Subtotal</b>	<b>0.06</b>	<b>2%</b>
Cemetery Parking	2014	20	1.24	5%
Cemetery expansion	2008	20	24.91	35%
Cemetery Expansion	2010	20	28.83	25%
Cremation Plaque - Cemetery	2011	15	8.26	27%
<b>COMMUNITY CENTER</b>		<b>Subtotal</b>	<b>0.10</b>	<b>2%</b>
Signs - 500 Matterson Dr	2010	20	28.81	25%
Landscaping - 500 Matterson Dr	2010	20	48.57	25%
UCC Fencing - 500 Matterson Dr	2010	15	19.18	33%
<b>HE-TIN-KIS</b>		<b>Subtotal</b>	<b>0.01</b>	<b>0%</b>
Parking Lot	2014	20	5.62	5%
		<b>Grand Total</b>	<b>4.08 Million</b>	

1 end of life renewal costs for assets that have used u >= 100% of Useful Life are same as those in 2015 replacement cost column

2 WPT: wild pacific trail

## WHAT IS THE DISTRICT'S APPROACH TO MANAGING THE OTHER STRUCTURES ASSETS?

### PUBLIC WORKS REPORT

There is no information available regarding the approach to managing this asset group.

## WILL CURRENT CAPITAL FUNDING LEVELS BE ENOUGH TO RENEW EXISTING ASSETS?

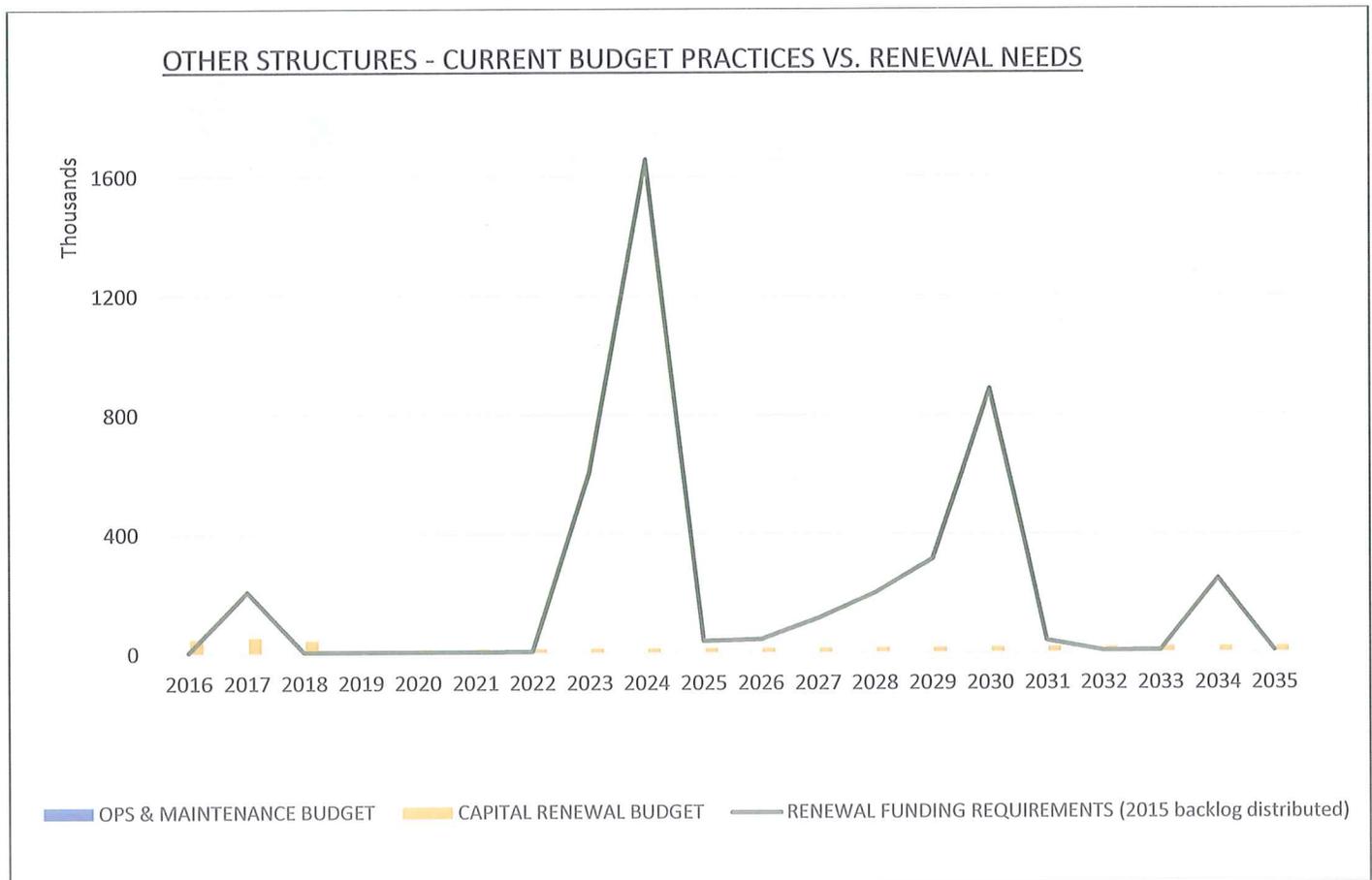
### OTHER STRUCTURES ASSETS RENEWAL COSTING EXERCISE FINDINGS

#### How do the District’s current budgeting practices and potential renewal funding requirements compare?

The spikes in the **green line** series of Figure 1 indicate the funding needs of assets that have reached the end of their useful life and are in need of replacement. Budgeted capital renewal funds are indicated by the **gold** bars. The Operating budget series (**blue**) represents the money spent on ongoing operating and maintenance expenses.

Figure 1 provides a graphical representation of the 20 year budgeting practices and renewal funding requirements summarized in the funding profile of the assets provided in Figure 2. It also demonstrates the pattern of highs and lows in renewal funding requirements across the period. The available renewal funds fall short of the funds required over the period under study.

FIGURE 1



**What is the magnitude of the funding shortfall?**

Figure 2 quantifies the mismatch between the 20 year capital renewal budget (.46 M) and the 20 year renewal funding requirements (4.43 M). The capital renewal funding shortfall amounts to **.20 M** per year. If left unchecked this shortfall would accumulate to a total of **3.97 M** over the period 2016-2035.

FIGURE 2

OTHER STRUCTURES ASSETS  
FUNDING PROFILE

Average Useful Life (years)	2015 Replacement Value	2015 Capital Renewal Backlog	20 year Budget (2016-2035)		20 Year Renewal Funding	Renewal Funding Requirements vs. Available Funds	
			Available Operations & Maintenance Budget*	Available Capital Renewal Budget	Renewal Requirements	20 year Capital Renewal Shortfall	Annual Capital Renewal Shortfall
21.4	4.08	0.11	0.00	0.46	4.43	3.97	0.20

\*Available budget (for the period 2016-2035) Based on 2015-2019 practice.

How does the OTHER STRUCTURES renewal shortfall compare to that of the other asset groups?

As per Figure 3, the OTHER STRUCTURES annual renewal shortfall is the equivalent of **90%** of the annual budget for those assets. The OTHER STRUCTURES budget is the least adequate, in this regard, of the 7 asset groups.

FIGURE 3



As per Figures 3 and 4, The District would have to increase their annual OTHER STRUCTURES budget by 90% or **.20 M** to eliminate the renewal shortfall.

FIGURE 4



What happens if the shortfall is not dealt with?

It is likely that the District will have to reduce service levels in some areas unless new sources of funding are found.

# MANAGEMENT APPROACH – ASSET GROUP COMPARISONS

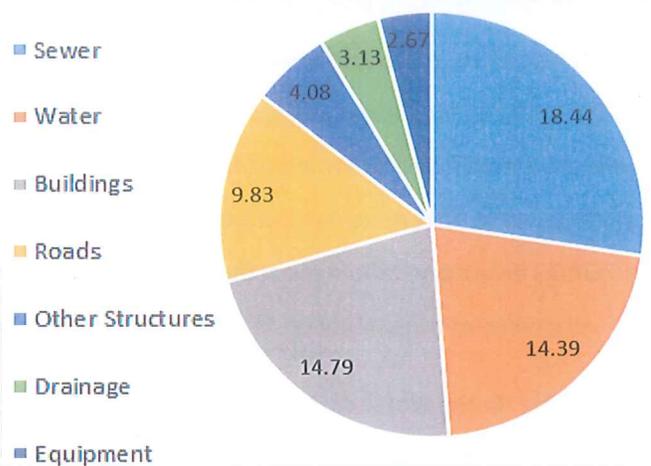
The 2015 *Replacement Value* pie chart in Figure 4 depicts the relative worth of each of all 7 asset groups.

The 2015 *Renewal Backlog* pie chart in Figure 4 provides some insight into the approach the District has historically taken to manage the assets. For example, the size of the capital renewal backlog<sup>22</sup> of both the ROADS and WATER assets exceed that which might be expected given the current replacement value<sup>23</sup> of their inventories. The remaining five asset groups have renewal backlogs that are *proportional to or less than* their total inventory value.

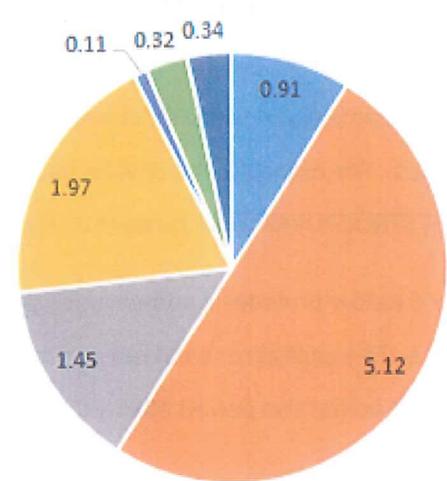
However, backlog sizes seem to also be related to the average age of the assets in a given portfolio. As per the table to the immediate right, the ROADS and WATER assets are among the 3 “oldest” portfolios in terms of their average years of useful life remaining in 2015. Conversely, the DRAINAGE and SEWER assets have the most years of useful life remaining in 2015, and the ratio of their 2015 renewal backlog to replacement value is less than what might be expected. See Figure 5. These ratio are considerably lower than the ratios of the WATER and ROADS assets.

Average Years of Useful Life remaining as of 2015	
Drainage	20.5
Sewer	20.0
Buildings	15.4
Other Structures	13.5
Roads	12.9
Water	11.0
Equipment	2.8

FIGURE 4 2015 Replacement Value (67 M)



2015 Renewal Backlog (10 M)



20 Year Renewal Gap (35 M)

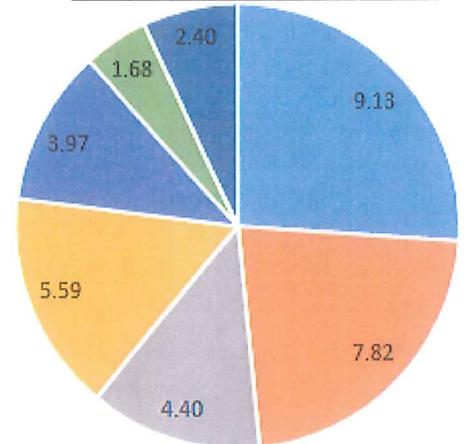
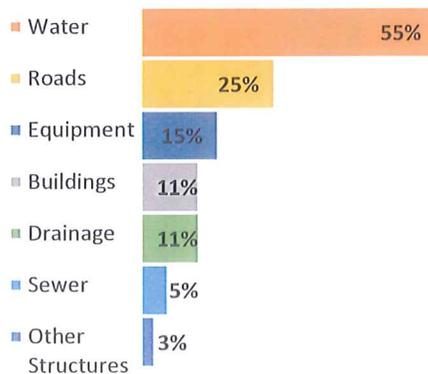


FIGURE 5 2015 Renewal Backlog as % of Replacement Value



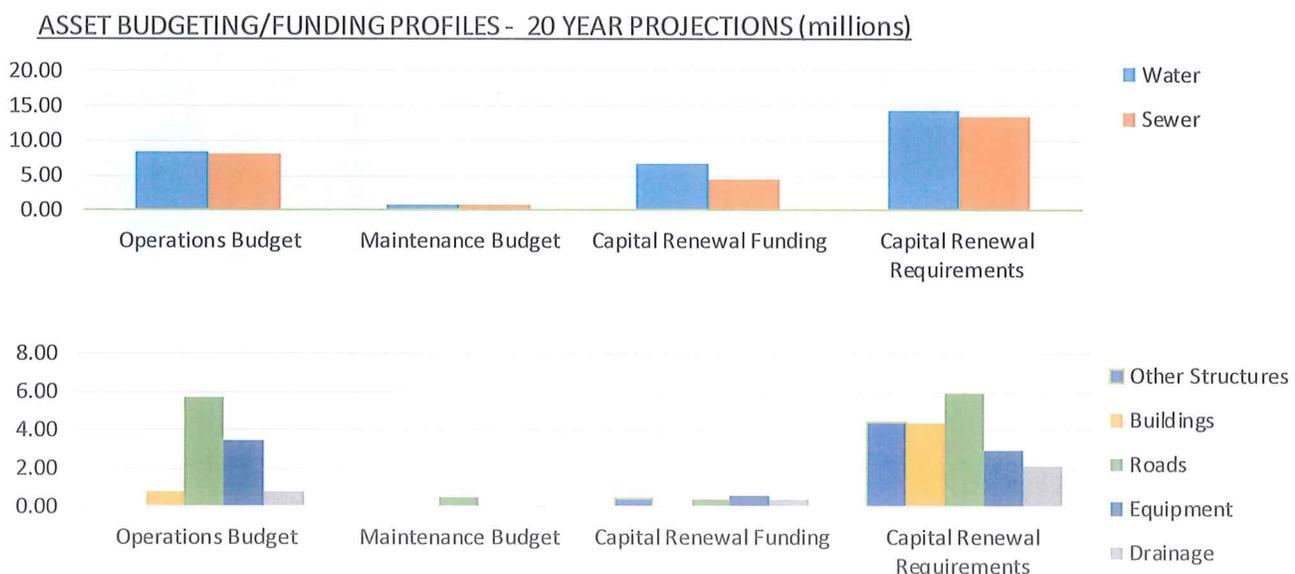
<sup>22</sup> Renewal backlog: sum of replacement costs for assets whose remaining useful life has expired prior but have not been renewed or replaced. For the purpose of calculating future renewal funding needs, the 2015 renewal backlog has been equally distributed over the period 2016-35.  
<sup>23</sup> Replacement Value: as per the replacement values calculated in the costing exercise.

As discussed on the preceding page, the size of the 2015 renewal backlog and the 20 year renewal gap<sup>24</sup> varies between the 7 asset groups. While the sources of this variation include the age and worth of the different portfolios, it is also related to differences in the District’s historic and current budgeting and asset management practices. For example, the District, not unlike many other similarly sized local government in BC, has deliberately opted to take a “plan to fail” reactive maintenance approach for its WATER assets which explains the sizeable renewal backlog. This approach can be an effective method of the minimizing costs of annual service delivery as long as the monetary and environmental costs of a leaky water system do not outweigh the savings. Alternatively the District may, as is the case for the newer roads in the ROADS inventory, take a proactive approach to maintenance to maximize the service life of those assets which in turn will minimize the annual costs of providing that service.

It is possible, in the worst case scenario, that the District’s current budgeting and asset management practices could perpetuate the 2015 renewal gap across the 2016 thru 2035 period and increase the current 2015 renewal backlog to the amounts shown in the 20 year capital renewal gap pie chart. The numbers in the Figure 4 renewal focused pie charts demonstrate the potential increase in the renewal backlog if the renewals identified via the costing exercise come due as predicted and the District hasn’t addressed any issues regarding its budgeting and/or asset management approach. For example, the SEWER backlog could increase to 10 times the 2015 amount, the ROADS to 3 times, and the OTHER STRUCTURES to 36 times the 2015 amount by 2035.

Figure 6 below provides a comparative perspective on the 20 year budgeting/funding profiles developed via the costing exercise. The capital renewal requirements are also presented. The following comments are based on current practices projected across the period 2016-2035.

FIGURE 6



<sup>24</sup> 20 year capital renewal gap = difference between capital renewal funding available and the required funding over the period 2016-2035.

The budgeting/funding profiles for WATER and SEWER are very similar with the exception of capital renewal funding which is higher for the Water assets. The Operations and Maintenance budgets for WATER, SEWER, and ROADS are similar. The OTHER STRUCTURES, BUILDINGS, EQUIPMENT AND DRAINAGE assets have no maintenance budget. The BUILDINGS assets have no capital renewal funding and the OTHER STRUCTURES have no operations budget. Note that the operations and maintenance budgets, as well as the capital renewal funding projections were based on the District's current (2015 – 2019) budget/funding allocations which were averaged and then projected over the period 2016-2035.

Going forward It is important that the District's budgeting/funding profiles for each of the 7 assets are reviewed regularly, according to an appropriate schedule, to ensure they reflect and adequately support an intentional and effective management program designed to support sustainable service delivery.

# CLOSING COMMENTS

## IMPLICATIONS OF THE RENEWAL COSTING FINDINGS

Many of the District's assets are approaching the later years of their life and require replacement. The current level of funds budgeted will not meet the amounts required to cover replacement costs for assets coming due in the period 2016-2035 and over their life-cycle.

As such, these funding levels are insufficient to continue to provide sustain existing services at current levels.

If the District does not have the financial capacity to manage the shortfalls described in the costing exercise service levels in some areas will have to be reduced and/or external sources of funding or revenue increases will have to be considered. In the case of ROADS as an example, such service level reductions may include a delay in renewing roads surfaces and installing patching as required. In some cases, it may be a solution to remove poor road surfaces and not provide re-surfacing. As well, there may be service level reductions in other municipal areas in order to fund the necessary road network infrastructure.

This stage one asset management planning report is based on a medium level of confidence in the District's asset information. Improvements to the asset information will improve the confidence level. See additional comments in the box below regarding the costing exercise approach.

### RENEWAL COSTING EXERCISE COMMENTS

It is important to emphasize that the findings of the 'renewal costing' exercise are dependent upon the methods used to estimate both the magnitude of the renewal costs and the timelines according to which the asset renewals will come due.

The approach taken was conservative: it was assumed that all assets would need renewing at the end of the useful life listed in the asset register. Past experience has shown that assets often exceed their manufacture prescribed useful lives while continuing to provide acceptable levels of service. However, past experience has also shown that some don't.

The true strength of the exercise lies in the attempt to take a standardized and systematic approach and the clear explanation of the methods used. The opportunity to compare funding and renewal costs across asset groups against the various management approaches taken informs the validity of the findings. In addition, having the complete set of renewal costs and timing, and current management approaches on the table is a good starting point from which the District can move forward to inform the District's long term financial and asset management strategy.

## IMPLICATIONS OF THE INFORMATION ASSESSMENT

The District has some work to do in terms of improving the quality and usefulness of the information they currently maintain for the asset inventories studied in this report.

There is currently no formalized system for gathering the objective physical condition or technical performance data required to inform the management the assets in of any of the DISTRICT'S 7 asset groups. Not unlike many local governments in B.C., the District has historically relied on stand-alone maintenance and inspection logs, public complaints, and the knowledge and experience of the public works staff to monitor conditions and provide oversight for condition shortcomings.

This lack of availability of systematic and objective condition and performance data must be addressed by the District as reliability and validity of long term financing strategies and risk assessments rely on this information.

## NEXT STEPS

The District of Ucluelet will prioritize the use of the findings of the asset information assessments and renewal costing exercise to:

6. Improve, and build upon, existing asset information to create a quality and complete information base that will support both financial and management planning.
7. Develop and document a CORPORATE WIDE LONG TERM APPROACH to asset renewal funding in preparation for the development of a long term asset management funding strategy and related policy.
8. Use the projected estimates of the 20 year renewal, operations and maintenance funding/budgeting levels to gage the financial impact of a self-funded asset management approach on service users for a variety of cost recovery frameworks.
9. Address the ADEQUACY OF CURRENT AND HISTORIC APPROACHES to managing each of the 7 asset groups by examining and where necessary amending:
  - c. ongoing asset management practices, such as accruing a renewal backlog, providing minimal maintenance, operating to fail etc., that may negatively impact service delivery, and more importantly compromise public safety,
  - d. inconsistencies in practices between the 7 asset groups to determine whether, and why, they are justifiable and what special attention may be required as a result.
10. Address any INFORMATION GAPS that may have compromised the accuracy of the costs and the efficiency of the costing exercise through:
  - a. beginning the process of assessing the condition of critical assets to improve the accuracy of renewal timelines to inform the asset planning exercise.
  - b. componentizing, where necessary, the assets to improve the specificity of both the condition, and remaining useful life, estimates.

# ASSET PLANNING PROGRESS REPORTING

## ASSESSING ASSET MANAGEMENT PLANNING PROGRESS AGAINST THE BEST PRACTICES CHECKLIST

<b>Asset Management Progress - Best Practices Achievements</b>	<b>YES</b>	<b>NO</b>
Do we know what levels of service the community wants?		
Is our local government delivering programs and meeting required service levels?		
Do we have buy-in from the public?		
Are we making investments in capital assets that support lowest costs over the full asset lifecycle?		
Is our local government making decisions in a transparent manner, based on clear and documented information?		
Do we have an asset reserve fund?		
Are we taking full advantage of funds from outside sources as part of our asset renewal?		
Is staff from across the organization engaged in asset management practices?		
Are we moving toward service, asset and financial sustainability?		

## TRACKING ASSET MANAGEMENT PLANNING ACTIVITIES OVER TIME

The release of this 1<sup>ST</sup> version of the ASSET PLAN DEVELOPMENT REPORT, and others to follow, along with related council, staff or community presentations, will be tracked in an **Asset Management Activities Log** to document the progression towards meeting the requirements of asset management over time. The log will be included in this section of the future versions of the plan.

### Asset Management Activities Log

<u>DATE OF EVENT</u>	<u>PRODUCT/EVENT/PRESENTATION</u>	<u>TEAM</u>
<u>MEMBERS INVOLVED</u>		
APRIL 18 <sup>TH</sup> 2016	1 <sup>ST</sup> version ASSET PLAN DEVELOPMENT PROJECT REPORT PRESENTED TO UCLUELET COUNCIL	Dave Douglas (lead) - FINANCE Warren Cannon, PUBLIC WORKS Lisa Kristiansen - Kristiansen & Associates

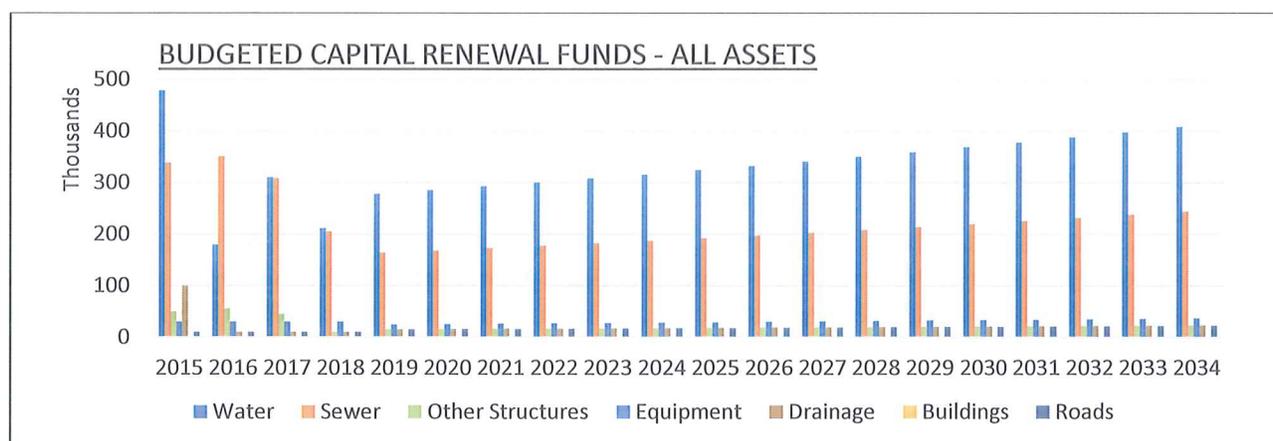
## APPENDIX A – RENEWAL COSTING EXERCISE METHODS

For the purpose of this exercise the renewal year<sup>25</sup> of every asset in the targeted groups was determined and capital replacement costs for that year were estimated. Both the capital renewal and operations budgets were factored into the study. The five year plan numbers for each of these budgets were averaged and projected 15 years into the future. Similarly, the renewal year costs for the 20 year period under study (2016 – 2035) were projected across the time line.

Population growth, new development, and changes in level of service have not been addressed in this study. The focus was on renewal costs only. The details of methods of estimation and projection are described below:

1. Capital and Operations budget projections:
  - a. the 2015 – 2019 budget amounts were averaged
  - b. an annual factor of 2.7% (based on the current CCI) was applied to project the budget in question beyond 2019 through to 2035.

The figure below shows the projections of the capital renewal budget for each of the asset categories studied. Note the consistent increase of the projected budget beginning in 2020.



2. 2015 replacement and renewal year cost estimates for linear assets (pipes for water, sewer, and drainage, and paving for roads):
  - a. the 2015 replacement value of each individual underground asset (pipes) in the TCA inventory was determined based on the per metre (pipes), or per square metre (paving), cost of installation in 2015
  - b. the 2015 replacement costs were then projected out to the actual renewal year for the asset in question using the same method described above in 1.
  - c. the projection factor used in (b) was the 2015 Construction Cost Index or CCI (2.7% inflation per year).
  - d. renewal costs for the asset group as a whole were totaled for each year in the period 2016-2035.
3. 2015 replacement and renewal year cost estimates for non-linear assets (Equipment, Other Structures, Buildings, and non-linear Roads, Water, Sewer, and Drainage assets):
  - a. the 2015 and renewal year replacement value of each non-linear asset was determined based on projecting the most recent pre-renewal year price for a comparable asset, or the historic cost if that was the only option available, out to 2015 and the renewal year
  - b. the 2.7% CCI adjustment (see 2(c) above) was applied to project the costs in (a) for all asset groups except the Equipment – those costs were adjusted by a factor of 1% per year.
  - c. renewal costs for the asset groups as a whole were totaled for each year in the period 2016-2035.

<sup>25</sup> Renewal year: the year in which the asset's useful life will end.

- d. with the exception of the Buildings and Equipment assets and the reservoir in the Water asset category, a correction factor of 1.5 was applied to the projected renewal year costs for all non-linear assets.<sup>26</sup>
4. Dealing with assets whose renewal years predated 2015 and had not been replaced/renewed, have been considered renewal backlog<sup>27</sup>:
    - a. renewal year costs for these assets were determined by the methods discussed in 2. and 3. above, with the renewal year set at 2015 and were totaled within asset groups
    - b. the 2015 total for each asset group was labelled the 2015 renewal backlog
    - c. the backlogged amount was divided by 20 to serve as a starting point for distributing the backlog between each of the years in the 2016 – 2035 period
    - d. regardless of the asset type an annual factor of 2.7% (based on the current CCI) was applied to 2016 starting point to project the distributed backlog thru to 2035.

---

<sup>26</sup> The use of a correction factor came about during the costing exercise. An observation was made while comparing current market value estimates to projected adjusted historic costs for water and sewer pipes as part of this project. The market value prices were 1.5 x those of the adjusted historic costs and the added cost was 99% due to the installation/labour costs as opposed to the materials.

<sup>27</sup> renewal backlog: sum of replacement costs for assets whose remaining useful life has expired prior but have not been renewed or replaced

## APPENDIX B – LONG VERSION ROADS ASSET INVENTORY SUMMARY

## ROADS ASSETS - ASSETS ARE LISTED IN SUB-GROUPS AND THEN IN THE ORDER THEY WERE ADDED TO THE DISTRICT'S PORTFOLIO

The purpose of including this table in the appendix is to demonstrate the missing or problematic data: noted by a '?'. The table also provides, by sub group, the order in which assets will reach the end of their useful lives.

Asset Description	Location Description	Year Added*	Expected Useful Life*	Renewal Year*	Age in 2015* (oldest to youngest)	Original Cost	2015 Replacement Cost**	Renewal Year Replacement Cost***	Total Length (Meters)
Bike Lanes	Bay St	1957	40	1997	58	2035	14313	14313	125
	Odyssey Lane	2008	40	2048	7	24960	30077	72454	208
	Peninsula Rd	2008	40	2048	7	41400	49888	120176	345
Chamber Sidewalk Pen Rd	?	2013	30	2043	2	40967	43209	91106	?
Curbs & Gutters	Norah St	1950	40	1990	65	848	4792	4792	200
	Pacific Crescent	1985	60	2045	30	26361	58624	130373	550
	Amphritrite Place	1995	60	2055	20	13329	22709	65921	200
	Barkley Place	1995	60	2055	20	16661	28386	82400	250
	Kimoto Drive	1995	60	2055	20	23992	40877	118657	360
	Coral Way	1997	60	2057	18	20632	33328	102039	300
	Reef Point Rd	1997	60	2057	18	20632	33328	102039	300
	Boardwalk Blvd	1998	60	2058	17	41675	65550	206112	600
	Peninsula Rd	2000	57	2057	15	171424	255636	782674	2525
	Forbes Rd	2002	60	2062	13	79881	112943	395066	1050
Pine Rd	2007	40	2047	8	20720	25642	60146	560	
Manhole & Street Light	Matterson Dr	2011	40	2051	4	157901	175657	458356	?
Paving	Imperial Lane	1937	40	1977	78	6193	41925	41925	325
	Norah St	1950	40	1990	65	16756	96750	96750	300
	Coastguard	1951	40	1991	64	8016	41925	41925	150
	Alder	1953	40	1993	62	14597	75250	75250	250
	Eber Rd	1953	40	1993	62	16056	82775	82775	350
	Garden St	1953	40	1993	62	4170	21500	21500	100
	Main	1953	40	1993	62	?	?	?	?
	Otter St	1953	40	1993	62	10009	51600	51600	200

\* averaged where necessary

\*\* 2015 Replacement cost is based on paving per meter, non paving based on 2.7% CCI adjustment.

\*\*\* Renewal year replacement cost: based on 2.7% CCI adjustment from 2015 cost OR 2015 cost if renewal date &lt; 2016

Asset Description	Location Description	Year Added*	Expected Useful Life*	Renewal Year*	Age in 2015* (oldest to youngest)	Original Cost	2015 Replacement Cost**	Renewal Year Replacement Cost***	Total Length (Meters)
Paving cont'd	Birch St	1955	40	1995	60	4620	23650	23650	100
	Cedar Rd	1957	40	1997	58	13226	64500	64500	250
	Cypress Rd	1957	40	1997	58	4850	23650	23650	100
	Fraser Lane	1959	40	1999	56	8770	43000	43000	200
	Lyche Rd	1961	40	2001	54	18314	85463	85463	300
	Waterfront Drive	1963	40	2003	52	5036	22575	22575	75
	Helen Rd	1965	40	2005	50	134361	381948	381948	1485
	Matterson	1965	40	2005	50	76701	208013	208013	800
	Seaplane Base Rd	1967	40	2007	48	25207	100513	100513	425
	Yew St	1974	40	2014	41	20292	55900	55900	200
	Oak Lane	1976	40	2016	39	8338	19350	19872	100
	Rupert Rd	1976	40	2016	39	31314	72670	74632	260
	Holly Crescent	1977	40	2017	38	45542	97825	103179	350
	Larch Rd	1977	40	2017	38	60055	129000	136060	500
	Athalone Rd	1978	40	2018	37	23986	47300	51236	200
	Short Rd	1980	40	2020	35	27263	44720	51092	160
	Victoria Rd	1981	40	2021	34	76677	111800	131179	400
	Harbour	1984	40	2024	31	93639	104813	131450	375
	Park Lane	1984	40	2024	31	19632	?	?	60
	Pacific Crescent	1985	40	2025	30	87737	100513	131197	275
	Cynamocka Rd	1988	40	2028	27	181019	211904	299609	662
	Marine Drive	1989	40	2029	26	836758	750458	1101388	2490
	Peninsula Rd	1991	40	2031	24	2271470	2074750	3191694	5400
	Coral Way	1997	40	2037	18	54128	43215	77658	150
	Reef Point Rd	1997	40	2037	18	54128	43215	77658	150
	Boardwalk Blvrd	1998	40	2038	17	138707	109650	202362	300
	Forbes Rd	2002	40	2042	13	265868	191888	393957	525
	Forbes St	2002	40	2042	13	11797	8514	17480	30
	Rainforest Dr	2006	40	2046	9	341250	225750	515598	700
	Rainforest Ln	2006	40	2046	9	193375	127925	292172	425
	Edwards Place	2007	40	2047	8	159250	105350	247109	350
	Pine Rd	2007	40	2047	8	15181	78260	183567	280
	Little Beach Rd	2008	40	2048	7	29250	19350	46613	75

\* averaged where necessary

\*\* 2015 Replacement cost is based on paving per meter, non paving based on 2.7% CCI adjustment.

\*\*\* Renewal year replacement cost: based on 2.7% CCI adjustment from 2015 cost OR 2015 cost if renewal date &lt; 2016

Asset Description	Location Description	Year Added*	Expected Useful Life*	Renewal Year*	Age in 2015* (oldest to youngest)	Original Cost	2015 Replacement Cost**	Renewal Year Replacement Cost***	Total Length (Meters)
Paving cont'd	Odyssey Lane	2008	40	2048	7	?	?	?	?
	St Jacques Blvd	2008	40	2048	7	68250	45150	108763	150
Paving Marine Dr	Marine Drive	1993	40	2033	22	137	246	398	175
	Minato Rd	1994	40	2034	21	91906	77400	128404	300
	Pacific Crescent	1994	40	2034	21	30635	25800	42801	100
	Amphritrite Place	1995	40	2035	20	41753	34400	58609	100
	Barkley Place	1995	40	2035	20	52191	43000	73262	125
	Kimoto Drive	1995	40	2035	20	84549	69660	118684	180
	Peninsula Rd	1995	40	2035	20	293572	241875	412097	750
Paving- Patching	Helen Rd	2011	20	2031	4	92921	103370	158315	?
Pen Road	?	2014	20	2034	1	36133	37109	61562	n/a
Peninsula Road Lighting	?	2012	20	2032	3	7380	7994	12574	n/a
Roads	?	2014	20	2034	1	13174	13530	22445	?
Sidewalks	Bay St	1957	40	1997	58	1204	5646	5646	125
	Pacific Crescent	1985	50	2035	30	11275	25074	42721	275
	Coral Way	1997	50	2047	18	8825	14256	33438	150
	Reef Point Rd	1997	50	2047	18	8825	14256	33438	150
	Forbes Rd	2002	50	2052	13	34166	48307	129454	525
	Peninsula Rd	2003	50	2053	12	57566	84668	233022	925
	Marine Drive	2005	40	2045	10	43521	56807	126333	625
	Rainforest Dr	2006	40	2046	9	49700	63167	144269	700
	Rainforest Ln	2006	40	2046	9	30175	38351	87592	425
	Edwards Place	2007	40	2047	8	24850	30753	72135	350
	St Jacques Blvd	2008	40	2048	7	10650	12833	30915	150
	Marine Dr - Pen To Victoria	2013	30	2048	2	11656	12294	25922	n/a
Signage	?	2013	18	2031	2	55999	59064	89261	n/a
Signage - Contracted Services	?	2013	15	2028	2	176303	185952	262916	n/a
Street Lights	Matterson Rd	2012	20	2032	3	19718	21359	33595	n/a
	Pen Rd	2012	20	2032	3	35702	38673	60828	n/a
Telus Aerial Underground	?	2009	30	2039	6	8582	10070	19085	n/a

**BUILDINGS ASSETS - ASSETS ARE LISTED IN THE ORDER THEY WERE ADDED TO THE DISTRICT'S PORTFOLIO**

The point of including this table is to further demonstrate the opportunity to improve the attribute data available to inform replacement value calculations and condition assessments – the attribute columns 3 and 6 are the only information of that type available for all assets in the portfolio.

Asset Description	Year Added	Original Cost (Millions)	Location Code	Location Description	attribute3	attribute6 (sq. ft.)	Useful Life	Age in 2015	Portion of Useful Life used as of 2015
Rec Hall	1942	0.12	160	Sea Plane Base Rd	Wood	5000	45	73	162%
Municipal Hall	1967	0.28		200 Main St	Wood	5724	40	48	120%
Fire Hall	1969	0.25		Peninsula Rd	Wood	4520	60	46	77%
PW Shop 1	1969	0.14		2070 Peninsula Rd	Wood	2400	60	46	77%
PW Shop 2	1969	0.02		2070 Peninsula Rd	Wood	448	40	46	115%
Athletic Club	1975	0.06		Peninsula Rd	Wood	935	40	40	100%
Portable Washroom	2010	0.05		Main St			20	5	25%
Community Centre	2010	9.41		500 Matterson Dr		15861	50	5	10%
SCH Washer & Dryers	2011	0.01	SCH	Hemlock St. Inner Boat Basin			20	4	20%
SCH Laundry Facility	2011	0.14	SCH	Hemlock St. Inner Boat Basin			20	4	20%
PWY, trailer office / lunch room	2011	0.10	PWY	PWY			10	4	40%
Boat Basin Retaining Wall	2012	0.03	SCH	SCH			20	3	15%
Lyche Bldg - Structure	2013	0.15		200 Main St 200 Main St			20	2	10%
Lyche Bldg - Electrical/Cabling	2013	0.01		200 Main St 200 Main St			20	2	10%
Lyche Bldg - Plumbing, WIP	2013	0.00		200 Main St 200 Main St			20	2	10%
Lyche Bldg Reno - Contracted	2013	0.13					40	2	5%
Lyche Bldg Reno	2014	0.02					40	2	5%

**WATER ASSETS – WATER MAIN PIPES ARE LISTED, BY MATERIAL TYPE, IN THE ORDER IN WHICH THEY WILL REACH THE END OF THEIR USEFUL LIVES.**

The point of including this table is to provide some more insight into the renewal timing and costs of the linear water assets which as a group account for 63% of the total 2015 replacement value for the entire inventory.

Pipe Material	End of Useful Life	Linear Meters of Pipe	2015 Replacement Cost	Renewal cost at end of Useful life (or at 2015 if EUL<2015)	Cumulative % of renewal costs coming due	Cumulative total of renewal funds required
<b>AC water main*</b>	<b>totals</b>	<b>8617</b>	<b>2852101</b>	<b>2875150</b>	<b>8617</b>	
2015 RENEWAL BACKLOG: 97% of the renewal costs for the AC assets are already due. Only 3% of these AC renewal cost will come due in the period studied as part of the costing exercise: 2016-2035.	1988	5	1640	1640	0%	1640
	1994	2182	728489	728489	26%	730129
	1995	77	25009	25009	26%	755139
	2004	430	139519	139519	31%	894658
	2005	3859	1271506	1271506	76%	2166164
	2006	243	86216	86216	79%	2252380
	2007	800	258833	258833	88%	2511213
	2008	385	128844	128844	93%	2640057
	2011	414	136545	136545	97%	2776602
	2025	222	75500	98548	100%	2875150
<b>PE water main</b>	<b>totals</b>	<b>3270</b>	<b>1407444</b>	<b>3390438</b>	<b>3270</b>	<b>3270</b>
Out of scope	2048	3270	1407444	3390438	n/a	n/a
<b>PVC water main</b>	<b>totals</b>	<b>14249</b>	<b>4943767</b>	<b>9505758</b>	<b>14249</b>	
2015 renewal backlog	2014	1994	711346	711346	14%	711346
50% of the PVC renewals take place during the costing exercise period (2016-2015)	2025	3172	1123004	1451627	37%	2162972
	2026	666	217829	288893	42%	2451865
	2028	226	73733	102939	43%	2554804
	2030	196	63479	93292	44%	2648095
	2035	838	282289	471673	50%	3119769
	2043	239	80967	166124	52%	3285893
	2044	193	65399	137672	53%	3423565
Note: These asset renewals were not included in the renewal costing exercise as the renewal period for the study was capped at 2035.	2045	993	336165	726062	60%	4149627
	2047	429	149466	339826	63%	4489454
	2048	1124	403166	940473	71%	5429927
	2050	481	158434	389051	74%	5818978
	2055	1178	396372	1106616	82%	6925594
	2056	1564	528366	1513479	93%	8439073
	2058	956	353753	1066686	100%	9505758
<b>ALL</b>	<b>Grand Totals</b>	<b>26136</b>	<b>9203313</b>	<b>15771346</b>	<b>26136</b>	<b>26136</b>

Notes: Total 2015 Renewal Backlog = 3.48 M  
AC pipe will be replaced with PVC  
EUL – end of useful life

## APPENDIX C – ASSET MANAGEMENT RESOURCES AND TOOLS AVAILABLE TO LOCAL GOVERNMENTS

THIS LIST WAS COMPILED BY THE OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENT

The following list includes just a few of the resources available to local governments.

### Resources

1. Asset Management British Columbia (AMBC) has developed a B.C. approach to asset management, described in “Asset Management for Sustainable Service Delivery – A BC Framework.”
2. Asset Smart Self-Assessment Tool, also developed by AMBC, is a maturity framework for local governments to assess their capacity across five key elements of asset management.
3. Capital Asset Management Framework (CAMF) was developed by the Government of B.C. and is available on the government website.
4. Public Sector Accounting Board PS3150 Standard was issued by PSAB on accounting for and reporting local government tangible assets. PSAB is an independent board with the authority to set accounting standards for the public sector.
5. The Institute of Asset Management (IAM) is a United Kingdom organization mandated to advance asset management practices.
6. The International Infrastructure Management Manual (IIMM) is published by the Institute of Public Works Engineering Australia (IPWEA) and the New Zealand Asset Management Support (NAMS) Group (NZ).
7. Publicly Available Specification 55 (PAS 55) was published jointly by the Institute of Asset Management and British Standards Institution (BSI) in 2002-04. It was used as the basis for the ISO 55000 and has been widely adopted worldwide as a tool for improving physical asset management performance.
8. ISO 55000, 55001 and 55002 were developed by the International Standards Organization (ISO) in 2014. They provide requirements, applications and guidelines for implementing asset management practices.
9. Public Sector Digest (PSD) is a publishing, research and analysis group based in London, Ontario, with an Infrastructure and Asset Management Group mandated to advance asset management practices.
10. Canadian Network of Asset Managers (CNAM) is the association of public infrastructure asset management in Canada, which develops policy tools and technologies intended to improve the levels of service of public infrastructure assets.
11. National Asset Management Strategy, NAMS.PLUS is an asset management planning system and related practice notes produced by the Institute of Public Works Australia.
12. National Guide to Sustainable Infrastructure Management was developed jointly by the National Research Council and the Federation of Canadian Municipalities.
13. The Union of BC Municipalities (UBCM) represents and serves all local governments in B.C. The UBCM is one of three signatories to the Renewed Federal Gas Tax Fund Agreement and offers a range of programs and services through its Gas Tax Management Services.
14. Government Finance Officers Association of BC (GFOABC) represents local government finance officers in B.C. and provides resources to its members, including information and guidance on advancing asset management practices within local governments.
15. Ontario Municipal Knowledge Network has published tools to assist local governments with asset management planning.

16. Alberta Urban Municipalities Association (AUMA) has published tools to assist local governments with asset management planning.
17. Australian Asset Management Collaborative Group (AAMCoG) has published a series of asset management best practices.
18. Global Information System (GIS) technology can aid in developing asset registries, including location and condition of critical assets.
19. Facility Condition Index (FCI), a tool developed by industry associations to assess the condition of an asset. The FCI is the ratio of deferred maintenance dollars to replacement dollars.

## APPENDIX D – CAPITAL ASSET MANAGEMENT TERMS

### Asset

A physical component of a system that has value, enables services to be provided, and has an economic life of greater than 12 months.

### Asset Management

Systematic and coordinated activities and practices through which an organization manages its assets, their associated performance, risks and expenditures over their life cycles.

### Asset Management Plan

Document specifying activities and resources, responsibilities and timescales for implementing the asset management program.

### Asset Management Program

A program to identify asset management needs, set up longer term financing means, and regularly schedule maintenance, rehabilitation and replacement works for the long term sustainability of the asset.

### Asset Renewal

Works to upgrade, refurbish or replace existing facilities with facilities of equivalent capacity or performance capability.

### Capital Asset Lifecycle

The life of a capital asset, from the point when a need for it is first established, through its design, construction, acquisition, operation and any maintenance or renewal, to its disposal.

### Capital Asset Management

An integrated approach involving planning, finance, engineering and operations to effectively manage existing and new capital assets to maximize benefits, reduce risks and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner.

### Capital Asset Register/Inventory

A spreadsheet, database or software system that stores capital asset data. The inventory is an itemized record of assets owned.

### Capital Asset Reserve Fund

An account, or several accounts, that set aside financial resources to meet infrastructure requirements as articulated in an organization's long term financial plan.

### Core Capital Assets

Core assets are those assets used in the delivery of statutory services, which include transportation, water, liquid waste, solid waste and protective services.

### Critical Capital Assets

Those assets that have a higher consequence of failure and can potentially have a more significant impact on meeting the organization's objectives.

### Current Value

The current value of a capital asset, taking into account its current condition and depreciated value.

#### Deferred Maintenance

The practice of postponing maintenance activities on infrastructure as a cost saving measure.

#### Facility Condition Index (FCI)

The ratio of deferred maintenance dollars to replacement dollars. The higher the ratio, the greater the need for extensive repairs or replacement.

#### Facility Condition Assessment

A process conducted to provide information about current building deficiencies. It is used to identify action needed and estimated costs associated with bringing a facility up to required standards. <sup>36</sup>

#### Full Lifecycle Costs

Information including the estimated total capital cost, the estimated annual cash-flow and accrual portion of total capital cost, multiple-year operating cost implications, including costs in areas such as maintenance and repair, staffing, operations, accommodation, debt service, amortization and lease expenses and an indication of whether the organization is able to support the expenditure in future years' operating budgets.

#### GIS

Geographic Information System.

#### Levels of Service

Customer levels of service focus on outputs the community receives from a particular capital asset or a local government overall. Technical levels of service focus on sustaining infrastructure at the lowest lifecycle cost over each asset's useful life and regulatory requirements.

#### Local Government

Includes all municipalities and Regional District's in British Columbia.

#### Infrastructure Deficit

A cumulative shortfall of required asset renewal.

#### Level of Service

The defined quality for the provision of a particular service. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability, and cost.

#### Life Cycle

The life of an asset, from the point when a need for it is first established, through its design, construction, acquisition, operation and any maintenance or renewal, to its disposal.

#### Life Cycle Cost

The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation, and disposal costs.

#### Long-Term Financial Plan

Funds the long term investment plan.

### Long-Term Investment Plan

A long-term multi-asset renewal plan (e.g. 20 years).

### Maintenance

All actions necessary to sustain the service level of a particular asset, excluding rehabilitation or renewal.

### PS 3150

A standard issued by the Public Sector Accounting Board related to accounting for and reporting of a local government's tangible capital assets.

### Performance Measures

Specific indicators used to demonstrate how the local government is doing in relation to delivering target customer and technical levels of service. They are used to track progress toward asset and financial sustainability. Sometimes referred to as key performance indicators (KPIs).

### Replacement Value

The current replacement cost of an existing asset based on market research and adjusted for inflation.

### Steady State Investment

Steady state investment is the amount required to ensure physical assets to continue to operate as they currently exist. It includes maintenance and like for like renewals. It does not include upgrade of the asset for the purpose of delivering significantly higher levels of performance.

### Useful Life

Either the period over which a tangible capital asset is expected to be used or the volume of goods and/or services the asset is expected to produce or support. Useful life is used in the calculation of depreciation. For example, in straight-line depreciation, an asset depreciates over its useful life.





## STAFF REPORT TO COUNCIL

Council Meeting: JUNE 14, 2016  
500 Matterson Drive, Ucluelet, BC V0R 3A0

---

**FROM:** ABBY FORTUNE, DIRECTOR OF PARKS & RECREATION

**FILE NO:** 8100-20 CANADA DAY

**SUBJECT:** CANADA DAY ROAD CLOSURE

**ATTACHMENT(S):** CANADA DAY POSTER

---

**RECOMMENDATION(S):**

1. **THAT** Council authorizes the closure of Fraser Lane (10:00 a.m. – 4:00 p.m.) in front of the Village Green on Friday, July 1<sup>st</sup>, 2016
2. **THAT** Council attend the Canada Day Festivities and invite the community to join them.

**PURPOSE:**

The purpose of this report is to allow the use of Fraser Lane for the Canada Day festivities on Friday, July 1<sup>st</sup> and to encourage the community to attend.

**BACKGROUND:**

The Ucluelet Parks & Recreation Department will post this information in the appropriate media outlets as well as inform the businesses near the event of the road closure.

**Respectfully submitted:**

Handwritten signature of Abby Fortune in black ink, written over a horizontal line.

Abigail K. Fortune, Director of Parks and Recreation

Handwritten signature of Andrew Yeates in black ink, written over a horizontal line.

Andrew Yeates,  
CAO

*Ucluelet Celebrates*

*On The Village Green*

# CANADA DAY

**Friday, July 1<sup>st</sup>**

**12 - 3 PM**

*Featuring:*

• **COLOUR GUARD** • **CAKE CUTTING**

• **LOCAL MARKET VENDORS**

• **FREE HOT DOG BBQ** • **KIDS' ZONE**

**LIVE MUSIC FROM**

*Kytami*



## STAFF REPORT TO COUNCIL

Council Meeting: JUNE 14, 2016  
500 Matterson Drive, Ucluelet, BC V0R 3A0

**FROM:** JEANETTE O'CONNOR, CHIEF FINANCIAL OFFICER

**FILE NO:** 1830-01 2015

**SUBJECT:** DRAFT FINANCIAL STATEMENTS, 2015

**ATTACHMENTS:** APPENDIX #1 – DRAFT 2015 FINANCIAL STATEMENTS  
APPENDIX #2 – 2015 AUDIT FINDINGS REPORT

**RECOMMENDATION:**

1. **THAT** Council receives and accepts the District of Ucluelet Draft Financial Statements for the year ended December 31, 2015 and the 2015 Audit Findings Report.

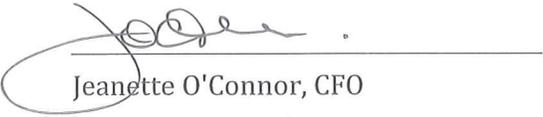
**PURPOSE:**

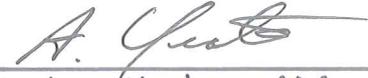
The purpose of this report is to obtain Council's approval of the 2015 Draft Financial Statements. The Canadian auditing standards dictate Council approval must be received prior to the auditor dating and releasing the audit report.

**BACKGROUND:**

The firm of KPMG LLP has completed their audit of the amounts and disclosures in the financial statements for 2015. In the opinion of KPMG LLP the 2015 draft financial statements present fairly, in all material respects, the financial position of the District of Ucluelet as at December 31, 2015 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Respectfully submitted:**

  
\_\_\_\_\_  
Jeanette O'Connor, CFO

  
\_\_\_\_\_  
Andrew Yeates, CAO

Consolidated Financial Statements of

## **DISTRICT OF UCLUELET**

Year ended December 31, 2015

# DISTRICT OF UCLUELET

Consolidated Financial Statements

Year ended December 31, 2015

Index:

Management's Responsibility for the Consolidated Financial Statements	1
Independent Auditors' Report	2
Consolidated Statement of Financial Position	3
Consolidated Statement of Operations	4
Consolidated Statement of Change in Net Financial Assets	5
Consolidated Statement of Cash Flows	6
Notes to Consolidated Financial Statements	7

**MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying consolidated financial statements of the District of Ucluelet (the "District") are the responsibility of management and have been prepared in compliance with applicable legislation, and in accordance with generally accepted accounting standards for local governments as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The District's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the District. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the District's financial statements.

---

*Chief Financial Officer*



**KPMG LLP**  
**Chartered Professional Accountants**  
 St. Andrew's Square II  
 800-730 View Street  
 Victoria BC V8W 3Y7  
 Canada

Telephone (250) 480-3500  
 Fax (250) 480-3539  
 Internet www.kpmg.ca

## INDEPENDENT AUDITORS' REPORT

*To the Mayor and Councillors of The District of Ucluelet*

We have audited the accompanying consolidated financial statements of The District of Ucluelet, which comprise the consolidated statement of financial position as at December 31, 2015, the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The District of Ucluelet as at December 31, 2015, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

Month DD, YYYY  
 Victoria, Canada

# DISTRICT OF UCLUELET

## Consolidated Statement of Financial Position

December 31, 2015, with comparative information for 2014

	2015	2014
<b>Financial assets:</b>		
Cash and cash equivalents	\$ 439,510	\$ 2,574,791
Restricted cash	22,463	27,422
Investments	4,865,830	1,639,358
Accounts receivable (note 3)	874,054	1,358,077
Properties held for sale	34,593	79,998
	<u>6,236,450</u>	<u>5,679,646</u>
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities (note 4)	652,963	767,792
Refundable deposits	41,093	30,066
Deferred revenue (note 5)	355,781	335,493
Development cost charges (note 6)	824,552	811,674
Debt (note 7)	1,774,248	1,863,522
	<u>3,648,637</u>	<u>3,808,547</u>
<b>Net financial assets</b>	2,587,813	1,871,099
<b>Non-financial assets:</b>		
Tangible capital assets (note 8)	36,742,341	37,583,794
Inventory of supplies	24,134	34,134
Prepaid expenses	29,244	59,203
	<u>36,795,719</u>	<u>37,677,131</u>
Commitments and contingencies (note 14)		
<b>Accumulated surplus (note 9)</b>	<u>\$ 39,383,532</u>	<u>\$ 39,548,230</u>

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the District:

\_\_\_\_\_  
Chief Financial Officer

# DISTRICT OF UCLUELET

## Consolidated Statement of Operations

Year ended December 31, 2015, with comparative information for 2014

	Financial plan (note 15)	2015	2014
<b>Revenue:</b>			
Taxation, net (note 10)	\$ 2,579,004	\$ 2,811,136	\$ 2,780,591
Sale of services	1,775,385	1,541,509	1,540,448
Other revenue from own sources	108,050	264,591	285,442
Investment income	-	63,160	39,596
Grants and contributions (note 11)	745,689	598,627	1,197,329
<b>Total revenue</b>	<b>5,208,128</b>	<b>5,279,023</b>	<b>5,843,406</b>
<b>Expenses:</b>			
General government services	1,140,267	1,068,527	911,965
Protective services	486,668	398,005	317,349
Transportation services	1,218,535	1,198,828	1,234,468
Planning and environmental services	298,680	220,320	302,728
Recreation and cultural services	1,412,136	1,451,721	1,275,832
Sewer utility	539,366	559,581	519,226
Water utility	385,934	546,739	566,069
	<b>5,481,586</b>	<b>5,443,721</b>	<b>5,127,637</b>
Annual surplus (deficit)	(273,458)	(164,698)	715,769
Accumulated surplus, beginning of year	39,548,230	39,548,230	38,832,461
<b>Accumulated surplus, end of year</b>	<b>\$ 39,274,772</b>	<b>\$ 39,383,532</b>	<b>\$ 39,548,230</b>

The accompanying notes are an integral part of these consolidated financial statements.

## DISTRICT OF UCLUELET

### Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2015, with comparative information for 2014

	Financial plan (note 15)	2015	2014
Annual surplus (deficit)	\$ (273,458)	\$ (164,698)	\$ 715,769
Acquisition of tangible capital assets	(1,143,700)	(276,526)	(145,910)
Amortization of tangible capital assets	740,000	1,117,979	1,102,120
Loss on disposal of work in progress	-	-	36,134
	(403,700)	841,453	992,344
Net acquisition of inventory of supplies	-	10,000	10,250
Net acquisition (consumption) of prepaid expenses	-	29,959	(29,362)
Change in net financial assets	(677,158)	716,714	1,689,001
Net financial assets, beginning of year	1,871,099	1,871,099	182,098
Net financial assets, end of year	\$ 1,193,941	\$ 2,587,813	\$ 1,871,099

The accompanying notes are an integral part of these consolidated financial statements.

# DISTRICT OF UCLUELET

## Consolidated Statement of Cash Flows

Year ended December 31, 2015, with comparative information for 2014

	2015	2014
Cash provided by (used in):		
<b>Operating activities:</b>		
Annual surplus	\$ (164,698)	\$ 715,769
Items not involving cash:		
Amortization of tangible capital assets	1,117,979	1,102,120
Loss on disposal of work in progress	-	36,134
Actuarial adjustment on debt	(17,564)	(15,460)
Change in non-cash operating assets and liabilities:		
Accounts receivable	484,023	778,658
Properties held for sale	45,405	(48,801)
Accounts payable and accrued liabilities	(114,829)	(133,613)
Refundable deposits	11,027	(4,092)
Deferred revenue	20,288	(530,448)
Development cost charges	12,878	4,746
Inventory of supplies	10,000	10,250
Prepaid expenses	29,959	(29,362)
	<u>1,434,468</u>	<u>1,885,901</u>
<b>Capital activities:</b>		
Acquisition of tangible capital assets	(276,526)	(145,910)
	<u>(276,526)</u>	<u>(145,910)</u>
<b>Investing activities:</b>		
Decrease (increase) in restricted cash	4,959	(772)
Decrease (increase) in investments	(3,226,472)	278,135
	<u>(3,221,513)</u>	<u>277,363</u>
<b>Financing activities:</b>		
Proceeds on debt	-	43,700
Capital lease repaid	(9,993)	(26,648)
Debt repaid	(61,717)	(61,717)
	<u>(71,710)</u>	<u>(44,665)</u>
Increase (decrease) in cash and cash equivalents	(2,135,281)	1,972,689
Cash and cash equivalents, beginning of year	2,574,791	602,102
Cash and cash equivalents, end of year	<u>\$ 439,510</u>	<u>\$ 2,574,791</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 82,929	\$ 82,360
Cash received from interest	60,116	39,596

The accompanying notes are an integral part of these consolidated financial statements.

# DISTRICT OF UCLUELET

## Notes to Consolidated Financial Statements

Year ended December 31, 2015

---

District of Ucluelet (the "District") is a municipality in the Province of British Columbia and operates under the provisions of the Local Government Act and the Community Charter of British Columbia. The District's principal activities include the provision of local government services to residents of the incorporated area.

### 1. Significant accounting policies:

The consolidated financial statements of the District are prepared by management in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

(a) Reporting entity:

The consolidated financial statements reflect the combination of all the assets, liabilities, revenues, expenses, and accumulated surplus of the District. Inter-departmental balances and transactions have been eliminated. The consolidated financial statements of the District also include the activities of the Ucluelet Economic Development Corporation which is owned by the District. The District administers certain trust assets on behalf of external parties which are excluded from the financial statements.

(b) Basis of accounting:

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Government transfers:

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, except when and to the extent the transfer gives rise to an obligation that meets the definition of a liability.

(d) Property tax revenue:

Property tax revenue is recognized on the accrual basis using the approved tax rates and the anticipated assessment related to the current year.

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

---

## 1. Significant accounting policies (continued):

### (e) Deferred revenue:

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired, thereby extinguishing the related liability.

### (f) Development cost charges:

Development cost charges are amounts which are restricted by government legislation or agreement with external parties. When qualifying expenditures are incurred development cost charges are recognized as revenue in amounts which equal the associated expenses.

### (g) Cash and cash equivalents:

Cash and cash equivalents include short-term, highly liquid investments with a term to maturity of 90 days or less at acquisition. Cash equivalents also include investments in the Municipal Finance Authority of British Columbia ("MFA") Money Market Funds which are recorded at cost plus earnings reinvested in the funds.

### (h) Deposits and prepayments:

Receipts restricted by third parties are deferred and recorded as deposits and are refundable under certain circumstances. Deposits and prepayments are recognized as revenue when qualifying expenditures are incurred.

### (i) Employee future benefits:

The District and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and other benefits are available to the District's employees. The costs of these benefits are estimated based on accumulated sick leave and best estimates of future usage and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 1. Significant accounting policies (continued):

### (j) Properties held for sale:

Properties held for sale represent tax sale properties which are ready and available to be sold. They are valued at lower of cost or expected net realizable value. No amortization is recorded on properties held for sale.

### (k) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue, development cost charges and deposits and prepayments is added to the investment and forms part of the liability balance.

### (l) Debt:

Debt is recorded net of related payments and actuarial earnings.

### (m) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

#### (i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The costs, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - years
Buildings	10 - 60
Equipment	5 - 25
Other structures	15 - 50
Roads	20 - 60
Sewer structures	10 - 50
Drainage structures	30 - 50
Water structures	10 - 50

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

---

## 1. Significant accounting policies (continued):

### (m) Non-financial assets (continued):

#### (i) Tangible capital assets (continued)

Amortization is charged annually, including in the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the District's ability to provide goods and services, or when the value of future economic benefits associated with the asset are less than the book value of the asset.

#### (ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

#### (iii) Natural resources

Natural resources that have not been purchased are not recognized as assets in the consolidated financial statements.

#### (iv) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

#### (v) Interest capitalization

The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

#### (vi) Leased tangible capital assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

---

## 1. Significant accounting policies (continued):

(m) Non-financial assets (continued):

(vii) Inventory of supplies

Inventory of supplies held for consumption are recorded at lower of cost and replacement cost.

(n) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets and estimating provisions for accrued liabilities including employee future benefits and contingencies. Actual results could differ from these estimates.

(o) Adoption of new accounting policy:

The District adopted Public Sector Accounting Board Standard PS 3260 Liability for Contaminated Sites effective January 1, 2015. Under PS 3260, contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. This Standard relates to sites that are not in productive use and sites in productive use where an unexpected event resulted in contamination. The District adopted this standard on a retroactive basis and there were no adjustments to surplus as a result of the adoption of this standard.

## 2. Comparative information:

Certain 2014 comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

### 3. Accounts receivable:

	2015	2014
Property taxes	\$ 677,302	\$ 1,100,541
Due from other governments	24,344	54,989
General, business licenses, utilities	124,134	149,538
Other	67,690	53,244
Allowance for doubtful accounts	(19,416)	(235)
	<u>\$ 874,054</u>	<u>\$ 1,358,077</u>

### 4. Accounts payable and accrued liabilities:

	2015	2014
Trade accounts payable	\$ 419,935	\$ 535,708
Salaries and wages payable	66,734	57,541
Accrued employee benefits	115,100	118,418
Due to other governments	26,598	29,879
Accrued interest	13,876	15,442
Other	10,720	10,804
	<u>\$ 652,963</u>	<u>\$ 767,792</u>

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 5. Deferred revenue:

	2015	2014
Hotel resort tax	\$ 302,437	\$ 238,922
Property taxes	29,053	15,226
Grants	13,427	67,218
Other	10,864	14,127
<b>Total deferred revenue</b>	<b>\$ 355,781</b>	<b>\$ 335,493</b>

## 6. Development cost charges:

Development cost charges represent funds received from developers and deposited into a separate reserve fund for capital expenditures. The District records these funds as a liability upon receipt which is then recognized as revenue when the related costs are incurred.

	Opening balance	Net receipts	Draw down	Interest	Closing balance
Roads	\$ 15,480	\$ 1,726	\$ -	\$ 166	\$ 17,372
Storm water	198,145	-	-	2,126	200,271
Sewer	405,850	1,271	-	3,044	410,165
Water	43,781	1,780	-	328	45,889
Parks	148,418	845	-	1,592	150,855
	<b>\$ 811,674</b>	<b>\$ 5,622</b>	<b>\$ -</b>	<b>\$ 7,256</b>	<b>\$ 824,552</b>

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 7. Debt:

- (a) The District issues debt instruments through the Municipal Finance Authority (MFA), pursuant to security issuing bylaws under authority of the Local Government Act, to finance certain capital expenditures.

	Gross debt	Repayments and actuarial earnings	Net debt 2015	Net debt 2014
MFA Issue 117	\$ 1,948,000	\$ 200,366	\$ 1,747,634	\$ 1,800,706
MFA Issue 73	300,000	300,000	-	26,208
Debt	2,248,000	500,366	1,747,634	1,826,914
Capital lease obligations	43,700	17,085	26,614	36,608
	<u>\$ 2,291,700</u>	<u>\$ 517,451</u>	<u>\$ 1,774,248</u>	<u>\$ 1,863,522</u>

As a condition of the borrowing through the MFA, the District is obligated to lodge security by means of demand notes and interest bearing cash deposits based on the amount of the borrowing. The deposits are included in the District's financial statements as restricted cash. If the debt is repaid without default, the deposits are refunded to the District. The notes, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default and are not recorded in the financial statements. Upon the maturity of a debt issue the demand notes are released and deposits refunded to the District. As at December 31, 2015 there were contingent demand notes of \$35,563 (2014 - \$49,094) which are not included in the financial statements of the District.

The loan agreements with the Alberni-Clayoquot Regional District and the MFA provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the MFA's obligations in respect to such borrowings, the resulting deficiency becomes a liability of the District.

- (b) Principal and interest payments on debt for the next five years are as follows:

2016	\$ 110,085
2017	110,085
2018	110,085
2019	110,085
2020	110,085

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 7. Debt (continued):

(c) Interest expense:

Interest paid during the year was \$82,929 (2014 - \$82,360).

(d) The District leases certain municipal hall and fire department equipment under capital lease agreements. The District will acquire ownership of the equipment at the end of the lease term. Principle and interest repayments are due as shown.

2016	\$	9,192
2017		9,192
2018		9,014
		27,398
Less amount representing interest (at a rate of prime plus 1%)		(783)
Present value of net minimum capital lease payments	\$	26,615

**DISTRICT OF UCLUELET**

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

**8. Tangible capital assets:**

2015	Land	Sewer structures	Buildings	Vehicles and equipment	Other structures	Roads	Drainage structures	Water structures	Total 2015
<b>Cost:</b>									
Balance, beginning of year	\$11,588,490	8,628,817	10,923,440	2,432,315	3,070,213	7,541,643	1,559,012	5,461,353	\$51,205,283
Additions	-	34,753	7,710	13,174	50,604	105,293	-	64,992	276,526
Balance, end of year	11,588,490	8,663,570	10,931,150	2,445,489	3,120,817	7,646,936	1,559,012	5,526,345	51,481,809
<b>Accumulated amortization:</b>									
Balance, beginning of year	-	3,745,643	1,713,889	1,305,153	1,256,922	3,087,157	543,215	1,969,510	13,621,489
Amortization	-	206,263	222,808	162,359	140,491	189,083	35,964	161,011	1,117,979
Balance, end of year	-	3,951,906	1,936,697	1,467,512	1,397,413	3,276,240	579,179	2,130,521	14,739,468
Net book value, end of year	\$11,588,490	4,711,664	8,994,453	977,977	1,723,404	4,370,696	979,833	3,395,824	\$36,742,341

**DISTRICT OF UCLUELET**

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

**8. Tangible capital assets (continued):**

2014	Land	Sewer structures	Buildings	Vehicles and equipment	Other structures	Roads	Drainage structures	Water structures	Total 2014
<b>Cost:</b>									
Balance, beginning of year	\$11,588,490	8,432,650	10,905,180	2,388,705	2,928,496	7,540,125	1,559,012	3,948,239	49,290,897
Additions	-	196,167	18,260	43,610	141,717	1,518	-	1,513,114	1,914,386
Balance, end of year	11,588,490	8,628,817	10,923,440	2,432,315	3,070,213	7,541,643	1,559,012	5,461,353	51,205,283
<b>Accumulated amortization:</b>									
Balance, beginning of year	-	3,539,988	1,490,486	1,147,273	1,118,207	2,899,481	507,282	1,816,652	12,519,369
Amortization	-	205,655	223,403	157,880	138,715	187,676	35,933	152,858	1,102,120
Balance, end of year	-	3,745,643	1,713,889	1,305,153	1,256,922	3,087,157	543,215	1,969,510	13,621,489
Net book value, end of year	\$11,588,490	4,883,174	9,209,551	1,127,162	1,813,291	4,454,486	1,015,797	3,491,843	\$37,583,794

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

---

## 8. Tangible capital assets (continued):

### (a) Contributed tangible capital assets:

There were no contributed assets recognized during the year.

### (b) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, the tangible capital asset has been recognized at a nominal value.

### (c) Works of art and historical treasures:

The District manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at District sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

### (d) Write-down of tangible capital assets:

No write-down of tangible capital assets occurred during the year.

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 9. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2015	2014
Investment in tangible capital assets	\$ 34,968,093	\$ 35,720,272
Reserve funds and other surplus	3,377,996	2,922,588
Gas Tax Agreement Reserve	1,037,443	905,370
	<b>\$ 39,383,532</b>	<b>\$ 39,548,230</b>

## 10. Taxation:

Taxation revenue, reported on the statement of operations, is comprised of the following:

	2015	2014
Municipal purposes:		
General	\$ 2,505,444	\$ 2,475,421
Utility	37,942	39,057
Parcel taxes	205,490	203,080
Grants in lieu of taxes	62,260	63,033
	<b>2,811,136</b>	<b>2,780,591</b>
Taxes levied for other authorities:		
School authorities	1,294,023	1,301,315
RCMP	131,218	129,575
Regional Hospital	147,624	173,861
Regional District	249,815	210,465
BC Assessment Authority	31,833	32,628
Vancouver Island Regional Library	98,859	95,251
Municipal Finance Authority	101	100
	<b>1,953,473</b>	<b>1,943,195</b>
<b>Total taxes collected</b>	<b>\$ 4,764,609</b>	<b>\$ 4,723,786</b>

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 11. Grants and contributions:

The District recognizes the transfer of government funding received as revenues in the period that the events giving rise to the transfer occurred and the eligibility criteria have been met. Grants and contributions reported on the statement of operations are comprised of:

	2015	2014
Operating transfers:		
Small communities and equalization payments	\$ 335,609	\$ 204,325
Other	118,094	52,486
	453,703	256,811
Capital transfers:		
Other	27,736	35,148
Gas Tax Agreement Funds	117,188	905,370
	144,924	940,518
<b>Total revenue</b>	<b>\$ 598,627</b>	<b>\$ 1,197,329</b>

The District receives Federal Gas Tax Agreement Funds through an agreement with the Union of BC Municipalities. Effective April 1, 2014 the agreements were revised for all new funding and for amounts unspent from prior periods. The new agreement broadened the scope of eligible expenditures for these funds and eliminated certain potential repayment criteria. These changes resulted in a change in the accounting for such funds and all amounts are now recognized when received. In fiscal 2014, all amounts previously deferred were recognized into revenue, including amounts received in the period.

## 12. Pension plan:

The District and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The plan has about 185,000 active members and approximately 80,000 retired members. Active members include approximately 37,000 contributors from local government.

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 12. Pension plan (continued):

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available later in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The District paid \$115,998 (2014 - \$106,935) for employer contributions to the plan in fiscal 2015.

## 13. Trust funds:

Trust funds administered by the District have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations. The District holds trust funds under British Columbia law for the purposes of maintaining a public cemetery.

	2015		2014	
Opening balance	\$	24,994	\$	24,964
Interest earned		30		30
Ending balance	\$	25,024	\$	24,994

## 14. Commitments and contingencies:

- (a) Debt issued by the Regional District of Alberni Clayoquot ("RDAC"), under provisions of the Local Government Act, is a direct, joint and several liability of the RDAC and each member municipality within the RDAC, including the District.
- (b) In the normal course of a year, claims for damages are made against the District. The District records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The District is self-insured for general liability claims through membership in the Municipal Insurance Association of British Columbia. Under this program, member municipalities are to share jointly for general liability claims against any member in excess of \$5,000. Should the Association pay out claims in excess of premiums received, it is possible that the District, along with the other participants, would be required to contribute towards the deficit.

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

## 15. Financial plan data:

The financial plan data presented in these financial statements is based upon the 2015 operating and capital budgets approved by Council on May 14, 2015. The chart below reconciles the approved financial plan to the financial plan figures reported in these financial statements. Cemetery expenses are included in the financial plan but excluded from annual deficit because these funds are held in trust and not reported in the financial statements of the District (note 14).

	Financial plan amount
Revenues:	
Financial plan	\$ 5,208,128
Total revenue	5,208,128
Expenses:	
Financial plan	5,498,206
Less cemetery expenses	(16,620)
Total expenses	5,481,586
Annual deficit	\$ (273,458)

## 16. Segmented information:

The District is a diversified municipal organization that provides a wide range of services to its citizens. District services are provided by departments and their activities reported separately. Certain functions that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### General government

The general government operations provide the functions of corporate administration and legislative services and any other functions categorized as non-departmental.

### Protective services

Protective services is comprised of three different functions, including the District's emergency management agency, fire, and regulatory services. The emergency management agency prepares the District to be more prepared and able to respond to, recover from, and be aware of, the devastating effects of a disaster or major catastrophic event that will impact the community. The fire department is responsible for providing critical, life-saving services in preventing or minimizing the loss of life and property from fire and natural or man-made emergencies. The mandate of the regulatory services function is to promote, facilitate and enforce general compliance with the provisions of bylaws that pertain to the health, safety and welfare of the community and provide a full range of planning services related to zoning, development permits, variance permits, and current regulatory issues.

# DISTRICT OF UCLUELET

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

---

## 16. Segmented information (continued):

### **Transportation services**

Transportation services is responsible for a wide variety of transportation functions such as roads and streets. As well, services are provided around infrastructure, transportation planning, pedestrian and cycling issues, harbour facilities, and on-street parking regulations, including street signs and painting.

### **Planning and environmental services**

Planning works to achieve the District's community planning goals through the official community plan, and other policy initiatives. Environmental services was established to assist the Emergency, Planning, Public Works, and Recreation Departments with programs associated with the maintenance or improvement of natural ecosystems.

### **Recreation and cultural services**

Parks is responsible for the maintenance and development of all park facilities. Cultural services facilitate the provision of recreation and wellness programs and services.

### **Water and Sewer Utilities**

The Water and Sewer Utilities operate and distribute the water and sewer networks. They are responsible for the construction and maintenance of the water and sewer distributions systems, including mains and pump stations.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1.

**DISTRICT OF UCLUELET**

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

**16. Segmented information (continued):**

2015	General Government	Protective Services	Transportation Services	Planning and Environmental Services	Recreation and Cultural Services	Water Utility	Sewer Utility	Total
<b>Revenue:</b>								
Taxation, net	\$ 2,605,646	\$ -	\$ -	\$ -	\$ -	\$ 80,795	\$ 124,695	\$ 2,811,136
Sale of services	23,193	-	332,286	4,200	275,324	490,600	415,906	1,541,509
Grants and contributions	553,612	15,900	7,000	-	22,115	-	-	598,627
Investment income	63,160	-	-	-	-	-	-	63,160
Other revenue from own sources	120,325	61,376	-	29,223	-	49,624	4,043	264,591
<b>Total revenue</b>	<b>3,365,936</b>	<b>77,276</b>	<b>339,286</b>	<b>33,423</b>	<b>297,439</b>	<b>621,019</b>	<b>544,644</b>	<b>5,279,023</b>
<b>Expenses:</b>								
Salaries and wages	430,442	131,396	308,412	115,774	491,272	238,267	189,661	1,905,224
Contracted services	137,988	33,643	327,861	32,741	158,450	55,475	71,469	817,627
Materials and supplies	62,607	102,466	134,095	3,776	233,992	38,437	24,554	599,927
Interest and other	257,758	70,457	52,143	49,193	169,471	2,350	-	601,372
Audit and legal	112,327	-	15,065	18,836	-	-	-	146,228
Telephone and utilities	42,698	4,256	46,988	-	45,702	49,767	65,953	255,364
Amortization	24,707	55,787	314,264	-	352,834	162,443	207,944	1,117,979
<b>Total expenses</b>	<b>1,068,527</b>	<b>398,005</b>	<b>1,198,828</b>	<b>220,320</b>	<b>1,451,721</b>	<b>546,739</b>	<b>559,581</b>	<b>5,443,721</b>
<b>Annual surplus (deficit)</b>	<b>\$ 2,297,409</b>	<b>\$ (320,729)</b>	<b>\$ (859,542)</b>	<b>\$ (186,897)</b>	<b>\$ (1,154,282)</b>	<b>\$ 74,280</b>	<b>\$ (14,937)</b>	<b>\$ (164,698)</b>

**DISTRICT OF UCLUELET**

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2015

**16. Segmented information (continued):**

2014	General Government	Protective Services	Transportation Services	Planning and Environmental Services	Recreation and Cultural Services	Water Utility	Sewer Utility	Total
<b>Revenue:</b>								
Taxation, net	\$ 2,577,511	\$ -	\$ -	\$ -	\$ -	\$ 79,915	\$ 123,165	\$ 2,780,591
Sale of services	3,376	-	358,647	5,550	271,110	486,892	414,873	1,540,448
Grants and contributions	1,168,856	15,900	7,000	-	5,573	-	-	1,197,329
Investment income	39,596	-	-	-	-	-	-	39,596
Other revenue from own sources	164,704	76,686	-	42,992	-	400	660	285,442
<b>Total revenue</b>	<b>3,954,043</b>	<b>92,586</b>	<b>365,647</b>	<b>48,542</b>	<b>276,683</b>	<b>567,207</b>	<b>538,698</b>	<b>5,843,406</b>
<b>Expenses:</b>								
Salaries and wages	398,300	112,134	300,789	181,916	438,383	237,633	158,819	1,827,974
Contracted services	125,773	31,236	298,242	9,827	141,967	85,215	61,575	753,835
Materials and supplies	12,653	42,493	131,024	5,378	132,429	26,977	25,003	375,957
Interest and other	270,636	73,069	120,885	39,624	164,519	6,748	3,002	678,483
Audit and legal	40,645	2,138	27,170	65,983	-	-	-	135,936
Telephone and utilities	40,150	2,746	42,429	-	46,196	56,639	65,172	253,332
Amortization	23,808	53,533	313,929	-	352,338	152,857	205,655	1,102,120
<b>Total expenses</b>	<b>911,965</b>	<b>317,349</b>	<b>1,234,468</b>	<b>302,728</b>	<b>1,275,832</b>	<b>566,069</b>	<b>519,226</b>	<b>5,127,637</b>
<b>Annual surplus (deficit)</b>	<b>\$ 3,042,078</b>	<b>\$ (224,763)</b>	<b>\$ (868,821)</b>	<b>\$ (254,186)</b>	<b>\$ (999,149)</b>	<b>\$ 1,138</b>	<b>\$ 19,472</b>	<b>\$ 715,769</b>



cutting through complexity

AUDIT

# District of Ucluelet

## Audit Findings Report

### For the year ended December 31, 2015

*KPMG LLP*

kpmg.ca



The contacts at KPMG in connection with this report are:

**Lenora Lee**  
Lead Audit Engagement  
Partner

Tel: (250) 480-3588  
lenoramlee@kpmg.ca

**Elena Elder**  
Audit Manager

Tel: (250) 480-3684  
eelder@kpmg.ca

# Table of Contents

<b>Executive summary</b>	<b>3</b>
<b>Audit risks and results</b>	<b>5</b>
<b>Critical accounting estimates</b>	<b>7</b>
<b>Financial statement presentation and disclosure</b>	<b>8</b>
<b>Other matters</b>	<b>9</b>
<b>Adjustments and differences</b>	<b>11</b>
<b>Control observations</b>	<b>14</b>
<b>Other observations</b>	<b>16</b>
<b>Appendices</b>	<b>18</b>

At KPMG, we are **passionate** about earning your **trust**. We take deep **personal accountability**, individually and as a team, to deliver **exceptional service and value** in all our dealings with you.

At the end of the day, we measure our success from the **only perspective that matters – yours.**

# Executive summary

## Purpose of this report\*

The purpose of this Audit Findings Report is to assist you, as a member of Council, in your review of the results of our audit of the consolidated financial statements of District of Ucluelet as at and for the year ended December 31, 2015.

## Materiality

We determine materiality in order to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. For the current period, we have determined a materiality of **\$150,000**.

## Audit risks and results

As part of our audit planning, we identified **significant financial reporting** risks that, by their nature, require special audit consideration.

By focusing on these risks, we established an overall audit strategy and effectively targeted our audit procedures. We are satisfied that our audit work has appropriately dealt with the risks.

## Critical accounting estimates

Overall, we are satisfied with the reasonability of **critical accounting estimates** taken. The most critical areas of estimates relate to: the amortization of tangible capital assets, employee future benefit liabilities and estimates for contingent liabilities.

## Significant accounting policies and practices

There have been changes to significant accounting policies and practices to bring to your attention. The adoption of the new contaminated sites accounting policy did not result in any liabilities being recognized on a retroactive basis.

## Independence

We are independent with respect to the District within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

## Control and other observations

We identified control deficiencies that we determined to be material weaknesses as well as other observations and recommendations.

*See pages 14-17*

\* This Audit Findings Report should not be used for any other purpose or by anyone other than the Mayor, Council and management of the District. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

# Executive summary (con't)

## Finalizing the audit

We have completed the audit of the consolidated financial statements, with the exception of certain remaining procedures, which include amongst others:

- completing our discussions with Council
- obtaining evidence of Council's approval of the financial statements
- obtaining the signed management representation letter
- completing subsequent event review procedures up to the date of Council approval of the financial statements.

We will update you on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditors' report will be dated upon the completion of any remaining procedures.

\* This Audit Findings Report should not be used for any other purpose or by anyone other than the Mayor, Council and management of the District. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

## Adjustments and differences

One uncorrected audit difference exists related to timing of when a transaction was recorded and is not considered material to the overall financial statements for the 2015 year end.

We identified adjustments that were communicated to management and subsequently corrected in the financial statements. Refer to Appendix 2 for Management's representation letter which includes a summary of corrected audit misstatements.

*See pages 11-13 and Appendix 2*

## Responsibilities of KPMG and management

The objectives of the audit, our responsibilities in carrying out our audit, as well as management's responsibilities, are set out in the engagement letter dated December 11, 2013.

## Other reporting

We have found no other audit matters to report with respect to our audit of Home Owner Grants claims during the year.

In our audit of Provincial School Tax compliance, we noted one late remittance in August as the District was transitioning to electronic payments. All subsequent payments during the year were made by the required timelines.

The District remitted an additional payment for the 2013 grants in lieu of taxes collected to settle previous outstanding payments.

# Audit risks and results

## Materiality

We determine materiality in order to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. The determination of materiality requires judgment and is based on a combination of quantitative and qualitative assessments, including the nature of account balances and financial statement disclosures.

We determine an audit misstatement posting threshold (from materiality) in order to accumulate misstatements identified during the audit.

For the current period, the following amounts have been determined:

Materiality	Audit Misstatement Posting Threshold
\$150,000 which has been set at 2.69% of expenses.	\$7,500, which has been set at 5% of materiality.

Materiality was \$150,000 in the prior year.

Inherent risk of material misstatement is the susceptibility of a balance or assertion to misstatement which could be material, individually or when aggregated with other misstatements, assuming that there are no related controls.

We highlight our significant findings in respect of significant financial reporting risks as well as any additional significant risks identified.

## Significant financial reporting risks

As part of our audit planning, we identified the significant financial reporting risks that, by their nature, require special audit consideration. By focusing on these risks, we established an overall audit strategy and effectively target our audit procedures.

The *significant* financial reporting risks identified during our audit planning are listed below:

### Significant financial reporting risks

### Our significant findings from the audit

Risk of management override:

Required to be identified as a significant risk per professional standards.

We performed the required procedures under professional standards:

- Test all material journal entries made in the preparation of the year-end financial statements, entries potentially related to fraud or management override of controls, and inspect the relevant documentation for authorization and appropriateness
- A retrospective review of estimates, including the assumptions used by management
- Evaluating the business rationale of significant unusual transactions

We are satisfied that our audit work has appropriately dealt with the risk of management override.

# Critical accounting estimates

Asset / liability	Highlights of audit procedures and KPMG comments
Useful lives of tangible capital assets	<ul style="list-style-type: none"> <li>• We recalculated and agreed the tangible capital asset continuity schedules to supporting detail and performed substantive analytical procedures on amortization expense.</li> <li>• We assessed the reasonability and consistency of managements' estimates of useful lives for the various categories of assets.</li> </ul>
Estimates for contingent liabilities	<ul style="list-style-type: none"> <li>• We have performed inquiries with management and reviewed meeting minutes and other documentation.</li> <li>• We have confirmed with external legal counsel the existence and status of known and potential claims that could result in loss to the District.</li> <li>• As at the audit report date, Management estimates there are no legal issues that are likely to result in a measurable future payment for legal settlement costs. Management anticipates that most open claims will be covered by insurance.</li> </ul>
Contaminated sites	<ul style="list-style-type: none"> <li>• We obtained an understanding and assessed the reasonability of management's analysis of sites and consideration of productive versus non-productive.</li> <li>• We performed testing over the completeness and reasonability of identified non-productive sites.</li> <li>• We concur with management's conclusion that a contaminated sites liability does not exist at the finical statement date associated with the adoption of this accounting standard.</li> <li>• Implementation of the standard did not result in any retroactive recognition of liabilities.</li> </ul>

We believe management's process for identifying critical accounting estimates is considered adequate.

# Financial statement presentation and disclosure

The presentation and disclosure of the financial statements are, in all material respects, in accordance with the District's relevant financial reporting framework. Misstatements, including omissions, if any, related to disclosure or presentation items are in the management representation letter included in the Appendices.

## Form, arrangement, and content of the financial statements

- Contaminated Sites
- The Public Sector Accounting Board ('PSAB') issued PS 3260 *Liability for Contaminated Sites* ("PS 3260"), which requires the recognition, measurement and disclosure of liabilities resulting from remediation of contaminated sites effective January 1, 2015.
- Management has included note disclosure related to the adoption of the policy.

## Application of accounting pronouncements issued but not yet effective

- See Appendices for future accounting standards to be adopted by the District.

# Other matters

Professional standards require us to communicate to Council Other Matters, such as identified fraud or non-compliance with laws and regulations, consultations with other accountants, significant matters relating to the District's related parties, significant difficulties encountered during the audit, and disagreements with management.

None of the above described matters were noted.

We have highlighted below other significant matters that we would like to bring to your attention:

Matter	KPMG comment
<p><b>Contaminated Sites</b></p> <ul style="list-style-type: none"> <li>• Management conducted a review of all lands for which the District accepts responsibility to incur future remediation costs.</li> <li>• Three non-productive sites were identified. Two of the sites are forested lots and determined to not contain any contamination. The third site contains a residential home and was obtained from a tax sale. Subsequent to year end, the District commenced the demolition process of this structure.</li> <li>• An assessment of the house indicated asbestos is present, which requires incremental costs to ensure safe disposal.</li> <li>• As airborne contaminants such as asbestos are not in scope under the contaminated sites guidance and no commitment was made before year end to demolish the house, the District has determined there is no liability to recognize in 2015.</li> </ul>	<ul style="list-style-type: none"> <li>• KPMG obtained management's draft contaminated sites policy, gained an understanding of management's assessment process and performed testing over the completeness of the site listings used to conduct the assessment.</li> <li>• We reviewed the Hazardous Material Survey reports performed over the house and noted incremental costs related to asbestos removal.</li> <li>• We noted the timing of when a decision was made to demolish the house occurred after year end.</li> <li>• KPMG concurs with management's conclusion that a contaminated site liability does not exist at the financial statement date.</li> </ul>
<p><b>Reserves</b></p> <p>In past years the District has established various reserve accounts into which surplus has been allocated. The accuracy of the additions and reductions in reserve accounts is not reviewed nor reconciled on a periodic basis.</p>	<ul style="list-style-type: none"> <li>• Disclosure of individual reserve balances is not required in the financial statements under public sector accounting standards, however it is important for accountability purposes for reserve balances to be accurate and monitored routinely.</li> <li>• We recommend that a comprehensive review be performed on these balances and that a policy be put in place to designate statutory reserves and set up recommendations for minimum account balances in line with strategic and community plans.</li> </ul>

#### Retirement of MFA debt

- In 2015, the District repaid in full one of its debts with Municipal Finance Authority (MFA) - issue 73 established under bylaw 813. The amount of principal extended to the District was \$300,000 in 2000.
- In the current year, consistent with the lending agreement, the final payment was made and the debt discharged by MFA.
- KPMG obtained direct confirmation and loan position reports for all MFA debt. The reports confirm the debt has been fully discharged.
- As a result of the repayment of debt issue 73, KPMG proposed journal entries to remove balances from restricted cash, debt reserve funds and related surplus accounts.
- Going forward the District has only one remaining long term debt issue outstanding with MFA. This debt issue, along with outstanding lease balances, comprise the debt balance as presented on the statement of financial position.

# Adjustments and differences

Adjustments and differences identified during the audit have been categorized as Corrected "adjustments" or Uncorrected "differences." These include disclosure adjustments and differences.

Professional standards require that we request of management that all identified adjustments or differences be corrected. We have already made this request of management.

## Corrected adjustments

The management representation letter includes all adjustments identified as a result of the audit, communicated to management and subsequently corrected in the financial statements. We highlight the following adjustments for your attention:

Description	Surplus effect	Financial position effect		
	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Accumulated Surplus (Decrease) Increase
Increase deferred revenue for prepaid property taxes collected in the period	(29,053)	-	29,053	-
To record revenue as a result of CRA GST audit in 2014	22,966	22,966	-	-
To reverse the accrual of Resort Municipality Initiative (RMI) receivable for funds not approved until after year end	(89,857)	(89,857)	-	-
To recognize unearned revenues earned in the period	8,553	-	(8,553)	-
To adjust MFA debt balances to agree to year end confirmation	(1,010)	-	(1,010)	-
To record final school tax payment as a liability at year end	89,153	-	89,153	-

Based on both qualitative and quantitative considerations, management have decided not to correct certain differences and represented to us that the differences—individually and in the aggregate—are, in their judgment, not material to the financial statements.

Description	Surplus effect	Financial position effect		
	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Accumulated Surplus (Decrease) Increase
To record an NSF cheque	-	2,900	(2,900)	-
To adjust accounts payable to the balance noted in subledger	24,788	-	(24,788)	-
To record bad debt expense for property tax receivable on foreshore lease	(19,181)	(19,181)	-	-
To correct entries posted directly to surplus accounts	19,377	-	-	19,377

## Uncorrected differences

The management representation letter includes the Summary of Uncorrected Audit Misstatements, which disclose the impact of all uncorrected differences considered to be other than clearly trivial.

Uncorrected differences are the result misstatements from 2013 which were corrected in the 2015 year. The accumulated surplus at December 31, 2015 is correct as a result of this adjustment.

Description	Surplus effect	Financial position effect		
	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Accumulated Surplus (Decrease) Increase
School tax remittance of grants in lieu collected in 2013 and paid out in 2015	19,536	-	-	(19,536)

---

## Implications of adjustments

Although the adjustments are have no effect on our auditors' report, these adjustments highlight a control deficiency that could cause future financial statements to be materially misstated and/or have a significant implication on the financial reporting process.

The implications of such misstatements on the District's internal control over financial reporting (ICFR) are discussed in the next section of our report "Control Observations."

We concur with management's representation that the unrecorded misstatement is not material to the financial statements. Accordingly, the unrecorded misstatement has no effect on our auditors' report.

# Control observations

## Significant deficiencies

Description	Potential effect
<b>Review and reconciliation of accounts</b>	<p>During the course of the audit, KPMG noted a number of account balances which are not subject to regular review and reconciliation. This resulted in sub-ledger and general ledger differences which were unsupported and unresolved at year end. The differences indicate that financial records of the District were in error throughout the year until corrected during the audit process. Existence of errors throughout the year results in additional resource requirements needed to complete year end, while increasing the complexity and cost of the financial statement audit.</p> <p>KPMG suggests that the finance department prepare reconciliations of all balance sheet accounts on a periodic basis, at least quarterly, to be reviewed and signed off as accurate by management.</p>
<b>Segregation of duties and review of manual journal entries</b>	<p>Through discussion with management and audit procedures performed, KPMG has noted that all levels of finance staff and management are both preparing and posting journal entries. The ability to initiate and approve a journal entry without independent review may result in errors not being detected. The resulting effect may be incorrect use of accounts, opportunity for misappropriation of funds, or unreconciled differences in the financial records.</p> <p>With additional finance personnel now in place, the District can implement a more formalized structure for financial reporting that enhances the controls over accuracy - staff can prepare journal entries to be reviewed by the Finance Manager. The Finance Manager may prepare more complex or unique entries. The Chief Financial Officer (CFO) does not have access to post journal entries, rather only reviews entries posted by others.</p>

In accordance with professional standards, we are required to communicate to Council any control deficiencies that we identified during the audit and have determined to be significant deficiencies in ICFR.

Other control deficiencies may be identified during the audit that do not rise to the level of significant deficiency.

**Chart of accounts**

The District maintains a complex chart of accounts using 8 different capital and operating funds and over 850 separate accounts. The volume of accounts can lead to accounting entries being recorded to incorrect accounts without appropriate monitoring and review. Historically, this structure was necessary, however under current accounting standards, the structure can be simplified significantly. Although the simplification will require transition time and training for staff, an updated chart of accounts would reduce the risk of error in the financial records stemming from inappropriate use of accounts.

**Formalized tangible capital asset policy and sub-ledger**

When acquiring items of a capital nature, the accounting treatment and decisions such as salvage value and useful life is often left to judgment of the individual recording the acquisition rather than following a formalized process. This presents a risk that capital purchases will be recorded incorrectly or not be recorded at all. There is also a risk that similar assets may be amortized over different periods of time. The result is incorrect information when assessing remaining useful life of assets or future funding required to replace existing assets.

Tangible capital assets are currently tracked through a manual spreadsheet that calculates cost, amortization, accumulated amortization, net book value and gains and losses on disposition. Given the significant asset base of the District, the manual spreadsheet has grown to be complex and there is a risk of errors in calculated balances which may lead to inaccurate records, poor asset management and capital planning.

KPMG recommends that the District formalize its capital procedures and policies by creating a tangible capital asset policy which provides for a method of recording purchases, criteria for capitalization (versus expenses), amortization rates, classes of assets, disposals and write-downs. To support this formal policy, and simplify the accounting, we recommend the District consider implementing a capital asset software tracking module and develop a new capital chart of accounts within the general ledger to facilitate to integration of the module or sub-ledger.

# Other observations

The following is a summary of our observations and insights as discussed with management:

During the course of our audit, we identified a number of observations that we believe may be of interest to Council.

Our observations may include comments on risks, and the District's approach to those risks, performance improvement observations, or other industry trends and developments.

These observations are based on, among other things, our understanding of the affairs and processes of the District, as well as our understanding of other local governments.

Observation Item	Discussion
<b>Audit preparation</b>	<p>In fiscal 2016 management communicated their desire to complete the year end audit process and submit financial statements to the Province by the reporting deadline of May 15, 2016. A critical factor in completing the audit and required financial reporting is the preparedness of the records and year end working papers.</p> <ul style="list-style-type: none"> <li>We were challenged to meet the reporting deadline due to the issues noted above regarding unreconciled account balances and errors in financial records during the year. This resulted in a number of audit adjustments required to complete the audit process.</li> <li>As recommended above, regular review and reconciliation of accounts is required to maintain accurate records throughout the year and to ease the workload in preparing the year end working papers.</li> <li>Focused effort throughout the year on account balances, detailed review of manual journal entries and regular reporting to Council will help to facilitate a more efficient year end close and audit process.</li> <li>We are available throughout the year to assist with complex and unusual issues as they arise to ensure financial records are maintained accurately throughout the year rather than corrected through a large volume of adjustments only during the year end audit process.</li> </ul>
<b>Approval of Council expenses</b>	<ul style="list-style-type: none"> <li>We noted the District currently has a process in place whereby Council expenses are reviewed and approved for payment by the CFO. While this process is appropriate for checking the accuracy of expense claims against supporting documentation, it may not detect inappropriate or unusual expenses, as District staff may not question the nature of expenses claimed by Councillors nor be fully informed of the District-related activities approved by Council to be undertaken by Council members.</li> <li>While CFO approval is necessary to facilitate timely reimbursement of claims, best practice would include a periodic review of Council expenses by the Mayor or periodic reporting to Council of training, travel and reimbursed costs related to District business preapproved by Council to be incurred.</li> </ul>

Observation Items previously discussed	Discussion
<b>Quarterly reporting to Council</b>	<p>We discussed development of a process for quarterly presentation of reports to Council as follows:</p> <ul style="list-style-type: none"> <li>• Investments &amp; available cash balances (i.e. cash management report)</li> <li>• Reserve balances</li> <li>• Comparison of budgeted results to actual with explanations of variances</li> </ul>
<b>Policy Development</b>	<p>We discussed development of various formal policies including:</p> <ul style="list-style-type: none"> <li>• Investment policy (guidance on preferred/disallowed investments)</li> <li>• Tangible capital asset policy</li> <li>• Timing and extent of reconciliations</li> <li>• Inventory verification</li> <li>• Reserves and Development Cost Charges</li> </ul>
<b>Cyber security</b>	<ul style="list-style-type: none"> <li>• The landscape is changing and education to individuals within an organization can be critical to protection from cyber criminals. We recommend management remain diligent to the changing landscape and threats to the District.</li> </ul>
<b>Tax Receivable balances</b>	<ul style="list-style-type: none"> <li>• The District carries a large tax receivable balance of approximately 24% of the general tax levy in 2015 (2014 – 40%). While this balance has decreased as compared to last year, improvements in timely collections can still be made. In the current fiscal period, the sale of a property that had a significant delinquent balance was settled, reducing the Tax Receivable balance owing.</li> <li>• We continue to recommend management consider developing and implementing procedures to encourage earlier collection of property taxes to minimize borrowings and manage cash flow for the benefit of the community.</li> </ul>

# Appendices

---

**Appendix 1: Required communications**

---

**Appendix 2: Management representation letter**

---

**Appendix 3: Audit Quality and Risk Management**

---

**Appendix 4: Background and professional standards**

---

**Appendix 5: Current developments**

---

## Appendix 1: Required communications

In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

- **Auditors' report** – the conclusion of our audit is set out in our draft auditors' report which is included in the draft financial statements.
- **Management representation letter** – we will obtain from management at the completion of the annual audit. In accordance with professional standards, a copy of the representation letter is provided to Council in Appendix 2.

## Appendix 2: Management Representation Letter

June 14, 2016

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as "financial statements") of The District of Ucluelet ("the Entity") as at and for the period ended December 31, 2015.

We confirm that the representations we make in this letter are in accordance with the definitions as set out in **Attachment I** to this letter.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

### General:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated December 11, 2013, for:
  - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework
  - b) providing you with all relevant information, such as all financial records and related data and complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of Council and committees of Council that may affect the financial statements, and access to such relevant information
  - c) such internal control as management determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error
  - d) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements

### Internal control over financial reporting:

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which management is aware.

### Fraud and non-compliance with laws and regulations:

- 3) We have disclosed to you:
  - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud
  - b) all information in relation to fraud or suspected fraud that we are aware of and that affects the Entity and involves: management, employees who have significant roles in internal control, or others, where the fraud could have a material effect on the financial statements

- c) all information in relation to allegations of fraud, or suspected fraud, affecting the Entity's financial statements, communicated by employees, former employees, regulators, or others
  - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements
  - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements
- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

**Related parties:**

- 5) We have disclosed to you the identity of the Entity's related parties and all the related party relationships and transactions of which we are aware and all related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

**Estimates:**

- 6) Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

**Misstatements**

- 8) The effects of the uncorrected misstatements described in Attachment II are immaterial, both individually and in the aggregate, to the financial statements as a whole.
- 9) We approve the corrected misstatements identified by you during the audit described in Attachment II.

**Other:**

- 10) We have complied with subsection 2 and 3 of section 124 of Part 8 of the School Act
- 11) We have appropriately prepared the Form C2 – Home Owner Grant: Treasurer/Auditor Certification in accordance with the financial reporting provisions of Section 12(1) of the Home Owner Grant Act.

Yours very truly,

THE DISTRICT OF UCLUELET

---

Andrew Yeates, Chief Administrative Officer

---

Jeanette O'Connor, Chief Financial Officer

## Attachment I – Definitions

### MATERIALITY

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

### FRAUD & ERROR

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

### RELATED PARTIES

In accordance with Canadian public sector accounting standards (PSAB) *related party* is defined as:

- 1) A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').
- 2) A person or a close member of that person's family is related to a reporting entity if that person:
  - a) has control or joint control over the reporting entity;
  - b) has significant influence over the reporting entity; or
  - c) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

An entity is related to a reporting entity if any of the following conditions applies:

- a) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- c) Both entities are joint ventures of the same third party.
- d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- e) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- f) The entity is controlled or jointly controlled by a person identified in (a).
- g) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

In accordance with Canadian public sector accounting standards (PSAB) a *related party transaction* is defined as:

- A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

**Attachment II – Summary of Audit Misstatements**

Preparer	Preparer	Preparer	Reviewer
Reviewer	Reviewer	Post signoff	Post signoff

2015 District of Ucluelet  
 Financial Statements Report  
 Jeanette O'Connor, CF...

Number	Date	Name	Account No	Reference	Amount	Net Income (Loss)	Amount Chg	Recurrence	Misstatement
Net Income (Loss) Before Adjustments						(101,931.45)			
KPMG AJE 1	12/31/2015	MISC OFFICE EXP	1020711490	J10/J20	16,063.28				
KPMG AJE 1	12/31/2015	CURRENT TAXES	1030430000	J10/J20	12,435.06				
KPMG AJE 1	12/31/2015	ARREARS TAXES	1030470000	J10/J20	554.80				
KPMG AJE 1	12/31/2015	UNEARNED REVENUES	1040650000	J10/J20	(29,053.14)				
		To increase the deferred revenue for the preapid proerpty tax installments.							Factual
					0.00	(117,994.73)	(16,063.28)		
KPMG AJE 2	12/31/2015	INPUT TAX CREDITS (LINE 108)	1031130000	J10	22,966.07				
KPMG AJE 2	12/31/2015	MISCELLANEOUS	4010250000	J10	(22,966.07)				
		To correct for not being recorded as additional revenue. Entry related to F2014 CRA decision, recorded in current period.							Factual
					0.00	(95,028.66)	22,966.07		
KPMG AJE 3	12/31/2015	OTHER RECEIVABLE	1030750000	J100. 1	(89,857.00)				
KPMG AJE 3	12/31/2015	RESERVE ACCT - RMI	1041632000	J100. 1	89,857.00				
		To reverse the second RMI PMT received in February of 2016.							Factual
					0.00	(95,028.66)	0.00		
KPMG AJE 4	12/31/2015	MISCELLANEOUS	1012910080	J100	(8,553.46)				
KPMG AJE 4	12/31/2015	UNEARNED REVENUE	1041471000	J100	8,553.46				
		Journal to recognize the unearned revenue from prior periods in this account.							Factual
					0.00	(86,475.20)	8,553.46		
KPMG AJE 5	12/31/2015	MFA ACTUARIAL INTEREST EARNI	1013064000		552.99				
KPMG AJE 5	12/31/2015	MFA ACTUARIAL INTEREST EARNI	1013064000		(141.71)				
KPMG AJE 5	12/31/2015	MFA DRF CASH B/L 829	1037311829		141.71				
KPMG AJE 5	12/31/2015	DEMAND NOTE B/L 829	1044620829		(141.36)				
KPMG AJE 5	12/31/2015	MFA DEBT B/L 829	2040120100		(1,009.52)				
KPMG AJE 5	12/31/2015	MFA DEBT B/L 1074	2040120300		456.53				
KPMG AJE 5	12/31/2015	ACTUARIAL REDUCTIONS	2040250002		141.36				
		To record debt to match the MFA Debt confirmation							Factual
					0.00	(86,886.48)	(411.28)		

District of Ucluelet  
 Year End: December 31, 2015  
 Adjusting Journal Entries  
 Date: 1/1/2015 To 12/31/2015

Preparer	Preparer	Preparer	Reviewer
Reviewer	Reviewer	Post signoff	Post signoff

Number	Date	Name	Account No	Reference	Amount	Net Income (Loss)	Amount Chg	Recurrence	Misstatement
KPMG AJE 6	12/31/2015	NON RESIDENTIAL SCHOOL	1029910300	BB020	80,167.87				
KPMG AJE 6	12/31/2015	POLICING	1029910900	BB020	7,928.69				
KPMG AJE 6	12/31/2015	HOME OWNER GRANTS	1030590000	BB020	(93.99)				
KPMG AJE 6	12/31/2015	OTHER ACCOUNTS PAYABLE	1040750000	BB020	(89,153.98)				
KPMG AJE 6	12/31/2015	OTHER ACCOUNTS PAYABLE	1040750000	BB020	1,151.41				
		To record the final school tax remittance as an expense and a liability for Dec 31, 2015, which was identified in the search for unrecorded liabilities							Factual
					0.00	(174,983.04)	(88,096.56)		
KPMG AJE 7	12/31/2015	DEP'N EXPENSE - BLDGS	1029030100	Q20	(225,488.00)				
KPMG AJE 7	12/31/2015	DEP'N EXPENSE - EQUIP	1029030200	Q20	(152,347.46)				
KPMG AJE 7	12/31/2015	DEP'N EXPENSE - ROADS	1029030300	Q20	(140,761.00)				
KPMG AJE 7	12/31/2015	DEP'N EXPENSE - DRAINAGE	1029030400	Q20	(190,306.00)				
KPMG AJE 7	12/31/2015	DEP'N EXPENSE - OTHER	1029030500	Q20	(35,694.00)				
KPMG AJE 7	12/31/2015	ACCUM DEP'N - BLDGS	2030150001	Q20	225,488.00				
KPMG AJE 7	12/31/2015	ACCUM DEP'N - EQUIP	2030190001	Q20	152,347.46				
KPMG AJE 7	12/31/2015	ACCUM DEP'N - ROADS	2030470001	Q20	140,761.00				
KPMG AJE 7	12/31/2015	ACCUM DEP'N - DRAINAGE	2030550001	Q20	190,306.00				
KPMG AJE 7	12/31/2015	ACCUM DEP'N - OTHER STRUCTU	2030790001	Q20	35,694.00				
		The reversal of depreciation and accum. depreciation. Journal reference number (25YE15)							Factual
					0.00	569,613.42	744,596.46		
KPMG AJE 8	12/31/2015	DEP'N EXPENSE - BLDGS	1029030100		222,592.00				
KPMG AJE 8	12/31/2015	DEP'N EXPENSE - EQUIP	1029030200		152,347.46				
KPMG AJE 8	12/31/2015	DEP'N EXPENSE - ROADS	1029030300		189,917.00				
KPMG AJE 8	12/31/2015	DEP'N EXPENSE - DRAINAGE	1029030400		35,694.00				
KPMG AJE 8	12/31/2015	DEP'N EXPENSE - OTHER	1029030500		140,761.00				
KPMG AJE 8	12/31/2015	ACCUM DEP'N - BLDGS	2030150001		(222,592.00)				
KPMG AJE 8	12/31/2015	ACCUM DEP'N - EQUIP	2030190001		(152,347.46)				
KPMG AJE 8	12/31/2015	ACCUM DEP'N - ROADS	2030470001		(189,917.00)				
KPMG AJE 8	12/31/2015	ACCUM DEP'N - DRAINAGE	2030550001		(35,964.00)				
KPMG AJE 8	12/31/2015	ACCUM DEP'N - OTHER STRUCTU	2030790001		(140,491.00)				
		The correct the depreciation and accum. depreciation to reflect the contunity schedule. Journal reference number (25YE15)							Factual
					0.00	(171,698.04)	(741,311.46)		

District of Ucluelet  
 Year End: December 31, 2015  
 Adjusting Journal Entries  
 Date: 1/1/2015 To 12/31/2015

Preparer	Preparer	Preparer	Reviewer
Reviewer	Reviewer	Post signoff	Post signoff

Number	Date	Name	Account No	Reference	Amount	Net Income (Loss)	Amount Chg	Recurrence	Misstatement
KPMG AJE 9	12/31/2015	Amortization - protective services	KPMG1	Q10	55,787.00				
KPMG AJE 9	12/31/2015	Amortization - GG	KPMG2	Q10	24,707.00				
KPMG AJE 9	12/31/2015	MISC OFFICE EXP	1020711490	Q10	1.00				
KPMG AJE 9	12/31/2015	DEP'N EXPENSE - BLDGS	1029030100	Q10	(10,735.00)				
KPMG AJE 9	12/31/2015	DEP'N EXPENSE - EQUIP	1029030200	Q10	(72,872.00)				
KPMG AJE 9	12/31/2015	Amortization expense, Water	4029030000	Q10	1,431.00				
KPMG AJE 9	12/31/2015	Amortization expense, Sewer	6029030000	Q10	1,681.00				
		to reclassify amortization per segmented expenses for presentation purposes (KPMG only)							Factual
					0.00	(171,698.04)	0.00		
PBC AJE 16	12/31/2015	Lease (interest), PW 3/4 Ton Pickup	1029533402		(5,139.00)				
PBC AJE 16	12/31/2015	SURPLUS/DEFICIT	1041670000		5,139.00				
		remap - interest payments to expense account - F2014 incorretly mapped to surplus, remapped in F15, adj here to fix PY FS (F15 IMPACT TO SURPLUS)							Factual
					0.00	(166,559.04)	5,139.00		
PBC AJE 17	12/31/2015	DUE TO/FROM GOF (PARK DED)	3030112100	G21	(55,500.00)				
PBC AJE 17	12/31/2015	DUE TO/FROM GOF (PARKING RE)	3030113000	G21	4,150.00				
PBC AJE 17	12/31/2015	DUE TO/FROM GOF (EQUIP RESE)	3030115000	G21	(30,300.00)				
PBC AJE 17	12/31/2015	DUE TO/FROM GOF (SOCIAL RESE)	3030117500	G21	(16,500.00)				
PBC AJE 17	12/31/2015	SOCIAL RESERVE - EQUITY	3040071200	G21	16,500.00				
PBC AJE 17	12/31/2015	PARK DEDICATION RESERVE - EC	3040072100	G21	55,500.00				
PBC AJE 17	12/31/2015	PARKING RESERVE - EQUITY	3040073000	G21	(4,150.00)				
PBC AJE 17	12/31/2015	EQUIPMENT RESERVE - EQUITY	3040075000	G21	30,300.00				
		2014 correct YE surplus / due to from accounts							
					0.00	(166,559.04)	0.00		
PBC AJE 18	12/31/2015	DUE TO/FROM WATER OPERATIN	1030950000	G20	256.00				
PBC AJE 18	12/31/2015	DUE TO/FROM SEWER OPERATIN	1030990000	G20	(2,373.13)				
PBC AJE 18	12/31/2015	DUE TO/FROM GOF (PARK DED)	3030112100	G20	(71,606.48)				
PBC AJE 18	12/31/2015	DUE TO/FROM GOF (EQUIP RESE)	3030115000	G20	(30,299.94)				
PBC AJE 18	12/31/2015	DUE TO/FROM GOF (EQUIP RESE)	3030115000	G20	(217.12)				
PBC AJE 18	12/31/2015	EQUIPMENT RESERVE - EQUITY	3040075000	G20	71,606.48				
PBC AJE 18	12/31/2015	EQUIPMENT RESERVE - EQUITY	3040075000	G20	30,299.94				

2015 District Financial Statements Report Jeanette O'Connor, CF...

**District of Ucluelet**  
**Year End: December 31, 2015**  
**Adjusting Journal Entries**  
**Date: 1/1/2015 To 12/31/2015**

G3-3

Preparer	Preparer	Preparer	Reviewer
Reviewer	Reviewer	Post signoff	Post signoff

Number	Date	Name	Account No	Reference	Amount	Net Income (Loss)	Amount Chg	Recurrence	Misstatement
PBC AJE 18	12/31/2015	EQUIPMENT RESERVE - EQUITY	3040075000	G20	217.12				
PBC AJE 18	12/31/2015	FROM OTHER FUNDS	4010550100	G20	(256.00)				
PBC AJE 18	12/31/2015	TRANSFER FROM GENERAL REVE	6010390000	G20	2,373.13				
		due to/from balancing entry per PBC							
					0.00	(166,559.04)	0.00		
PBC AJE 19	12/31/2015	OFFICE SERVICES	1010430001	G19	(3,194.61)				
PBC AJE 19	12/31/2015	MISC OFFICE EXP	1020711490	G19	3,194.61				
PBC AJE 19	12/31/2015	Land 1301 Pine Street	2023907501	G19	3,194.61				
PBC AJE 19	12/31/2015	GENERAL GOVT SERVICES-LAND	2030110000	G19	(3,451.00)				
PBC AJE 19	12/31/2015	DUE TO/FROM GENERAL OPERAT	2040030000	G19	(3,194.61)				
PBC AJE 19	12/31/2015	EQUITY IN FIXED ASSETS	2040150000	G19	3,451.00				
		Land sale incorrectly reversed from misc office expense and double recorded in TCA							
					0.00	(166,559.04)	0.00		
PBC AJE 20	12/31/2015	OFFICE SERVICES	1010430001		3,194.61				
PBC AJE 20	12/31/2015	MISC OFFICE EXP	1020711490		(3,194.61)				
		correct coding errors							
					0.00	(166,559.04)	0.00		
PBC AJE 21	12/31/2015	OFFICE SERVICES	1010430001		(229.90)				
PBC AJE 21	12/31/2015	TAX SALE LAND - SUBJECT TO RE	1035210000		229.90				
		to reconcile tax sale land account							
					0.00	(166,329.14)	229.90		
PBC AJE 22	12/31/2015	PROVINCIAL PROPERTIES	1010300000		(1,434.00)				
PBC AJE 22	12/31/2015	GRANTS IN LIEU OF TAX	1030550000		1,434.00				
		correct coding error rev not rec							
					0.00	(164,895.14)	1,434.00		
KPMG AJE 10	12/31/2015	BAD DEBTS/NSF	1020991130	J20	19,180.71				
KPMG AJE 10	12/31/2015	ALLOWANCE FOR DOUBTFUL ACC	1030800000	J20	(19,180.71)				

**District of Ucluelet**  
**Year End: December 31, 2015**  
**Adjusting Journal Entries**  
**Date: 1/1/2015 To 12/31/2015**

G3-4

Preparer	Preparer	Preparer	Reviewer
Reviewer	Reviewer	Post signoff	Post signoff

Number	Date	Name	Account No	Reference	Amount	Net Income (Loss)	Amount Chg	Recurrence	Misstatement
		Allowance for delinquent property taxes related to a forshore lease for Wyndansea that will be written off in 2016 once permission by the Province is received			0.00	(184,075.85)	(19,180.71)		
KPMG AJE 11	12/31/2015	BONDS - IN TRUST	1041480000	H1	(57.98)				
KPMG AJE 11	12/31/2015	SURPLUS/DEFICIT	1041670000	H1	87.58				
KPMG AJE 11	12/31/2015	TRUST FUND BALANCE	3540070000	H1	(29.60)				
		to clear trust balance from FS			0.00	(184,075.85)	0.00		
KPMG AJE 12	12/31/2015	FIRE TRUCK - 2001 NEW TRUCK	1029318335		(14,942.18)				
KPMG AJE 12	12/31/2015	MFA ACTUARIAL INTEREST	1029320000		(552.39)				
KPMG AJE 12	12/31/2015	OTHER RECEIVABLE	1030750000		5,661.69				
KPMG AJE 12	12/31/2015	MFA DRF CASH B/L 829	1037311829		(5,661.69)				
KPMG AJE 12	12/31/2015	MFA DRF NOTE B/L 829	1037320829		(13,673.65)				
KPMG AJE 12	12/31/2015	SURPLUS/DEFICIT	1041670000		3,403.55				
KPMG AJE 12	12/31/2015	CASH REQUIREMENT B/L 829	1044610829		5,453.49				
KPMG AJE 12	12/31/2015	CASH REQUIREMENT B/L 1074	1044611074		(738.80)				
KPMG AJE 12	12/31/2015	DEMAND NOTE B/L 829	1044620829		13,673.65				
KPMG AJE 12	12/31/2015	DEBT PRINCIPAL REDUCTIONS	2040250001		14,942.19				
KPMG AJE 12	12/31/2015	ACTUARIAL REDUCTIONS	2040250002		(7,565.86)				
		to close MFA debt issue 829 repaid in full in the period and fix surplus balances			0.00	(184,075.85)	0.00		Factual
KPMG AJE 14	12/31/2015	MISC OFFICE EXP	1020711490		(19,378.00)				
KPMG AJE 14	12/31/2015	SURPLUS/DEFICIT	1041670000		19,378.00				
		post balancing entry			0.00	(164,697.85)	19,378.00		
KPMG AJE 15	12/31/2015	UCC/HUB B/L 1074	1029318365		(46,775.30)				
KPMG AJE 15	12/31/2015	MFA ACTUARIAL INTEREST	1029320000		(17,563.32)				
KPMG AJE 15	12/31/2015	DEBT PRINCIPAL REDUCTIONS	2040250001		46,775.30				
KPMG AJE 15	12/31/2015	ACTUARIAL REDUCTIONS	2040250002		17,563.32				
		Clear debt in surplus accounts to nil. not required in surplus balances							

Preparer	Preparer	Preparer	Reviewer
Reviewer	Reviewer	Post signoff	Post signoff

District of Ucluelet  
 Year End: December 31, 2015  
 Reclassification entries  
 Date: 1/1/2015 To 12/31/2015

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
PBC A/E 1	12/31/2015	ADMIN SALARIES & BENEFITS	1020191100	N/A			1,238.45		
PBC A/E 1	12/31/2015	ADMIN WAGES & BENEFITS	1020231110	N/A			324.28		
PBC A/E 1	12/31/2015	ADMIN WAGES & BENEFITS	1020231110	N/A			70.89		
PBC A/E 1	12/31/2015	SALARIES & BENEFITS - UVFB	1022031100	N/A			400.00		
PBC A/E 1	12/31/2015	PW ADMIN - SALARIES & BENEFITS	1023391100	N/A			400.00		
PBC A/E 1	12/31/2015	PW ADMINISTRATION - WAGES & BENEFITS	1023431110	N/A		137.25			
PBC A/E 1	12/31/2015	SALARIES & BENEFITS	1025511100	N/A			400.00		
PBC A/E 1	12/31/2015	PARKS & GROUNDS - WAGES & BENEFITS	1026311110	N/A			400.00		
PBC A/E 1	12/31/2015	SALARIES & BENEFITS	1028751100	N/A			400.00		
PBC A/E 1	12/31/2015	P/R DED - M S P	1041150000	N/A			137.25		
PBC A/E 1	12/31/2015	MSA & EHB	1041150010	N/A			2,620.67		
PBC A/E 1	12/31/2015	MSA & EHB	1041150010	N/A		324.28			
PBC A/E 1	12/31/2015	LIFE/AD&D/LTD	1041150020	N/A		2,620.67			
PBC A/E 1	12/31/2015	LIFE/AD&D/LTD	1041150020	N/A			70.89		
PBC A/E 1	12/31/2015	WCB PAYABLE	1041194000	N/A		3,238.45			
		First payroll accrual amount for MSP, Extended Bens, etc. (currently received and entered into the GL)							Factual
PBC A/E 2	12/31/2015	DEP'N EXPENSE - BLDGS	1029030100			216.08			
PBC A/E 2	12/31/2015	DEP'N EXPENSE - EQUIP	1029030200			10,011.54			
PBC A/E 2	12/31/2015	DEP'N EXPENSE - ROADS	1029030300				833.82		
PBC A/E 2	12/31/2015	DUE TO/FROM GENERAL CAPITAL FUND	1030830000				9,393.80		
PBC A/E 2	12/31/2015	ACCUM DEP'N - BLDGS	2030150001				216.08		
PBC A/E 2	12/31/2015	ACCUM DEP'N - EQUIP	2030190001				10,011.54		
PBC A/E 2	12/31/2015	ACCUM DEP'N - ROADS	2030470001			833.82			
PBC A/E 2	12/31/2015	DUE TO/FROM GENERAL OPERATING FUND	2040030000			9,393.80			
PBC A/E 2	12/31/2015	WATER DEPRECIATION EXPENSE	4020180100				110.28		
PBC A/E 2	12/31/2015	DUE TO/FROM WATER CAPITAL FUND	4030090000			110.28			
PBC A/E 2	12/31/2015	ACCUM DEP'N - WATER STRUCTURES	5030070001			110.28			
PBC A/E 2	12/31/2015	DUE TO/FROM WATER OPERATING FUND	5040030000				110.28		
PBC A/E 2	12/31/2015	SEWER DPRECIATION EXPENSE	6020180100			23.24			
PBC A/E 2	12/31/2015	ACCUM DEP 'N - SEWER STRUCTURES	7030110001				23.24		
		To record adjustments to amortization in order to match amortization values to prior year's continuity schedule FS.							Factual
PBC A/E 3	12/31/2015	MISCELLANEOUS	1012910080	J10			3,946.02		
PBC A/E 3	12/31/2015	GST REBATES (LINE 111)	1031110000	J10		10,286.41			
PBC A/E 3	12/31/2015	GST REFUND CLAIMED (LINE 114)	1031190000	J10			6,340.39		
		GST AR 2015 Allocation for Q4 2015							Factual

District of Ucluelet  
 Year End: December 31, 2015  
 Reclassification entries  
 Date: 1/1/2015 To 12/31/2015

Preparer	Preparer	Preparer	Reviewer
Reviewer	Reviewer	Post signoff	Post signoff

Number	Date	Name	Account No	Reference Annotation	Debit	Credit	Recurrence	Misstatement
PBC AJE 4	12/31/2015	RESERVE FOR FUTURE EXP	1041630000	N/A		133.79		
PBC AJE 4	12/31/2015	RESERVE ACCT -TSUNAMI GRANT	1041633000	N/A	133.79			
		Interest allocation to the correct account						Factual
PBC AJE 5	12/31/2015	TRSF TO WORKING RESERVE (RFFE)	1029660000	N/A	9,904.46			
PBC AJE 5	12/31/2015	RESERVE FOR FUTURE EXP	1041630000	N/A		9,904.46		
		To transfer MIA revenue to reserve for future expenditures (MIA Dividends)						Factual
PBC AJE 6	12/31/2015	ADMIN WAGES & BENEFITS	1020231110	CC105		210.66		
PBC AJE 6	12/31/2015	SALARIES & BENEFITS - UVFB	1022031100	CC105		33.17		
PBC AJE 6	12/31/2015	PW ADMIN - SALARIES & BENEFITS	1023391100	CC105		611.07		
PBC AJE 6	12/31/2015	PW ADMIN - SALARIES & BENEFITS	1023391100	CC105		406.39		
PBC AJE 6	12/31/2015	PW ADMINISTRATION - WAGES & BENEFITS	1023431110	CC105		497.62		
PBC AJE 6	12/31/2015	PW ADMINISTRATION - WAGES & BENEFITS	1023431110	CC105		398.09		
PBC AJE 6	12/31/2015	SALARIES & BENEFITS	1025511100	CC105		191.75		
PBC AJE 6	12/31/2015	SALARIES & BENEFITS	1028751100	CC105		537.43		
PBC AJE 6	12/31/2015	WAGES & BENEFITS (REC)	1028751110	CC105		331.75		
PBC AJE 6	12/31/2015	OTHER BENEFITS ACCRUAL	1041030000	CC105	3,317.45			
PBC AJE 6	12/31/2015	DISTRIBUTION SYSTEM-WAGES & BENEFITS	4020301110	CC105		49.76		
PBC AJE 6	12/31/2015	LIFT STATIONS-WAGES & BENEFITS	6020871110	CC105		49.76		
		To increase the accrual for sick time, banked OT, and vacation.						Factual
PBC AJE 7	12/31/2015	SALARIES & BENEFITS	1025511100			617.47		
PBC AJE 7	12/31/2015	PARKS & GROUNDS - WAGES & BENEFITS	1026311110			87.30		
PBC AJE 7	12/31/2015	ACCRUED PAYROLL	1040830000			180.00		
PBC AJE 7	12/31/2015	P/R DED - MUN. SUPERANN	1041110000		617.47			
PBC AJE 7	12/31/2015	A/P UNION DUES	1041130000		87.30			
PBC AJE 7	12/31/2015	RRSP DED'N	1041160040		180.00			
		Late entry for RRSP deductions, superannuation and union dues.						Factual
PBC AJE 8	12/31/2015	PW YARD & BUILDING-MATERIAL & SUPPLIE	1024111200		4,771.00			
PBC AJE 8	12/31/2015	ROADS - MATERIALS & SUPPLIES	1024311200		11,655.81			
PBC AJE 8	12/31/2015	DUE TO/FROM GENERAL CAPITAL FUND	1030830000			16,698.07		

Preparer	Preparer	Preparer	Reviewer
Reviewer	Reviewer	Post signoff	Post signoff

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
PBC AJE 8	12/31/2015	VILLAGE GREEN UPGRADE	2023023501				16,426.81		
PBC AJE 8	12/31/2015	GENERAL GOVT SERVICES-BUILDINGS	2030150000				4,771.00		
PBC AJE 8	12/31/2015	ROADS	2030470000				11,655.81		
PBC AJE 8	12/31/2015	DUE TO/FROM GENERAL OPERATING FUND	2040030000			16,698.07			
PBC AJE 8	12/31/2015	EQUITY IN FIXED ASSETS	2040150000			16,426.81			
PBC AJE 8	12/31/2015	TREATMENT-MATERIALS & SUPPLIES	4020952299			271.26			
PBC AJE 8	12/31/2015	DUE TO/FROM WATER CAPITAL FUND	4030090000				271.26		
PBC AJE 8	12/31/2015	FUTURE CAPITAL PROJECTS (PROVISIONAL	5021999001				271.26		
PBC AJE 8	12/31/2015	DISTRIBUTION SYSTEM	5030070000				271.26		
PBC AJE 8	12/31/2015	DUE TO/FROM WATER OPERATING FUND	5040030000			271.26			
PBC AJE 8	12/31/2015	EQUITY IN FIXED ASSETS	5040190000			271.26			
		To adjust TCA cost to match PY FS opening balances.							Factual
PBC AJE 9	12/31/2015	INTEREST ON INVESTMENTS	6010150000	G15			3,043.88		
PBC AJE 9	12/31/2015	MISCELLANEOUS	6020191400	G15		3,043.88			
		to reclassify interest earned to revenues, previously recorded in an expense account							Factual
PBC AJE 10	12/31/2015	C.I.B.C. #92-01718	1030230000	G16		2,899.82			
PBC AJE 10	12/31/2015	TAX CLEARING ACCOUNT	1042803000	G16			2,899.82		
		to record NSF cheque							Factual
PBC AJE 12	12/31/2015	ACCOUNTS PAYABLE	1040670000			24,787.99			
PBC AJE 12	12/31/2015	MISCELLANEOUS	4010250000				24,787.99		
		PBC entry to write off unsupported AP's in the GL.							
PBC AJE 13	12/31/2015	TRANSFER FROM PARKING RESERVE	1013730000	G17		20,000.00			
PBC AJE 13	12/31/2015	PARKING RESERVE - EQUITY	3040073000	G17			20,000.00		
		to record reversal of duplicate transfer to parking reserve							
PBC AJE 14	12/31/2015	MISC OFFICE EXP	1020711490	G18			3,451.00		
PBC AJE 14	12/31/2015	DUE TO/FROM GENERAL CAPITAL FUND	1030830000	G18		3,451.00			
PBC AJE 14	12/31/2015	SURPLUS/DEFICIT	1041670000	G18		3,451.00			
PBC AJE 14	12/31/2015	EQUITY IN FIXED ASSETS	2040150000	G18			3,451.00		

**District of Ucluelet**

Year End: December 31, 2015

Unadjusted Audit Differences

Date: 1/1/2013 To 12/31/2013

Preparer	Preparer	Preparer	Reviewer
Reviewer	Reviewer	Post signoff	Post signoff

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
KPMG PY	12/31/2013	MISC OFFICE EXP	1020711490	G8		19,536.33			
KPMG PY	12/31/2013	SURPLUS/DEFICIT	1041670000	G8			19,536.33		
F2013 grant in lieu of taxes remittances paid out in F2015 as a result of School tax audit. Noted through review of misc detail review									
						<b>19,536.33</b>	<b>19,536.33</b>		
<b>Net Income (Loss)</b>			<b>0.00</b>						

# Appendix 3: Background and professional standards

## Internal control over financial reporting

As your auditors, we are required to obtain an understanding of internal control over financial reporting (ICFR) relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

Our understanding of ICFR was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies and other control deficiencies have been identified. Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors.

The control deficiencies communicated to you are limited to those control deficiencies that we identified during the audit.

Terminology	Definition
<b>Deficiency in internal control</b>	A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when: (a) a control necessary to meet the control objective is missing; or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.
<b>Significant deficiency in internal control</b>	A significant deficiency in internal control is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet is of sufficient importance to merit the attention of those charged with governance.
<b>Material weakness in internal control</b>	A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's annual financial statements will not be prevented or detected and corrected on a timely basis.

# Appendix 4: Current developments

## Developments in Canadian Public Sector Accounting Standards:

Standard	Summary and implications
<b>Related Party Transactions and Inter-entity Transactions</b>	<ul style="list-style-type: none"> <li>• Two new Handbook sections were approved in December 2014, effective for fiscal years beginning on or after April 1, 2017.</li> <li>• Related parties include entities that control or are controlled by a reporting entity, entities that are under common control and entities that have shared control over or that are subject to shared control of a reporting entity.</li> <li>• Individuals that are members of key management personnel and close members of their family are related parties. Disclosure of key management personnel compensation arrangements, expense allowances and other similar payments routinely paid in exchange for services rendered is not required.</li> <li>• Determining which related party transactions to disclose is a matter of judgment based on assessment of:               <ul style="list-style-type: none"> <li>• the terms and conditions underlying the transactions;</li> <li>• the financial significance of the transactions;</li> <li>• the relevance of the information; and</li> <li>• the need for the information to enable users' understanding of the financial statements and for making comparisons.</li> </ul> </li> <li>• A related party transaction, with the exception of contributed goods and services, should normally be recognized by both a provider organization and a recipient organization on a gross basis.</li> <li>• Related party transactions, if recognized, should be recorded at the exchange amount. A public sector entity's policy, budget practices or accountability structures may dictate that the exchange amount is the carrying amount, consideration paid or received or fair value.</li> </ul>
<b>Assets, Contingent Assets and Contractual Rights</b>	<ul style="list-style-type: none"> <li>• Three new Handbook sections were approved in March 2015, effective for fiscal years beginning on or after April 1, 2017.</li> <li>• The intended outcome of the three new Handbook Sections is improved consistency and comparability.</li> <li>• The standard includes enhanced guidance on the definition of assets and disclosure of assets to provide users with better information about the types of resources available to the public sector entity.</li> <li>• Disclosure of contingent assets and contractual rights is required to provide users with information about the nature, extent and timing of future assets and potential assets and revenues available to the public sector entity when the terms of those contracts are met.</li> </ul>
<b>Restructurings</b>	<ul style="list-style-type: none"> <li>• A new Handbook section was approved in March 2015, effective for fiscal years beginning on or after April 1, 2018.</li> <li>• A restructuring transaction is a transfer of an integrated set of assets and/or liabilities, together with related responsibilities for program delivery or administrative operations, that does not involve a payment or other consideration that approximates the fair value of what is transferred.</li> </ul>

	<ul style="list-style-type: none"> <li>• The new standard requires the transferor remove the assets and liabilities transferred from its books at their carrying amount at the restructuring date. The recipient would recognize the assets and liabilities received at their carrying amount with applicable adjustments at the restructuring date. Both the transferor and the recipient would recognize the net effect of the transfer and any compensation involved as revenue or an expense.</li> <li>• Restructuring-related costs are recognized as expenses when incurred.</li> <li>• Financial information prior to the restructuring date would not be restated.</li> </ul>
<b>Revenue</b>	<ul style="list-style-type: none"> <li>• PSAB is proposing a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. A Statement of Principles was issued in 2013 and comments are currently under deliberation.</li> <li>• A request for information is under development and expected for release in 2015. Adoption of these principles would result in a need to assess current accounting policies.</li> <li>• In the case of revenues arising from an exchange, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations.</li> <li>• For unilateral revenues, recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.</li> </ul>
<b>Asset Retirement Obligations</b>	<ul style="list-style-type: none"> <li>• A new standard is under development addressing the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. Retirement costs would be recognized as an integral cost of owning and operating tangible capital assets. PSAB current contains no specific guidance in this area.</li> <li>• In August 2014, a Statement of Principles was issued with responses and feedback solicited by November 2014.</li> <li>• PSAB is currently deliberating responses and an exposure draft is under development, expected for release in the 2016.</li> </ul>
<b>Conceptual Framework</b>	<ul style="list-style-type: none"> <li>• A consultation paper was issued on the conceptual framework and closed in August 2015. A Statement of Principles anticipated in 2016 which includes a number of presentation recommendations to enhance accountability objective of public sector financial statements.</li> <li>• A new “Statement of Comprehensive Financial Results” replaces the Statement of Operations and Statement of Remeasurement Gains and Losses.</li> <li>• Revenues and expenses to be grouped to show the net results of services.</li> <li>• Below net results of services, non-operating items presented such as: grants recognized for the acquisition of tangible capital assets, unrealized remeasurement gains and losses, and unusual transactions.</li> <li>• Grants received for the purpose of a tangible capital asset used to provide services for a defined number of years proposed to be recognized in operating revenue as the liability is settled.</li> </ul>
<b>Financial Instruments</b>	<ul style="list-style-type: none"> <li>• Effective for governments for fiscal years beginning on or after April 1, 2019.</li> <li>• This standard requires that all financial instruments that are equity instruments and trade in an active market or derivatives be recorded at fair value.</li> <li>• The standard requires that all other financial instruments are recorded at cost but permits the option of fair value for any financial instruments that are managed and reported at fair value.</li> <li>• This standard also includes a requirement to identify and report embedded derivatives separate from the host contract with an option to value the full contract which includes the embedded derivatives at fair value.</li> </ul>

**[kpmg.ca](http://kpmg.ca)**

KPMG LLP, an Audit, Tax and Advisory firm ([kpmg.ca](http://kpmg.ca)) and a Canadian limited liability partnership established under the laws of Ontario, is the Canadian member firm of KPMG International Cooperative (“KPMG International”). KPMG member firms around the world have 162,000 professionals, in 155 countries.

The independent member firms of the KPMG network are affiliated with KPMG International, a Swiss entity. Each KPMG firm is a legally distinct and separate entity, and describes itself as such.

© 2015 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved.

The KPMG name, logo and “cutting through complexity” are registered trademarks or trademarks of KPMG International.



## STAFF REPORT TO COUNCIL

Council Meeting: JUNE 14, 2016  
500 Matterson Drive, Ucluelet, BC V0R 3A0

**FROM:** DAVID DOUGLAS, MANAGER OF FINANCE.

**FILE NO:** 3900-25 BYLAW 1186

**SUBJECT:** FEES AND CHARGES BYLAW

**ATTACHMENT(S):** BYLAW NO. 1186, 2016 FEES AND CHARGES BYLAW

### **RECOMMENDATION(S):**

1. **THAT** Council give Bylaw No. 1186, 2016 Ucluelet Fees and Charges Bylaw its FIRST, SECOND and THIRD reading.
- OR**
2. **THAT** Council provide direction to staff concerning Bylaw No. 1186, 2016 Ucluelet Fees and Charges Bylaw.

### **PURPOSE:**

The purpose of this report is to present Council with Bylaw No. 1186, 2016 Fees and Charges Bylaw.

### **BACKGROUND:**

Over the past several months staff and its consultant have been reviewing all the charges the District of Ucluelet charges for services. Staff compared the District's rates with those of Tofino, Port Alberni and other municipalities in BC. With this bylaw we are combining all fees into one bylaw and updating the overall look of our fees and charges bylaw. The recommendations on rates is the final product of our work.

The fees have typically been set on either a cost recovery or a user's ability to pay and have been considered in the context of what comparable fees are charged by other municipalities. There are many changes to rates being recommended and several new charges have been incorporated reflecting our investigation of the services the District provides and where charging a fee is appropriate.

### **SUMMARY AND CONCLUSION:**

Overall revenues to the District will increase this year and in future years depending on the service activity. The District's staff intend on reviewing these fees annually making adjustments where necessary. The annual fee review process including recommendations and Council approval should be completed prior to the end of a year to start on January 1 of the following year.

Respectfully submitted:

A handwritten signature in blue ink, appearing to read "David M. Douglas", written over a horizontal line.

DAVID DOUGLAS, MANAGER OF FINANCE

A handwritten signature in black ink, appearing to read "A. Yeates", written over a horizontal line.

Andrew Yeates, CAO

## DISTRICT OF UCLUELET

### Bylaw No. 1186, 2016

A bylaw to authorize the fixing of fees and charges for various city services

---

WHEREAS the Council of the District of Ucluelet is empowered and authorized pursuant to section 194 of the Community Charter to fix the fees, terms and conditions under which services may be supplied and used within the District of Ucluelet; and

WHEREAS the Council deems it desirable and expedient to fix the fees, terms and conditions under which services are supplied and used.

NOW THEREFORE the Council of District of Ucluelet, in open meeting assembled, enacts as follows:

#### Definitions

1. In this bylaw, unless the context otherwise requires:
  - a. **“Service”** means the sale of material or the supply of a service by the District of Ucluelet.
  - b. **“District”** means the District of Ucluelet.
  - c. **“Due date”** means the date shown on the invoiced which shall be no less than thirty (30) days from the invoice date to fall on a date the District Administration Office is regularly open.
  - d. **“Owner”** means the legal owner or registered lessee of and real property who has the right of access to and control of any land, building or premise to which any of the provision of this bylaw apply.

#### General Conditions

2. All fees and charges, as set out in Schedules A – P hereto attached and forming part of this bylaw, are hereby imposed and levied by the District, and shall be payable at the District Administration Office.
3. All fees and charges as set forth by this bylaw shall be due and payable on or before the due date and/or prior to the delivery of goods and services.
4. The fees and charges levied or imposed under the provisions of this bylaw, as set out in Schedules A – P, are a special charge upon the lands or real property in respect of which the materials are supplied or used.
5. All fees and charges levied or imposed under the provisions of this bylaw as set out in Schedules A – P, in addition to any other remedies, may be levied, collected and recovered from the Owner charged or used in the same manner and subject to the same incidents as taxes upon land and improvements.

#### Administrative Provisions

- 6. This bylaw hereby repeals “Ucluelet Administrative Fees and Charges Bylaw No. 980, 2005” and all amendments thereto.
- 7. This bylaw may be cited for all purposes as the “District of Ucluelet Fees and Charges Bylaw No. 1186, 2016”.
- 8. This bylaw sets out a 20% administrative fee to be applied to fees and charges identified as “actual costs”.
- 9. This bylaw sets out fees and charges with respect to other District bylaws and where such other bylaws contain similar fees and charges, this bylaw is deemed to prevail.

Severability

- 10. If any appendix, section, paragraph or phrase of this bylaw is for any reason held to be invalid by a decision of a Court of competent jurisdiction, such decision will not affect the validity of the remaining portions of this bylaw.

**READ A FIRST TIME** this day \_\_\_ of \_\_\_\_\_, 2016

**READ A SECOND TIME** this day \_\_\_ of \_\_\_\_\_, 2016

**READ A THIRD TIME** this day \_\_\_ of \_\_\_\_\_, 2016

**ADOPTED** this day \_\_\_ of \_\_\_\_\_, 2016

**CERTIFIED A TRUE AND CORRECT COPY** of the “District of Ucluelet Fees and Charges Bylaw No. 1186, 2016”.

\_\_\_\_\_  
 Dianne St. Jacques,  
 Mayor

\_\_\_\_\_  
 Andrew Yeates,  
 CAO

**THE CORPORATE SEAL** of the District of Ucluelet was hereto affixed in the presence of:

\_\_\_\_\_  
 Andrew Yeates,  
 CAO

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'A' General and Administrative

Fees

Plus GST

**Financial Services**

N.S.F. Charges	\$35.00	No
N.S.F. Charges - US Funds Cheques	Current Bank Charge	No
Financial Notice reprints - Invoices, & Utility Notices	\$5.00	No
Certificates of Outstanding taxes(to other than the owner)	\$40.00	No
Copy of Tax notice	\$40.00	No
BC online Searches	\$40.00	No

**Miscellaneous Services**

Ucluelet Logo Pins	Free	No
Ucluelet Logo Key Chains - each	Free	No

**Photocopying/Faxing/information searches**

8 1/2 x 11	\$0.50 per page	Yes
8 1/2 x 14	\$0.50 per page	Yes
11 x 17	\$0.75 per page	Yes
8 1/2 x 11 Colour	\$1.00	Yes
8 1/2 x 14 Colour	\$1.00	Yes
Faxing (to send a fax)	\$4.00 (first page) \$1.00 (each additional page)	Yes
Faxing (to receive a fax)	\$2.00 (first page) \$0.50 (each additional page)	Yes
Historical Information, research of District records that involves staff time in excess of 15 minutes		Yes
- First hour or portion of	\$40.00	
- Each additional 15 minutes	\$10.00	Yes

**Copies of Bylaws & Plans**

Official Community Plan Bylaw (Includes copy of map)	\$50.00	Yes
Subdivision Bylaw	\$60.00	Yes
Zoning Bylaw	\$50.00	Yes
Zoning Map (Large, Colour)	\$50.00	Yes
Arial Maps	\$70.00	Yes

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'B' Public Works

	Fees	Plus GST
<b>Machine Operation/Labour</b>		
All rates for during regular work hours		
Parks/Public Works Labour      Labour - per hour	\$65.00	No
Supervisor - per hour	\$85.00	No
Public Works Machine Time    Backhoe - Per hour	\$95.00	Yes
5 ton truck - per hour	\$95.00	Yes
Pick-up - per hour	\$50.00	Yes
Lawn Tractor - per hour	\$75.00	Yes

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'C' Building inspection

Fees

Plus GST

**Building Permit Fees**

Damage Deposit(held for damage of District property)	\$1,000.00	No
A damage deposit fee is required in accordance with Section 18.2 of Bylaw 1165, 2014 and payment must be in the form of a cheque provided at the time the Building Permit fee is paid.		
The fees payable for a permit for construction, addition, extension, alteration and repair of any building or any other work requiring a permit and not specifically listed here shall be as follows:		
Proposed Value of Work:		
Up to a value of \$1,000	\$100.00	No
Plus For each \$1,000 or fraction thereof	\$8.00	No

Where the District relies under Section 11 of bylaw No. 1165, 2014 on Professional Plan Certification in issuing a Building Permit, the fees payable for a Building Pennit shall be reduced in accordance with Section 11.4 of bylaw No. 1165, 2014 .

When a permit is issued pursuant to this bylaw, but construction has not commenced, 75% of the permit fee may be refunded to the applicant upon application for the cancellation of the permit, provided no refund in the amount of less than \$25.00 shall be made.

Plus fee for total value of works to rehabilitate the structure in accordance with "Valuation" section of this Schedule.

Re-inspection fee	\$65.00	No
Excavation permit only	\$50.00	No
Demolition Permit	\$50.00	No
Building moving fee	\$200.00	No
Plus fee for total value of works to rehabilitate the structure in accordance with "Building Permit Fees"		
Extension of permits with a construction value of \$50,000.00 or less	\$50.00	No
Extension of building permits with a construction value greater than \$50,000.00.	\$100.00	No
Plan checking fee	\$130.00 for the first hour, \$65.00 per hour after	No
Plumbing inspection fee	\$ 8.00 per fixture	No

**Valuation**Single Family Dwelling

The estimated value of the proposed work is the estimated value of construction as determined in accordance with the Marshall & Swift, "Marshall & Swift Valuation Service" or "Residential Cost Handbook", as applicable and as amended from time to time, using "average" quality of construction.

Other Construction

Commercial Buildings (owner built) – the estimated value of the proposed work is the estimated value of construction as determined in accordance with the Marshall & Swift, "Marshall & Swift Valuation Service" or "Residential Cost Handbook", as applicable and as amended from time to time, using "average" quality of construction.

Commercial Buildings (other than owner built)	Contract Value	No
Pools (including required fencing)	Contract Value	No

## District of Ucluelet Fees and Charges Bylaw No. 1186

**Schedule 'D' Planning and Development**

Fees

Plus GST

**Subdivision**

Application Fee	\$800.00 plus \$ 150.00 per lot	No
Fee for each Strata Phase	\$500.00	Yes
Fee for each Strata Phase revision	\$150.00	Yes
Strata Conversion of Previously Occupied Building	\$500.00	Yes

**Zoning and Official Community Plan Application Fees**

Official Community Plan Amendment	\$1,600.00 plus \$500.00 per Ha. over 1 Ha. plus public hearing fee	Yes
Zoning Bylaw Amendment (Text and/or Map)	\$1,000.00 plus \$500.00 per Ha. over 1 Ha. plus public hearing fee	Yes
The Public Hearing fees shall be refundable if Council declines to advance the application to a Public Hearing		

**Development**

Minor Development Permit	\$300.00	No
Development Permit	\$1,000.00 plus \$500.00 per Ha. over 1 Ha.	No
Development Variance permit	\$600.00 plus \$500.00 public notice fee	No
Temporary Use Permit	\$350.00 plus \$500.00 public notice fee	No
Reissuance of an expired Development Permit	\$400.00	No
Reissuance of an expired Development Variance Permit	\$400.00	No

**Board of Variance**

Application	\$600.00	Yes
-------------	----------	-----

**Subdivision Servicing**

Administration fee (% of construction value)	1%	No
--	----	----

**Liquor-Primary Establishments**

Application fee	\$250.00	Yes
Application Fee & Public process fee	\$250.00 plus \$500 public notification fee	Yes
Changes to License - application fee	\$250.00 plus \$500 public notification fee	Yes
Confirmation of Occupant Load - application fee	\$200.00	Yes
Special occasion license	\$100.00	Yes

**Mobile vending**

Application Fee	\$150.00	No
-----------------	----------	----

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'D' Planning and Development cont'd

Plus GST

Fees

**Other**

Public Hearing Fee	\$700.00	No
Public Notification fee	\$500.00	no
Land Title Search (When not provided at time of application)	\$30.00	yes
Plotter printing fees for all documents over 11' x 17'	\$4.50 per sq foot	Yes
Location certificate	Actual cost	Yes
Appraisals	Actual cost	yes
Legal fees and Survey costs	Actual cost	yes
Any additional legal and/or Survey costs which are required in the processing of any of the applications listed in this fee schedule will be born by the applicant including but not limited to the preparation and registration of restrictive covenants, land use contract amendments, statutory rights of way, road closure and disposition.	Actual cost	Yes

## District of Ucluelet Fees, Rentals and Charges Bylaw No. 1186

## Schedule 'E' Filming Fees

Fees

Plus GST

## Filming Fees Schedule

Film Application Fee	\$100.00	Yes
Daily Use Fee	\$0.00	Yes

## Stafftime, if provided

- General Services	\$ 65.00 per hour	No
- Fire Crew	\$ 65.00 per hour	No

## Equipment

- Fire Tanker Truck	\$ 65.00 per hour	No
- Rescue Vehicle	\$ 65.00 per hour	No
- Service Vehicle	\$ 65.00 per hour	No
Clean-up/Damage Deposit	\$5,000.00 Minimum	No

## District of Ucluelet Fees and Charges Bylaw No. 1186

**Schedule 'F' Animal Control**

Fees

Plus GST

**License and Pound Fees**

## License Fees

Spayed or Neutered dog	\$25.00	No
Unspayed or Unneutered dog	\$40.00	No
Kennel License	\$100.00	No
Temporary boarding permit	\$10.00	No

**Licenses Purchased after July 1st**

Spayed or Neutered dog	\$15.00	No
Unspayed or Unneutered dog	\$25.00	No

**Pound Fees**

Seizing and impounding any licensed dog	\$40.00 (plus \$10.00 per day)	No
Seizing and impounding any unlicensed dog	\$60.00 (plus \$10.00 per day)	No
Seizing and impounding any dog a subsequent time within a three month period (in addition to the above fee)	\$100.00 (plus \$10.00 per day)	No
Seizing and impounding a vicious dog (Per offence)	\$400.00	No

## District of Ucluelet Fees, Rentals and Charges Bylaw No. 1186

## Schedule 'G' Fireworks

Fees

Plus GST

## Fireworks Fees

	Fees	Plus GST
Fireworks Vender Permit	\$50.00	No
Fireworks Discharge permit	\$50.00	No

## District of Ucluelet Fees and Charges Bylaw No. 1186

<b>Schedule 'H' Cemetery</b>	Price	Care fund	Total	Plus GST
Cemetery lot (Plus care fund)	\$500.00	\$ 175.00	\$ 675.00	No
Cremated remains lot (Plus care fund)	\$200.00	\$ 50.00	\$ 250.00	No

**Services****Opening and closing of grave for burial**

Cemetery lot Opening & closing	\$800.00	No
Cremated remains lot	\$250.00	No

**Opening and closing grave for Exhumation**

Cemetery lot Opening & closing	\$1,500.00	No
Cremated remains lot	\$500.00	No

**Additional fees:**

Burials after 4:00 p.m., Monday to Friday	\$350.00	No
Burials on Saturday, Sunday or Statutory Holiday	\$450.00	No
Transfer of License	\$25.00	No
Grave liners	\$700.00	Yes
Field of Honour - Crosses	\$45.00	No

**Installation of Memorials****Granite**

20 cm x 28 cm ( 8" x 12")	(\$10.00)	\$150.00	\$ 25.00	\$175.00	No
25 cm x 45 cm ( 10" x 16")	(\$10.00)	\$175.00	\$ 25.00	\$200.00	No
30 cm x 50 cm ( 12" x 20")	(\$10.00)	\$200.00	\$ 25.00	\$225.00	No
45 cm x 75 cm ( 18" x 30")	(\$10.00)	\$225.00	\$ 25.00	\$250.00	No

**Bronze**

20 cm x 28 cm ( 8" x 12")	(\$10.00)	\$200.00	\$ 25.00	\$225.00	No
25 cm x 45 cm ( 10" x 16")	(\$10.00)	\$225.00	\$ 25.00	\$250.00	No
30 cm x 50 cm ( 12" x 20")	(\$10.00)	\$250.00	\$ 25.00	\$275.00	No
45 cm x 75 cm ( 18" x 30")	(\$10.00)	\$275.00	\$ 25.00	\$300.00	No
Removal for engraving and reinstallation of memorials		\$200.00			No
- re-install in concrete add		\$50.00			No

**Memorial Book Marker**

Book Marker plaque, engraved and installed	\$200.00	No
--	----------	----

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'I' Parks & Recreation

## Facility &amp; Equipment Rentals

Rooms	Commercial fee	Non-commercial Non- Profit Fee		Plus GST
<b>Council Chambers</b>				
Four Hours	\$100.00	\$ 75.00		Yes
Day rate	\$250.00	\$ 125.00		Yes
<b>Community Room</b>				
Per hour	\$35.00	\$ 25.00		Yes
half day (4 hours)	\$75.00	\$ 50.00		Yes
full day (8 hours)	\$125.00	\$ 90.00		Yes
<b>Activity Room 1</b>				
Per hour	\$30.00	\$ 20.00		Yes
half day (4 hours)	\$55.00	\$ 40.00		Yes
full day (8 hours)	\$105.00	\$ 70.00		Yes
<b>Activity Room 2</b>				
Per hour	\$30.00	\$ 20.00		Yes
half day (4 hours)	\$55.00	\$ 40.00		Yes
full day (8 hours)	\$105.00	\$ 70.00		Yes
<b>Activity Room 1 &amp; 2</b>				
Per hour	\$40.00	\$ 30.00		Yes
half day (4 hours)	\$85.00	\$ 75.00		Yes
full day (8 hours)	\$165.00	\$ 130.00		Yes
Event/Dance *	\$230.00	\$ 180.00		Yes
Damage Deposit *	\$150.00	\$ 150.00		No
<b>Arts &amp; Crafts Room</b>				
Per hour	\$35.00	\$ 25.00		Yes
half day (4 hours)	\$55.00	\$ 40.00		Yes
full day (8 hours)	\$105.00	\$ 70.00		Yes

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'I' Parks & Recreation cont'd

Facility & Equipment Rentals	Commercial fee	Non-commercial Non- Profit Fee	Cleaning Fee	Plus GST
------------------------------	-------------------	-----------------------------------	--------------	----------

**Fitness Studio**

Per hour	\$35.00	\$ 25.00		Yes
half day (4 hours)	\$65.00	\$ 50.00		Yes
full day (8 hours)	\$125.00	\$ 75.00		Yes

**Main Hall**

Per hour	\$80.00	\$ 50.00		Yes
half day (4 hours)	\$230.00	\$ 200.00		Yes
full day (8 hours)	\$405.00	\$ 350.00		Yes
Event/Dance *	\$460.00	\$ 410.00		Yes
Damage deposit *	\$250.00	\$ 250.00		No

**Kitchen**

Per hour	\$45.00	\$ 35.00		Yes
half day (4 hours)	\$65.00	\$ 50.00		Yes
full day (8 hours)	\$125.00	\$ 100.00		Yes

**Event/Wedding Rates****Main Hall (includes Kitchen Rental)**

Kid's birthday party (3 - 4 hr)	\$75.00	\$ 50.00	\$ 30.00	Yes
Weddings **		\$ 810.00	\$ 115.00	Yes
Event/Dance *	\$250.00	\$ 200.00	\$ 60.00	Yes
Funeral		\$ 250.00	\$ 60.00	Yes
Damage Deposit **	\$500.00	\$ 500.00		No
Damage Deposit *	\$350.00	\$ 350.00		No

**Activity Room 1 & 2**

Kid's birthday party (3 - 4 hr)	\$35.00	\$ 30.00	\$ 30.00	Yes
Weddings *		\$ 380.00	\$ 115.00	Yes
Event/Dance *	\$230.00	\$ 180.00	\$ 60.00	Yes
Kitchen (booked with Activity Rooms)	\$150.00	\$ 150.00		Yes
Funeral		\$ 150.00	\$ 60.00	Yes

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'I' Parks & Recreation cont'd

## Rec Hall &amp; UAC Hall

	Commercial fee	Non- commercial/Non- Profit Fee	Cleaning Fee	Plus GST
--	-------------------	---------------------------------------	--------------	----------

**Seaplane Base Rec Hall - No Events**

Per hour	\$35.00	\$ 25.00		Yes
3 Hour Rate	\$50.00	\$ 40.00		Yes
Daily hall rental	\$80.00	\$ 70.00		Yes
Day Evening hall rental; 1:00 pm to 12:00 pm	\$150.00	\$ 140.00		Yes
half day (4 hours)	\$80.00	\$ 70.00		Yes
Damage Deposit	\$60.00	\$ 60.00		
full day (8 hours)	\$160.00	\$ 130.00		Yes
Damage Deposit *	\$150.00	\$ 150.00		Yes
Evening Decorating	\$40.00	\$ 30.00		Yes
Additional Clean up time to 6:00 pm (weekends only)	\$40.00	\$ 30.00		Yes

**UAC Hall**

Per hour	\$35.00	\$ 25.00		Yes
3 hours	\$50.00	\$ 45.00		Yes
half day (4 hours)	\$80.00	\$ 75.00		Yes
full day (8 hours)	\$160.00	\$ 130.00		Yes
birthday party (3 - 4 hr)		\$ 30.00	\$ 30.00	Yes
Event	\$230.00	\$ 180.00	\$ 60.00	Yes
Weddings		\$ 350.00	\$ 60.00	Yes
Damage Deposit *	\$150.00	\$ 150.00		No

**Equipment - Other Fees and Charges**

Coffee Service (up to 20 people)	\$20.00	\$ 20.00		Yes
- additional 10 people	\$5.00	\$ 5.00		Yes
Fridge storage	\$15.00	\$ 15.00		
Table Cloth Charge	\$10.00	\$ 10.00		Yes
Tents	\$25.00	\$ 25.00		Yes
Tables	\$10.00	\$ 10.00		Yes
Chairs	\$2.00	\$ 2.00		Yes
BBQ	\$25.00	\$ 25.00		Yes
Damage Deposit - Tables and Chairs (per item)	\$10.00	\$ 10.00		No
Damage Deposit - Tents & Barbeque	\$50.00	\$ 50.00		No
Staff call out to event or wedding (Per hour)	\$65.00	\$ 65.00		

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'I' Parks & Recreation cont'd

Fees

Plus GST

**Program Fees****Adult Fitness**

Drop-in fitness - Adult	\$12.00			Inclusive
Drop-in sports programs	\$2.00			

**Passes**

Punch pass 6	\$60.00			Inclusive
Punch Pass 12	\$120.00			
				Inclusive

**Other**

Toastmasters	\$2.00			Inclusive
--------------	--------	--	--	-----------

**Pottery studio**

One month access	\$40.00			Yes
Two month access	\$70.00			Yes
Three month access	\$100.00			Yes

**Movies**

Adult	\$6.00			Inclusive
Children up to 12 years of age	\$4.00			No

**Field Fees**

Events	\$1,000.00			Yes
Damage Deposit	\$500.00			Yes
Tournaments Per day	\$100.00			Yes
Damage deposit for activity with a liquor License	\$250.00			Yes

**Beach Weddings**

Big Beach	\$50.00			Yes
Terrace Beach	\$50.00			Yes
Little Beach	\$50.00			Yes

**Advertising**

1/6 page advertisement in Supplement	\$50.00			Yes
--------------------------------------	---------	--	--	-----

▪ A 10% administration fee will be charged for persons cancelling their registration PRIOR to the beginning of the program. Exceptions will be at the discretion of the Director of Parks & Recreation.

▪ A 10% administration fee, plus a prorated charge, will be levied to persons who cancel a program AFTER the program has begun.

▪ Full refunds will be given to those who withdraw prior to one weeks' notice of the scheduled program start.

▪ Full refunds will be given in the event that the District of Ucluelet Parks & Recreation Department has cancelled a program.

## District of Ucluelet Fees and Charges Bylaw No. 1186

**Schedule 'J' Harbours**

Fees

Plus GST

**Moorage Rates for small craft harbours, 52 steps and Whiskey Dock**

All Moorage rates are charged per foot (of overall length of vessel)
--

**Charter Operators**

- Daily	N/A	N/A
- Weekly	N/A	N/A
- Monthly	\$7.30	Yes
-Quarterly	N/A	N/A
-Annually	\$50.00	Yes
Whiskey Dock - Daily	\$1.00	N/A

**Commercial Vessels - Fishing and Other**

Must have license issued by Federal regulators

- Daily	\$0.25	Yes
- Weekly	N/A	N/A
- Monthly	\$3.00	Yes
-Quarterly	\$6.00	Yes
-Annually	\$20.00	Yes

**Recreational Vessels**

Recreational (October 1 to March 31)

- Daily	\$0.60	Yes
- Weekly	\$3.65	Yes
- Monthly	\$5.45	Yes
-Quarterly	\$11.00	Yes
-Annually	\$44.55	Yes

Recreational (April 1 to September 30)

- Daily	\$0.90	Yes
- Weekly	\$5.30	Yes
- Monthly	\$7.00	Yes
-Quarterly	\$17.60	Yes
-Annually	\$44.55	Yes

**Reserved Berth**

- Monthly	\$75.00	Yes
-Seasonal (for a 6 month period, season)	\$450.00	Yes

## District of Ucluelet Fees and Charges Bylaw No. 1186

**Schedule 'J' Harbours cont'd**

Fees

Plus GST

**Seaplanes** Moorage rates are charged for tie up periods (dropping off or picking up passengers)

2 Hour period	\$50.00	Yes
Each additional hour	\$25.00	Yes

**Live aboard - Lease Rates**

All Moorage rates are charged per foot (of overall length of vessel)

- Monthly	N/A	N/A
-Quarterly	N/A	N/A
-Annually	\$54.00	Yes

Lease fees for the first three months are non-refundable with the balance refunded at 85% of the unused portion.

**Wharfage Fees**

For Vessels that have not paid a moorage fee within the twenty-four hour period immediately before or after loading or unloading goods and/or persons, other than owner and crew members, at any harbour facility, the wharfage fee is payable in advance.

**Charter vessel**

Per day or part thereof	\$50.00	Yes
Annual Rate	\$1,500.00	Yes

**Commercial Vessel**

Per day or part thereof	\$250.00	Yes
Annual Rate	\$2,000.00	Yes

For Charter Vessels that have paid a moorage fee within the twenty-four hour period immediately before or after loading or unloading goods and/or persons, other than owner and crewmembers, at any harbour facility, the wharfage fee is payable in advance.

**Commercial Vessel**

Per day or part thereof	\$25.00	Yes
Annual Rate	\$500.00	Yes

**Other Business Activities**

For all other businesses operating on or utilizing harbour facilities during the course of business activities, the Wharfage fee is payable in advance.

Per day of part thereof	\$100.00	Yes
-------------------------	----------	-----



## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'K' Signage

Sign Fees	Fees	Plus GST
For each fixed, permanent sign with a sign area up to 3m <sup>2</sup>	\$75.00	No
For each fixed, permanent sign with a sign area exceeding 3m <sup>2</sup>	\$150.00	No
Each temporary sign	\$30.00	No
Sign variance application	\$50.00	No

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'L' Water

Fixed Water Rates	Trimester		Plus GST
Dwelling Unit, per unit (single family, duplex unit, apartment, suites, Guesthouses, etc.)	\$100.00		No
Mobile Home Park - per pad	\$100.00		No
Schools	\$100.00		No
plus, per classroom	\$100.00		No
Bed & Breakfast, Boarding, Lodging & Rooming Houses	\$100.00		No
plus, per room	\$50.00		No
Hotels & Motels	\$192.00		No
plus, per room for let	\$50.00		No
plus, pool charge	\$108.00		No
Restaurants, Cafes, Dining Room, Lounges, Beer Parlours, Pubs			
up to 60 seats	\$656.00		No
over 60 seats	\$784.00		No
Churches	\$192.00		No
Clubs	\$336.00		No
Home Occupations – Hairdressers, Salon/Spa/Beauty Services, Health Services, Daycares, Catering/Food and/or Food, Preparation Services, and other like classifications	\$100.00		No
Plus flat rate	\$32.00		No
Retail Establishments, Banks, Offices & Others not	\$224.00		No
Plus, per square foot gross area	\$0.0352		No
Garage & Service Stations	\$256.00		No
Laundromats	\$224.00		No
plus, per washing machine	\$32.00		No

Metered Water Rates	Minimum Monthly Rate ***	Water Volume Allotment	
Minimum for all meters	\$17.25	20 Cu. M.	No
When monthly allotment is exceeded, additional charges per cubic meter will be	\$0.85		No
Monthly rate for fire lines, per month (Plus water meter charges/day)	\$15.00		No
Rates for outside municipal boundaries, the above minimum monthly rates are multiplied by 1.4			

**Fees for Use of District's Hydrant for Water Supply**

Fee for the initial application for a permit to use a District hydrant	\$75.00		No
For further extension of the initial permit period	\$25.00		No
For Water usage from hydrant (Plus water meter charges/day)	\$10.00		No

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'L' Water cont'd

Turning Off and Turning On of Services	Fees	Plus GST
Permanent turn off (Disconnection) (at water main) (Actual cost including all costs of pavement and sidewalk cut & repairs)	100% of actual cost	No
Temporary turn off (Disconnection) (at property line) (Actual cost including all costs of pavement and sidewalk cut & repairs)	100% of actual cost	No
Temporary turn off / on		
- during regular District working hours	\$30.00 / \$30.00	No
- outside regular District working hours	\$75.00/ \$75.00	No

**Testing of Water Meters**

For 16mm and 19mm (3/4") meter	\$110.00	No
For 25mm (1") meter	\$110.00	No
For 38 (1 1/2") meter	\$110.00	No
For 50 mm (2") meter	\$410.00	No
For 75 mm (3") meter	\$600.00	No
For 100 mm (4") meter	\$600.00	No
For 150 mm (6") meter	\$600.00	No
For meters over 150mm (6")	\$600.00	No

**Removal of Water Meter**

For 19mm water meter	100% of actual cost	Yes
For meter larger than 19mm	100% of actual cost	Yes
Non-Emergency Service Call, after hours	\$200.00	No

**Water Service Connections**

The following fees shall be charged for all water service connections and shall be payable in advance and prior to connection:

## Water tie-in

Installation of water line new connections 19mm (3/4") - 50mm (2") - plus cost of meter, pavement and sidewalk cut repairs	\$3,500.00	Yes
Over 50mm (2") - plus cost of meter, pavement and sidewalk cut repairs	\$4,000.00	Yes

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'M' Sewer

Fixed Sewer Rates	Fees Trimester	Plus GST
Dwellings, per unit (single family, duplex unit, apartment, suites, Guesthouses, etc.)	\$84.00	No
Mobile Home Park, per pad	\$84.00	No
Schools	\$84.00	No
- plus, per classroom	\$84.00	No
Bed & Breakfast, Boarding, Lodging, Rooming Houses,	\$84.00	No
- plus, per room	\$42.00	No
Hotels & Motels	\$84.00	No
- plus, per room for let	\$42.00	No
Restaurants, Cafes, Dining Rooms, Lounges, Beer Parlours, Pubs	\$272.00	No
- plus, per square foot gross area	\$0.0392	No
Churches	\$108.00	No
Clubs, Recreation and Public Halls	\$140.00	No
- plus, per square foot gross area	\$0.0392	No
Home Occupations - Hairdressers, Salon, Spa, Beauty Services, Health, Services, Daycares, Catering/Food, and/or Food Preparation Services, and other like classifications in addition to flat rate for residential	\$28.00	No
Retail Establishments, Banks, Offices and Others not classified herein	\$92.00	No
- plus, per square foot gross area	\$0.0392	No
Garages & Service Stations	\$106.00	No
Laundromats	\$95.00	No
- plus, per washing machine	\$28.00	No
Campgrounds, per site	\$12.00	No
Sani-Stations	\$112.00	No

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'M' Sewer cont'd**Metered Sewer Rates**

## Fees

## Plus GST

Metered sewer rates apply whenever the consumption of water to a connected user is measured and billed by the readings of a water meter.

Volume of waste water is deemed to be 75% of metered water consumption for the period being billed.

Minimum Monthly Rate	\$11.00	No
Sewage volume allotment per month	15 cu/m.	No
The rate charged is applied per cubic meter of waste water after the allotment has been reached	\$0.80	No

**Sewer Connection/Disconnection Fees**

Sanitary Sewer Tie-in	\$2,500.00	Yes
Installation of sanitary sewer 4" pipe or less	\$3,000.00	Yes
Installation of sanitary sewer 6" pipe or less	\$4,000.00	Yes
Over 6 inch pipe - \$ all costs associated with cutting pavement, sidewalks, repairs, plus 10%.		
Disconnection Fee - including pavement/sidewalk repairs	Actual Cost	Yes
Tipping Fee for Trucked Waste, per occasion	\$82.50	No
Inspection Fees: per inspection	\$75.00	No

When a building containing multiple units is being supplied metered service through a common connection line, if each unit has its own certificate of indefeasible title, the minimum usage charge will apply to each unit. Should the building be under one title, only one minimum usage charge will apply.

In the event of a faulty meter or undetected leaks, sewage consumption billing will be calculated on the estimated water consumption per the provisions of the Waterworks Regulation and Charges Bylaw considered together with any current amendments to that bylaw.

Metered water for a dedicated fire service is not subject to sewage charges unless the Metered water for a dedicated fire service is not subject to sewage charges unless the user is drawing water from the fire service connections for purposes other than firefighting. In such a case the sewage will be calculated per the charges laid out in tills bylaw for metered water consumption. The charges will date to the first evidence of such use.

## District of Ucluelet Fees and Charges Bylaw No. 1186

Schedule 'N' Storm

## Fees

**Storm Sewer Connection/Disconnection Fees**

Storm Drain tie-in	\$200.00	Yes
Installation of 4" Storm drain	\$3,500.00	Yes
Installation of 6" Storm drain	\$4,000.00	Yes

## District of Ucluelet Fees and Charges Bylaw No. 1186

<u>Schedule 'O' Environmental</u>	Fees	Plus GST
Garbade tag (Garbage can)	\$3.00	No
Garbage service fee	\$9.00 Per month	No

## District of Ucluelet Fees and Charges Bylaw No. 1186, 2016.

## Schedule 'P' Business Licences

Class	Nature of Business	Particulars	Fee Per Annum (unless otherwise stated)
<b>ACCOMMODATION</b>			<b>FEE</b>
1	Apartment	From any person carrying on the business of renting apartments on a monthly or lease basis	\$150.00
2	Bed & Breakfast	From any person carrying on the business of offering bed & breakfast accommodation	\$225.00 each additional available room \$75.00
3	Campground	From any person carrying on the business of renting campground spaces to transient travellers or vacationers	\$225.00, plus \$5.00 per available site
4	Guesthouse	From any person carrying on the business of offering Guesthouse Accommodations	\$225.00, plus \$10.00 per available room
5	Hostel	From any person carrying on the business of offering Hostel accommodations	\$225.00, plus \$10.00 per available room
6	Hotel	From any person carrying on the business of offering hotel accommodation	\$225.00, plus \$10.00 per available room
7	Motel	From any person carrying on the business of offering motel accommodation	\$225.00, plus \$10.00 per available room
8	Rooming House	From any person carrying on the business of offering for rent three or more rooms in a dwelling unit	\$225.00, plus \$10.00 per available room
9	Trailer Park & Mobile Home Court	From any person carrying on the business of renting permanent spaces for trailers or mobile homes	\$150.00, plus \$5.00 per available site
10	Vacation Rentals	From any person carrying on the business of offering vacation rentals to transient travellers or vacationers	\$225.00, plus \$10.00 per available room
10(b)	Resort Condominium	From any person carrying on the business of offering Resort Condominium rentals to transient travellers and/or vacationers	\$150.00 first unit, plus \$50.00 each additional available unit

**CHARTERS, TOURS, RENTALS**

11	Charters	From any person carrying on the business of fishing boat charters, scenic, nature or adventure tours/charters whether by boat or other form of transportation, and all like businesses not hereinbefore listed.	\$150.00
12	Boat, Kayak, Bicycle Rentals	From any business carrying on the business of rental agency for boats, kayaks, bicycles and any other form of land or water transportation, excepting motor vehicles	\$150.00

**FINANCIAL**

13	Bank or Credit Union	From any person carrying on the business of a banker	\$550.00
14	Other Financial Institution	From any person carrying on the business of Loan, Mortgage, Investment, Finance or Collection Agency or Stockbroker	\$550.00

**INSURANCE, TRAVEL, REAL ESTATE**

15	Insurance Agency	From any person carrying on the business of an insurance agency, including general, life, property or vehicle insurance	\$150.00
16	Property Management	From any Person carrying on the business of property management services	\$150.00
17	Real Estate Agency	From any person carrying on the business of a real estate agency	\$150.00
18	Travel Agency or Booking Agency	From any person carrying on the business of a travel agency or booking or ticket agency	\$150.00

**MOTOR VEHICLES, EQUIPMENT & ASSOCIATES BUSINESS**

19	Service Stations	From any person carrying on the business of vehicle fuel sales and the sale of vehicle accessories	\$150.00
20	Repair Garage	From any person carrying on the business of a garage for the purpose of repairs and service to motor vehicles	\$150.00
21	Auto Body & Painting Shops	From any person carrying on the business of carrying on the business of an auto body and/or auto painting shop	\$150.00
22	Vehicle Sales	From any person carrying on the business of new or used vehicle sales	\$250.00
23	Vehicle Rentals	From any person carrying on the business of renting new or used vehicles	\$250.00
24	Car Wash	From any person carrying on the business of motor vehicle washing	\$150.00

**HOME OCCUPATIONS**

25	Catering or Food and/or Beverage Preparation Services – Home Occupation	From any person carrying on the business of Catering or Food or Beverage Preparation Services and all like classifications not hereinbefore listed, providing services as a Home Occupation.	\$150.00
26	Day Care or Child Care – Home Occupation	From any person carrying on the business of a day care or child care as a Home Occupation – up to eight children	\$150.00
27	Hairdresser / Health Services – Home Occupation	From any person carrying on the business of hairdresser, aesthetician, barber or beautician, and all like classifications not hereinbefore listed, providing services as a Home Occupation.	\$150.00
28	Home Occupations	From any person carrying on the business of a Home Occupation not specifically provided for herein.	\$150.00

**SALES OR PROFESSIONAL SERVICES**

29	Sales - Retail and/or Wholesale 1500 sq. ft. or less	From any business that sells, rents, or offers for sale, whether as a retailer or wholesaler, any goods, wares, merchandise or service not otherwise specifically provided for herein.	\$150.00
	Retail and/or Wholesale Sales Over 1500 sq. ft. but less than 3500 sq. ft.		\$300.00
	Retail and/or Wholesale Sales Over 3500sq. Ft.		\$400.00
30	Consultants or Professionals	From any person carrying on, maintaining, owning or operating any business, trade, occupation, profession, calling, undertaking or things and all like classifications not listed below: Accountant , Optometrist, Architect, Orthodontist, Barrister, Surveyor, Chiropractor Practitioner, Veterinary, Dental Technician Services, Professional, Dentist/Dental Surgeon Services, Consulting, Engineer, Unclassifies, Medical Practitioner	\$150.00

**FOOD/BEVERAGE SERVICES**

31	Neighbourhood Pub, Marine Pub, Brew Pub, Lounge	From any person carrying on the business of a Lounge, Neighbourhood Pub, Marine Pub, Brew Pub and all like classifications not hereinbefore listed, who is the possessor of a license issued pursuant to the Liquor Control and Licensing Act.	\$400.00
32	Dance Hall, Cabaret	From any person carrying on the business of a Dance Hall or Cabaret, and who is the possessor of a license issued pursuant to the Liquor Control and Licensing Act.	\$400.00
33	Licensed Restaurant, Bistro, Café	From any person carrying on the business of a restaurant, bistro, or café and all like classifications not hereinbefore listed, who is the possessor of a license issued pursuant to the Liquor Control and Licensing Act.	\$250.00
34	Unlicensed Restaurant, Bistro, Café	From any person carrying on the business of a restaurant, bistro, or café and all like classifications not hereinbefore listed, who <b>does not</b> possess a license issued pursuant to the Liquor Control and Licensing Act,	\$150.00
35	Catering or Food and/or Beverage Preparation Services	From any person carrying on the business of Catering or Food or Beverage Preparation Services and all like classifications not hereinbefore listed.	\$150.00
36	U-Brew, U-Vin, Licensed Private Liquor Store	From any person carrying on the business of a U-Brew, U-Vin or license private liquor store.	\$150.00

**MISCELLANEOUS**

37	Hairdresser / Beauty Services	From any person carrying on the business of a hairdresser, aesthetician, barber or beautician, and all like classifications	\$150.00
38	Day Care or Child Care Centre	From any person carrying on the business of a Day Care or Child Care Centre - up to eight children - nine or more children	\$150.00 \$250.00
39	Marina	From any person carrying on the business of a marina for boat moorage	\$150.00
40	Promoters of Entertainment or Sporting Events	From any resident business or person carrying on the business of promoting entertainment or sporting events and all like classifications not hereinbefore listed.	\$150.00
41	Fish Processing Plant	From any person carrying on the business of a fish plant where processing of fish or marine products is carried out for resale	\$350.00
42	General Contractor	From any person carrying on the business of building, roofing, plumbing or electrical contracting and all like classifications not hereinbefore listed.	\$150.00

**MISCELLANEOUS Continued**

43	Itinerants	From any non-resident business or person carrying on, maintaining, owning or operating within the District any of the following: Auctioneers, Carnival, Circus, Concert Hall, Dog &/or Cat Show, Exhibitions, Horse or Pony Show, Theatrical Shows (when held in other than a duly licensed theatre) and all other forms of itinerant shows, entertainment, amusement or exhibition not hereinbefore enumerated	\$150.00
<b><i>See Section 12 for additional requirements</i></b>			
44	Spa, Fitness or Exercise Facility	From any person carrying on the business of a Fitness or Exercise Facility or offering Spa Services and all like classifications not hereinbefore listed.	\$150.00
45	Subcontractor	From any person carrying on the business of building, roofing, plumbing, electrical or carpentry subcontractor to a general contractor and all like classifications not hereinbefore listed.	\$125.00
46	Vendors	Council give Bylaw No. 1186, 2016 Ucluelet Fees and Charges Byla	\$25.00 per street market season
47	All Other Businesses	Includes all other resident and non-resident businesses, trades or services not hereinbefore described.	\$150.00
48	Transfer of an existing Business License	Whereby a person relocates his existing business to a new location within the municipality.	\$30.00
<b><i>Note: This fee is not applicable in the case of an ownership change. New owners of an existing business must apply for a new business license and pay the applicable fee.</i></b>			



## STAFF REPORT TO COUNCIL

Council Meeting: June 14<sup>th</sup>, 2016  
500 Matterson Drive, Ucluelet, BC V0R 3A0

**FROM:** JOHN TOWGOOD, PLANNER 1

**FILE NO:** 3360-20

**FOLIO:** 000.025

**REF:** RZ16-05

**SUBJECT:** PROPOSAL TO AMEND ZONING BYLAW NO. 1160, 2013 BY CHANGING THE ZONE DESIGNATION OF A WATER LOT WITH THE LEGAL DESCRIPTION OF DISTRICT LOT 2099 CLAYOQUOT DISTRICT, 19T.729, N51DEGREES 27' 05" E, FROM M-5 ZONE – MARINE RECREATION AND PROTECTION TO M-3 ZONE – MARINE COMMERCIAL.

**ATTACHMENT(S):** APPENDIX A - REZONING APPLICATION SUBMISSION

### **RECOMMENDATION(S):**

**THAT** Council considers approval of one of the following options:

1. **THAT** Zoning Amendment Bylaw No. 1201, 2016 be given First and Second Reading and be advanced to a Public Hearing;

**OR**

2. **THAT** the rezoning application associated with Zoning Amendment Bylaw No. 1201, 2016 be considered and determined not to proceed further.

### **PURPOSE:**

To provide Council with information with respect to an application to rezone a water lot from M-5 Zone – Marine Recreation and Protection to M-3 Zone – Marine Commercial.

### **BACKGROUND:**

An application has been received to rezone the subject water lot directly in front of 1331 Eber Road from M-5 Zone–Marine Recreation and Protection to M-3 Zone–Marine Commercial. This water lot was the subject of a December 8<sup>th</sup>, 2015 report on a possible crown land tenure. The report stated that the subject water lot did not have the correct zoning and the applicant proposed an upland lodge type use that was not supported by current R-1 zoning. Council declined to support the tenure application. The Ministry of Forests, Lands and Natural Resource have completed the referral process and approved the application with the condition that the subject property be rezoned to suit the applications commercial use. The applicant is proposing a Type B Commercial use lease:

*Type B Commercial Use means a use involving the provision of services and characterized by one or more of the following:*

- usually located in rural or remote areas;
- involving relatively minor or non-permanent improvements;
- operating on a seasonal basis;

- *requiring moderate/minimal administrative attention.*

*Examples of Type B Commercial Uses:*

- *boat launching ramps*
- *seasonal marinas*
- *churches*
- *summer kiosks*
- *commercial helipad (exception: helipads authorized under the AT Policy)*
- *sewage disposal site/field for marinas, trailer parks*
- *docks and wharves required for moorage space associated with an upland hotel or motel on private land for which no moorage rate is directly levied.*

*N.B. Both Type A and Type B commercial categories include aquatic land improvements that are associated with the particular use (fills, piling, wharves, docks, moorage, etc.).*

The Applicant has redefined the proposal to the upland use as a strictly single family use and the water lease being more of a seasonal moorage of its commercial charter boats. The applicant has stated that their clients will be pick up at the Whiskey Dock and that there will be no parking on Eber road.

**ANALYSIS:**

The proposed water lot and upland lot are situated between two light industrial uses (Figure 1).

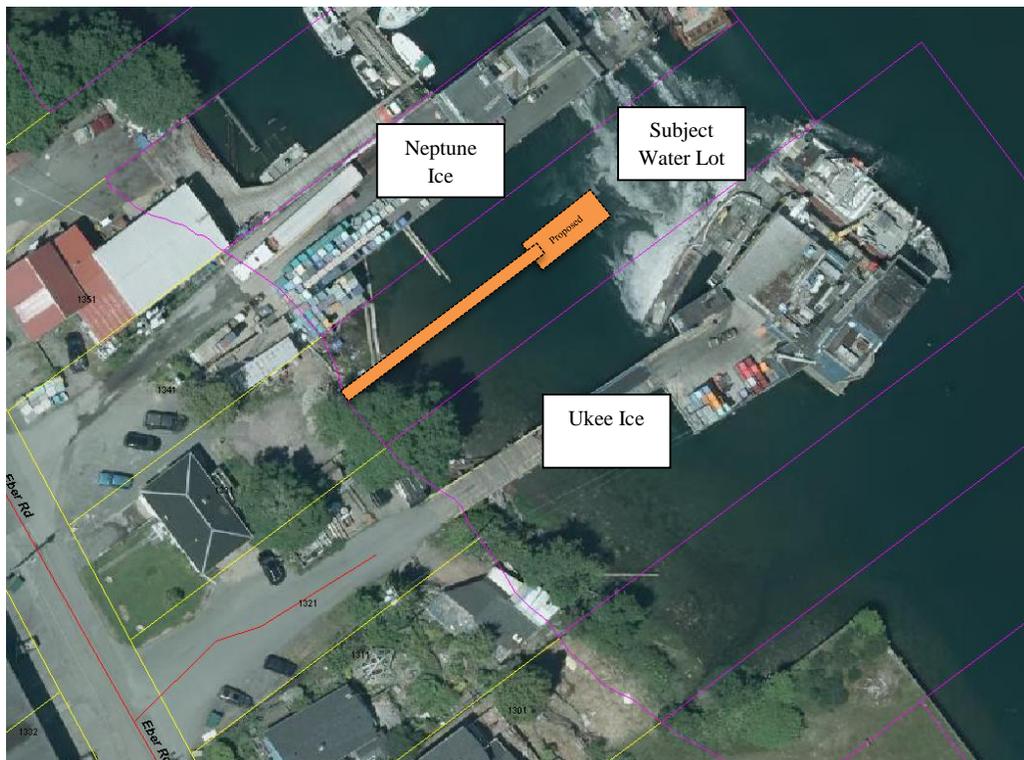


Figure 1

The impact of a seasonal commercial use in this area is mitigated and buffered by these two properties. Even considering a more intensive commercialization of the subject water lot and upland lot such as a B&B with the clients utilizing the dock out front the impact would be minimal.

The Ucluelet harbor is a unique and underutilized community asset and the opportunities to utilize this asset in a commercial context should be thoroughly considered.

**OFFICIAL COMMUNITY PLAN**

The water areas of Ucluelet are generally designated as either:

- Small Craft Harbour (three water lots);
- Water Lot (majority of water lots); or
- Managed Water (remaining water areas not in registered water lots)

The subject water lot is an existing lot and therefore designated as a "Water Lot". The OCP considers moorage, tourist and recreational facilities as future water lot uses. A comprehensive review of all existing water lots uses is contemplated in the OCP but has not been completed and there is no direction to hold development until its completion.

**ZONING**

The subject water lots current zone allows for:

*"Marine Recreation" means non-commercial leisure or recreational activities on or in the water, such as fishing, swimming, boating and water skiing;*

The proposed zone allows the following permitted uses:

- (a) Fish Buying & Selling Stations*
- (b) Recreational Services*
- (c) Marine Recreation*
- (d) Water and Air Transportation*

With the following use specific to this application:

*"Recreational Services" means the commercial use of land, buildings or structures for sports and leisure activities and services, both on and off shore, and includes tours, charters, a health club, spa or swimming pool, specifically excluding a fairground;*

**SUMMARY:**

The Ucluelet harbour has potential to maintain and promote what makes Ucluelet a great place – a place that services the fishing and sport fishing industries, the tourist industry and supports daily recreational enjoyment by many within the community. The use of the harbour as an asset for economic prosperity also needs to be directly weighed against the livability of the surrounding residential neighbourhood. Planning staff consider this proposal both appropriate for the area and modest in impact.

**Respectfully submitted:**



John Towgood, Planner 1



Andrew Yeates,  
CAO

Doug Farrington & Roy Alexander  
PO Box 9, Stn. Main,  
Parksville, B.C.  
V9P 2G3

May 13, 2016

District of Ucluelet  
ATT: Planning Dept & Council

Re: Re-Zoning of Waterlot #2099 located at 1331 Eber Rd. (Lot 20, Block 1, Section 21)

To whom it may concern;

We want to invest in the sport fishing & eco tourism of Ucluelet. We need the waterlot zoned to "commercial use" to coordinate with the tenure lease that the Ministry of Lands has offered us.

Our plan is to build a small wharf to tie our sport/eco boat(s) to while not in use. Our clients would utilize the motels/restaurants/grocery stores that are in town. We would pick them up and drop them off at the Whiskey Dock.

As we are situated between 2 fish plants, we don't foresee that our plans would adversely effect any of our nearest neighbours.

There would be no parking of client vehicles on Eber Rd.

Regards,  
Doug Farrington  
Roy Alexander

**DISTRICT OF UCLUELET**  
**Bylaw No. 1201, 2016**

A bylaw to amend the "District of Ucluelet Zoning Bylaw No. 1160, 2013".

---

**WHEREAS** Section 479 and other parts of the *Local Government Act* authorize zoning and other development regulations;

**AND WHEREAS** the Lease holder of District Lot 2099, Clayoquot District, 19T.729, N51degrees 27' 05" E (the "Lands"), generally as shown highlighted in black on the Schedule 'A' attached to and forming part of this bylaw, has applied to amend the District of Ucluelet Zoning Bylaw No. 1160, 2013 ("Zoning Bylaw") in order to remove the M-5 Zone-Marine Recreation and Protection from the Lands and rezone the lands to M-3 Zone-Marine Commercial;

**NOW THEREFORE** the Council of the District of Ucluelet, in open meeting assembled, enacts as follows;

1. THAT Zoning Bylaw 1160, 2013 be amended by removing the M-5 Zone-Marine Recreation and Protection from the Lands and rezone the lands to M-3 Zone-Marine Commercial;
2. That the Zoning Map of Zoning Bylaw No. 1160, 2013 be updated accordingly.
3. This bylaw may be cited as "Zoning Amendment Bylaw No. 1201, 2016".

**READ A FIRST TIME** this \*\* day of \*\*\*\*, 2016.

**READ A SECOND TIME** this \*\* day of \*\*\*\*, 2016.

**PUBLIC HEARING** held this \*\* day of \*\*\*\*, 2016.

**READ A THIRD TIME** this \*\* day of \*\*\*\*, 2016.

**ADOPTED** this \*\* day of \*\*\*\*, 2016.

**CERTIFIED A TRUE AND CORRECT COPY** of "District of Ucluelet Zoning Amendment Bylaw No. 1201, 2016."

---

Mayor  
Dianne St. Jacques

---

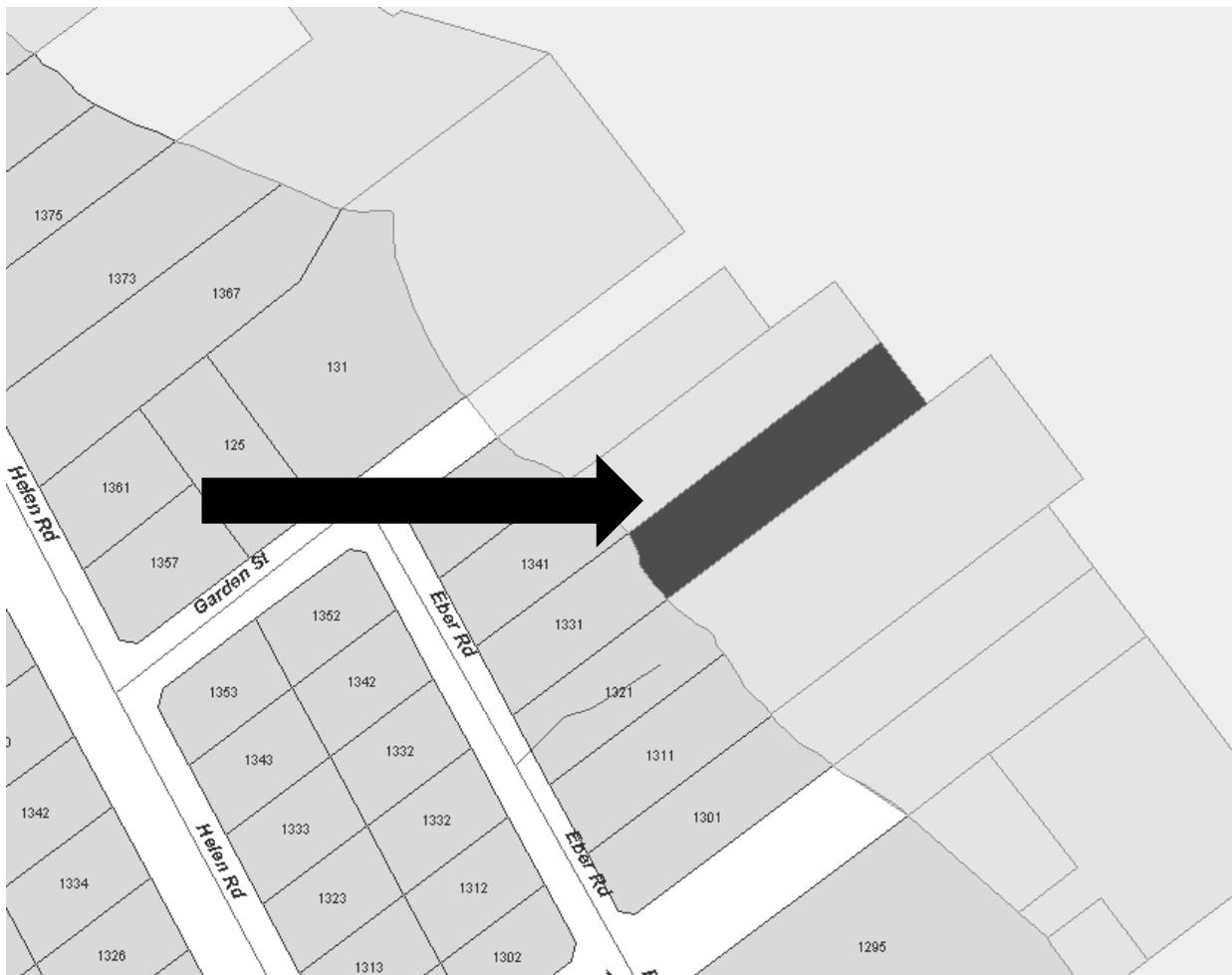
CAO  
Andrew Yeates

**THE CORPORATE SEAL** of the District of Ucluelet was hereto affixed in the presence of:

---

CAO  
Andrew Yeates

**SCHEDULE "A"**  
**Bylaw 1201, 2016**





**Subject:** Attention Mayor Dianne St. Jacques  
**Attachments:** WPFTPD 11x17 Poster2016 R3.pdf; Day 2000 and WPFTPD Day 2016 info.docx

**From:** Bob Purdy [mailto: [REDACTED]]  
**Sent:** June-09-16 10:36 AM  
**To:** Info Ucluelet <[InfoUcluelet@ucluelet.ca](mailto:InfoUcluelet@ucluelet.ca)>  
**Subject:** Attention Mayor Dianne St. Jacques

Hi Mayor St. Jacques,

This coming June 26th I will be hosting World Paddle for the Planet Day in Ucluelet. This is a global event and I would like to invite you to attend our Opening Ceremony.

Once a year I invite paddlers of any type of craft around the World to "pick a change they want to see, paddle for it on WPFTPD Day, then commit to it until it becomes reality". This will be our fifth WPFTPD Day, and in the past we have seen paddles in Abu Dhabi, Australia, Puerto Rico, all over Europe, South Korea, all over South America, Hawaii and all over North America. We have been fortunate to have worldwide coverage and reach a large audience with our message of change and taking better care of our Planet.

We are very excited to be hosting WPFTPD Day in Ucluelet this year, it will be the focal point of our efforts to send a "Wave of Change" around the Planet. We will be paddling from Little beach and our Opening Ceremony will start at 11 a.m. with paddlers taking to the water at 12 noon. All paddlers around the globe will begin their paddles at 12 noon in their own time zones so that we can send that wave of change around the World continuously for 24 hours.

I realize this is short notice for an event, we would be honored if you are able to attend and perhaps say a few words of encouragement for our paddlers here! I have attached some information about WPFTPD Day for you and have also listed links to our social media sites.

Thank you for your consideration, it is much appreciated!...

Sincerely,  
Bob Purdy [REDACTED]

Facebook

<https://www.facebook.com/pftplanet/?fref=ts>

<https://www.facebook.com/WorldPaddleForThePlanetDay/?fref=ts>

<https://www.facebook.com/thepaddlermovie/?fref=ts>

Twitter

@paddlesurfer365

Websites

<http://paddlefortheplanet.ca>

<http://worldpaddlefortheplanet.com>

Invitation re: World Paddle for the Planet Day in Ucluelet o...

**June is a big month for Paddle for the Planet, first up, Day 2,000 paddle on June 22<sup>nd</sup>!**

**On Wednesday June 22<sup>nd</sup> I will paddle for the 2,000<sup>th</sup> consecutive day to “Change the Way we live on the Planet”. I will celebrate the day starting at 10 a.m. at South Chesterman Beach in Tofino, B.C. and will be there enjoying the surf all day! I will also be announcing the details of a new initiative that will be called Sunday SUP (Standup Paddlesurfing). You are invited to join me for a fun day on the water, and hear our announcement of Sunday SUP!**

**The first Sunday after my Day 2,000 paddle is June 26<sup>th</sup> and that is also the day of our 5<sup>th</sup> World Paddle for the Planet Day! Once a year I invite paddlers of any type of water craft to “Pick a change they want to see in the World, paddle for that change on WPFTPDay, then commit to it until it becomes reality”! Paddlers will be asked to start their paddles at 12 noon in their own time zone so that we can send a huge “Wave of Change” around the Planet! I am also inviting paddlers to join me in my new home town of Ucluelet, B.C. Canada for my paddle starting at 11 a.m. with an Opening Ceremony, then our paddle at 12 noon. We will also launch the very first Sunday Sup, June 26<sup>th</sup> is going to be a big day!...**

**I have attached a poster for World Paddle for the Planet Day and following are links to all of our social media sites!...**

**Thank you for taking a look at our events for June, if you have questions I can be reached at this email or [REDACTED]**

**Sincerely, Bob Purdy**

**Facebook**

**[https://www.facebook.com/WorldPaddleForThePlanetDay/?fref=ts&ref=br\\_tf&qsefr=1](https://www.facebook.com/WorldPaddleForThePlanetDay/?fref=ts&ref=br_tf&qsefr=1)**

**<https://www.facebook.com/pftplanet/?fref=ts>**

**<https://www.facebook.com/thepaddlermovie/?fref=ts>**

**Twitter**

**@paddlesurfer365**

**Websites**

**<http://paddlefortheplanet.ca>**

**<http://worldpaddlefortheplanet.com>**

Sending a SUP Wave of Change Around the World!



PADDLE FOR THE  
PLANET DAY  
SUNDAY • JUNE 26 • 2016

Presented by: ((SUP RADIO))  
The Original Stand Up Paddle Radio Show

Join us wherever you are in the world  
or join us in Ucluelet, British Columbia

INTRODUCING  
SUNDAY  
SUP

**Sunday, June 26th**  
Opening Ceremony, 11 a.m.  
Paddle starts 12 noon at Little Beach

MANY THANKS TO OUR SPONSORS



For full event details visit: [www.worldpaddlefortheplanet.com](http://www.worldpaddlefortheplanet.com)

Invitation re: World Paddle for the Planet Day in Ucluelet o  
[www.facebook.com/WorldPaddleForThePlanetDay/?fref=ts](http://www.facebook.com/WorldPaddleForThePlanetDay/?fref=ts) or email Bob Purdy at [bobpurdy365@gmail.com](mailto:bobpurdy365@gmail.com)