

2013-52

MEMORANDUM

To: Mayor & Council

From: Deputy Treasurer

Date: March 7, 2013

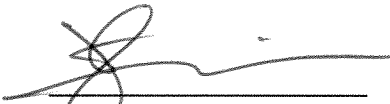
Re: STORZ HYDRANT ADAPTERS TENDER AWARD RECOMMENDATION

STORZ HYDRANT ADAPTERS TENDER; PW-09

An invitation to tender was issued in January for 475 Storz Hydrant Adapters. The prices shown are final and include all applicable taxes.

Company	Amount
Fred Surridge Ltd.	\$ 77,938.00
Corix Water Products	\$ 87,567.20
Andrew Sheret Ltd.	\$ 88,992.96
EMCO Corporation	\$ 92,568.00
Associated Fire Safety Equipment	\$ 100,415.00

That it be recommended to Council that the tender for Storz Hydrant Adapters be awarded to Fred Surridge Ltd. based on low bid.



Fernando Pimentel
Deputy Treasurer

2013- 66

Memorandum

TO: Mayor and Council **DATE:** March 4, 2013
FROM: Roy Thomassen
Director of Building and Planning
SUBJECT: Property on Oak Bay Community Heritage Register
516 Newport Avenue
Lot 11, Block 5, Section 73, Victoria District, Plan 992

Background

The owners have made a building permit application for remodeling their kitchen and bathroom involving primarily interior work. The kitchen renovation includes adding a wood window and replacing two existing wood windows on the north elevation. The new windows (three) are wood casement windows with lead lites to match the existing house. Attached are reduced plans of the renovation and the Statement of Significance from the Oak Bay Community Heritage Register.

Bylaw No. 4222 authorizes withholding of permits in respect of property included in the heritage register when the work would result in an alteration to the exterior of a building. The proposed renovations involve a minor exterior change with the addition of one new window and replacement of two existing windows on the north elevation.

There are two options available to Council:

1. Place a 60 day temporary protection order in accordance with Section 962 of the *Local Government Act* against 516 Newport Avenue to allow the Heritage Commission to review and make recommendation to Council.
2. Accept the exterior change involving three windows in the kitchen, (One new window and replacement of two existing) by not placing a 60 day protection order against this property.

Recommendation

THAT Council accept the proposed exterior modifications and not place a temporary Protection Order against 516 Newport Avenue as the window changes are in keeping with the heritage character of the building.


Roy Thomassen, Director
Building and Planning

2013-67

Memorandum

TO: Mayor and Council **DATE:** March 6, 2013
FROM: Roy Thomassen
Director of Building and Planning
SUBJECT: Property on Oak Bay Community Heritage Register
2519 Currie Road
Lot 4, Block 1, Section 23, Victoria District, Plan 1212

Background

The owners have made a building permit application for extensive interior work and some exterior changes to the home at 2519 Currie Road. The east entry to the kitchen involves reversing the stair and landing and moving the door location. The west side of the home involves closing one window off and reinstating the open porch.

A second building permit application submitted is to demolish the existing garage and build a new garage off the lane relocated 3.0 meters(10 feet) to the east. The municipal arborist has declined removal of a protected tree. Reconsideration of the tree application will be brought to the next Council meeting March 25, 2013.

Attached are reduced plans of the renovation, and the Statement of Significance from the Oak Bay Community Heritage Register.

Bylaw No. 4222 authorizes withholding of permits in respect of property included in the heritage register when the work would result in an alteration to the exterior of a building. The proposed renovations involve minor exterior changes as described above.

There are two options available to Council:

1. Place a 60 day temporary protection order in accordance with Section 962 of the *Local Government Act* against 2519 Currie Road to allow the Heritage Commission to review and make recommendation to Council.
2. Accept the exterior change involving closing one window and moving door, reversing stair and landing at the kitchen entry(east side), closing in window and reinstating open porch (west side), by not placing a 60 day protection order against this property.

Recommendation

That Council order 60 day temporary protection under *Section 962* of the *Local Government Act* and further refer this application to the Heritage Commission to provide recommendation on the proposed changes.


Roy Thomassen, Director
Building and Planning

2013-68

To: Mayor and Council
From: Municipal Treasurer
Date: March 6, 2013
Re: Possible Service Fee Agreement Amendment

The current service fee agreement between the District of Oak Bay and the Capital Regional District to allow for certain costs to be recovered through user fees needs to be amended if it is to include the revised 2013 sewage treatment costs that were recently approved by the CRD Board.

Background

On January 1, 2005 Oak Bay began to fund 70% of the municipal sewer costs and new CRD sewer debt costs through a user charge based on water consumption. No new debt was added until 2007. In 2010 Council decided that the new operating costs related to regional sewage treatment should be added to the debt costs, and that starting in 2011 the percentage of these costs covered by consumption charges would increase by 10% each year; 2013 is the first year that 100% of the CRD post-2006 sewer debt costs and sewage treatment operating costs will be funded by the consumption charge.

In order to recover these CRD sewer costs through a consumption charge, the two organizations were required to enter into an agreement that stipulates which costs will be dealt with in this way. The 2011 Service Fee Agreement is attached as Appendix "A" and Section 1.01 (b) defines the Service Fee as:

"...the amount payable by the Municipality to the CRD to represent 80% in 2011, 90% in 2012 and 100% from 2013 on, of both the annual debt costs incurred after December 31, 2006 and the operating costs associated with the Core-Sewage Integrated Treatment Facility..."

In December 2012 Council approved a bylaw setting the 2013 water and sewer rates. At that time the fees were set to recover \$386,000 of CRD sewer costs. For an average house the CRD portion of the annual utility charges were going from \$59.23 to \$75.82, and the total utility charges were increasing from \$548.45 to \$607.38 (a 10.74% increase).

In February 2013 the CRD Board approved a new requisition to start to collect funds for the treatment plant, with the amount to escalate over a number of years. These funds will be reserved until they are required, thereby reducing the money that will need to be borrowed when construction begins. Oak Bay's portion for 2013 is \$320,561 and if this is added to the \$386,000, the total amount to be recovered for CRD costs will increase by 83% over the original 2013 amount. For an average house this would bring the CRD portion of the annual utility charges to \$138.79, the total utility charges to \$670.35 and an increase of 22.23% over 2012 costs.

Discussion

At a previous meeting a request was made for a report to the Committee of the Whole regarding options for allocating regional sewer debt costs. This report is to be presented later this year, well before 2014 sewer user charges have to be considered, so that any required changes can be made to the Service Fee Agreement.

Council must decide if it wishes to continue with its current method of dealing with regional sewer costs (through a consumption charge), knowing that it can make a different decision for future years after a more detailed and informed discussion.

When the current Agreement was written, there was no contemplation that the non-grant funding of the sewer treatment capital costs would be covered by anything other than debt. The recent decision, to start accruing reserves, falls outside of the current definition of what will be covered by our consumption charge and if Council wants to fund these reserves by consumption charges, we would have to enter into a new Agreement that has an amended definition in Section 1.01(b).

The proposed amended Agreement is attached as Appendix "B". Two changes have been made, both in Section 1.01 (b). Firstly, the percentages have been removed since they are no longer necessary, and secondly the word "operating" is removed so that the definition reads "...of both the annual debt costs incurred after December 31, 2006 and the costs associated with the Core-Sewage Integrated Treatment Facility..."

Recommendation

If Council agrees that the additional CRD sewer treatment project costs allocated to Oak Bay should be collected through a consumption charge based on water usage, Council should adopt the following resolution:

"That the Mayor and Municipal Clerk be authorized to enter into a new Service Fee Agreement with the CRD, substantially in the form attached to the memorandum from the Municipal Treasurer dated March 6, 2013, as Appendix "B", which amends the definition of "Service Fee".

Council should also direct that a bylaw be prepared to amend the *Sewer User Charge Bylaw Amendment Bylaw, 2013* to reflect the additional costs.

If Council wishes to have the costs added to the tax requisition, it should direct the Municipal Treasurer to communicate this fact to the CRD.



Patricia Walker
Municipal Treasurer

APPENDIX "A"

SERVICE FEE AGREEMENT

THIS AGREEMENT made this 27th day of January, 2011

BETWEEN:

Capital Regional District

625 Fisgard Street
PO Box 1000
Victoria, BC V8W 2S6

(the "CRD")

OF THE FIRST PART

AND:

The Corporation of the District of Oak Bay

2167 Oak Bay Avenue
Victoria, BC V8R 1G2
(the "Municipality")

OF THE SECOND PART

WHEREAS section 4 of Bylaw No. 2312 "Liquid Waste Management Core Area and Western Communities Service Establishment Bylaw No. 1, 1995" of the Capital Regional District which established the service of Liquid Waste Management Core Area and Western Communities Service (the "Service") provides that annual operating costs and annual debt costs for the Service may be recovered by way of revenue received by way of an Agreement;

AND WHEREAS Additional Powers Regulation, B.C. Reg. 236/2002 permits a municipality to impose a fee or charge in respect of all or part of a regional water or sewer service of the CRD where the establishing bylaw for the CRD service provides that costs may be recovered by way of an agreement and the Municipality has entered into an agreement with the CRD;

The Municipality wishes to be able to impose a fee or charge for the Service in accordance with the Additional Powers Regulation and has asked the CRD to enter into an agreement;

NOW THEREFORE, this agreement witnesses in consideration of the premises and the payment by the Municipality of the service fee as hereinafter defined, the parties hereby covenant and agree with each other as follows:

1.00 DEFINITIONS

1.01 In this Agreement:

- (a) "**Establishing Bylaw**" means the Liquid Waste Management Core Area and Western Communities Service Establishment Bylaw No. 1, 1995;
- (b) "**Service Fee**" means the amount payable by the Municipality to the CRD to represent 80 % in 2011, 90 % in 2012, and 100 % from 2013 on, of both the annual debt costs related to debt incurred after December 31, 2006 and the operating costs associated with the Core – Sewage Integrated Treatment Facility, apportioned to the Municipality in accordance with the Establishing Bylaw and to be paid by the Municipality to the CRD under this Agreement.

2.00 FEES

2.01 The Municipality agrees to pay to the CRD the Service Fee.

3.00 DELIVERY OF INVOICE

3.01 The CRD shall deliver each year to the Municipality, beginning in 2011, an invoice for the amount of the Service Fee on or before the date established by the *Local Government Act* for the delivery of the municipal requisition to a municipal participant in a regional district service.

4.00 PAYMENT

4.01 The Municipality shall pay the Service Fee to the CRD on or before the date established by the *Local Government Act* for payment by a municipality of a requisition.

5.00 TERMINATION

5.01 If the Municipality defaults on a payment due to the CRD under this Agreement, then the CRD may, on ten (10) days notice to the person responsible for corporate administration of the Municipality, terminate this Agreement, and the invoice delivered by the CRD under section 3.01 shall be deemed to have been a municipal requisition delivered pursuant to section 805 of the *Local Government Act*.

5.02 This agreement may be terminated in any year upon notification being provided to the CRD by December 31st of the immediately preceding calendar year.

6.00 GENERAL

6.01 This Agreement constitutes the entire Agreement between the parties and there are no representations or warranties, express or implied, statutory or otherwise, and no Agreement collateral to this Agreement other than as expressly set forth or referred to in this Agreement.

6.02 This Agreement shall not be interpreted as creating an agency, partnership or joint venturesship between the CRD and the Municipality.

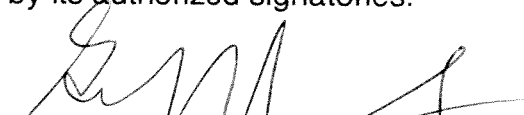
6.03 Time shall be of the essence of this Agreement.

6.04 The headings in this Agreement are inserted for convenience of reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.


IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

CAPITAL REGIONAL DISTRICT

by its authorized signatories:




 Chair



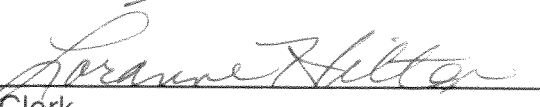
 Corporate Administrator

THE CORPORATION OF THE DISTRICT OF OAK BAY

by its authorized signatories:



 Mayor



 Clerk

NOW THEREFORE, this agreement witnesses in consideration of the premises and the payment by the Municipality of the service fee as hereinafter defined, the parties hereby covenant and agree with each other as follows:

1.00 DEFINITIONS

1.01 In this Agreement:

- (a) "**Establishing Bylaw**" means the Liquid Waste Management Core Area and Western Communities Service Establishment Bylaw No. 1, 1995;
- (b) "**Service Fee**" means the amount payable by the Municipality to the CRD to represent 100 % of both the annual debt costs related to debt incurred after December 31, 2006 and the costs associated with the Core-Sewage Integrated Treatment Facility, apportioned to the Municipality in accordance with the Establishing Bylaw and to be paid by the Municipality to the CRD under this Agreement.

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6.04 The headings in this Agreement are inserted for convenience of reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

CAPITAL REGIONAL DISTRICT)
by its authorized signatories:)
)
)
_____)
Chair)
)
_____)
Corporate Administrator)

THE CORPORATION OF THE DISTRICT OF OAK BAY
by its authorized signatories:)
)
_____)
Mayor)
)
_____)
Clerk)