City of Kelowna
Regular Council Meeting
AGENDA

Monday, November 26, 2018

9:00 am

Knox Mountain Meeting Room (#4A)

City Hall, 1435 Water Street

7.   Issues Arising from Correspondence & Community Concerns

      7.1   Mayor Basran, re: Issues Arising from Correspondence   30 m

8.   Termination

City of Kelowna
Regular Council Meeting
Minutes

Date:	Monday, November 19, 2018
Location:	Knox Mountain Meeting Room (#4A)
	City Hall, 1435 Water Street

Members Present   Mayor Colin Basran, Councillors Maxine DeHart, Ryan Donn, Gail Given, Charlie Hodge, Brad Sieben, Mohini Singh* and Loyal Wooldridge

Members Absent   Councillor Luke Stack

Staff Present   City Manager, Doug Gilchrist; City Clerk, Stephen Fleming; Senior Airport Finance & Corporate Services Manager, Shayne Dyrdal*; Divisional Director, Financial Services, Genelle Davidson*, Financial Planning Manager, George King*

(* Denotes partial attendance)

1.   **Call to Order**

Mayor Basran called the meeting to order at 9:03 a.m.

2.   **Confirmation of Minutes**

Moved By Councillor Hodge/Seconded By Councillor Given

R990/18/11/19 THAT the Minutes of the Regular AM Meeting of October 1, 2018 and October 9, 2018 be confirmed as circulated

Carried

3.   **Resolution Closing the Meeting to the Public**

Moved By Councillor Hodge/Seconded By Councillor Wooldridge

R991/18/11/19 THAT this meeting be closed to the public pursuant to Section 90(1) (f) and (i) of the Community Charter for Council to deal with matters relating to the following:

- Law Enforcement
- Solicitor-Client Privilege

Carried

4. **Adjourn to Closed Session**

The meeting adjourned to a closed session at 9:03 a.m.

5. **Reconvene to Open Session**

The meeting reconvened to an open session at 11:15 a.m. with Councillor Singh present.

6. **Reports**

6.1 City Clerk, Verbal Report, re: 2019 Council Meeting Schedule

City Clerk:
- Provided an overview of the draft 2019 Council schedule and welcomed any comments.
- The Meeting Schedule will be brought forward to the November 26th afternoon agenda for Council consideration.

6.2 Financial Services Presentations

Staff:
- Displayed a PowerPoint Presentation "2018 Council Orientation Financial Services - Planning and Reporting".
- Responded to questions from Council.

Meeting adjourned at 12:15 p.m.

Meeting reconvened at 2:38 p.m.

6.2 Financial Services Presentations (continued)

Staff:
- Displayed a PowerPoint Presentation "Council Orientation Budget Overview".
- Responded to questions from Council.
- Displayed a PowerPoint Presentation "Kelowna International Airport".
- Responded to questions from Council.

7. **Issues Arising from Correspondence & Community Concerns**

7.1 Mayor Basran, re: West Kelowna

Mayor Basran:
- Received an invitation for Council to meet with the City of West Kelowna Council.
- Prefer to hold this meeting on a non-Council day.
- The event could be held in February or March once each Council has set their respective priorities.

Moved By Councillor Hodge/Seconded By Councillor DeHart

R992/18/11/19 THAT this meeting be closed to the public pursuant to Section 90(1) (j) and Section 90(2) (b) of the Community Charter for Council to deal with matters relating to the following:

- Confidential Third Party Business Information
- Confidential Information from the Province

Carried

Convened to closed session at 3:36 p.m.

Reconvened to open session at 3:52 p.m.

Council:
- Confirmed open to tour of the Health House.

7.2 Mayor Basran, re: Councillor Offices

Mayor Basran:
- Plan to consolidate four Councillor offices on third floor into two and convert Council ante room into a Councillor meeting space.

Council:
- Agreeable to this arrangement.

7.3 Mayor Basran, re: Councillor Appointments

Mayor Basran:
- Councillor appointments almost completed and will be announced shortly.

7.4 Mayor Basran, re: Rutland Middle School PAC Correspondence

Mayor Basran:
- Issue for the School Board to determine.

7.5 Councillor Donn, re: Welcome to Kelowna sign

Councillor Donn:
- What is the plan now that the highway construction is complete.

City Manager:
- Will find out and let Council know.

8. Termination

The meeting was declared terminated at 4:00 p.m.

_____   _____
Mayor Basran   City Clerk

/sf/acm

Report to Council

City of
Kelowna

Date: November 26, 2018

File: 0220-02

To: City Manager

From: Infrastructure Engineering Manager

Subject: Capital Plan and Servicing Plan Overview

Recommendation:

THAT Council receives, for information, the report from the Infrastructure Engineering Manager dated November 26, 2018, with respect to the Capital Plan and Servicing Plan Overview.

Purpose:

To provide Council with an overview of the Capital Planning process and review the 20-Year Servicing Plan and Financial Strategy which is used for the Development Cost Charge (DCC) Program.

Internal Circulation:
Divisional Director, Active Living and Culture
Divisional Director, Community Planning
Divisional Director, Corporate and Protective Services
Divisional Director, Corporate Strategic Services
Divisional Director, Infrastructure Division
Divisional Director, Financial Services

Considerations not applicable to this report:
Background:
Alternate Recommendation:
Communications Comments:
Existing Policy:
External Agency/Public Comments:
Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Personnel Implications:

Submitted by:

J. Shaw, Infrastructure Engineering Manager

Approved for inclusion: ☐ A. Newcombe, Infrastructure Divisional Director

Attachment 1 - Capital Plan and Servicing Plan Presentation

cc: Divisional Director, Active Living and Culture
     Divisional Director, Community Planning
     Divisional Director, Corporate and Protective Services
     Divisional Director, Corporate Strategic Services
     Divisional Director, Infrastructure Division
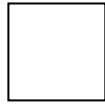   Divisional Director, Financial Services

Capital Plan & Servicing Plan

November 26th, 2018

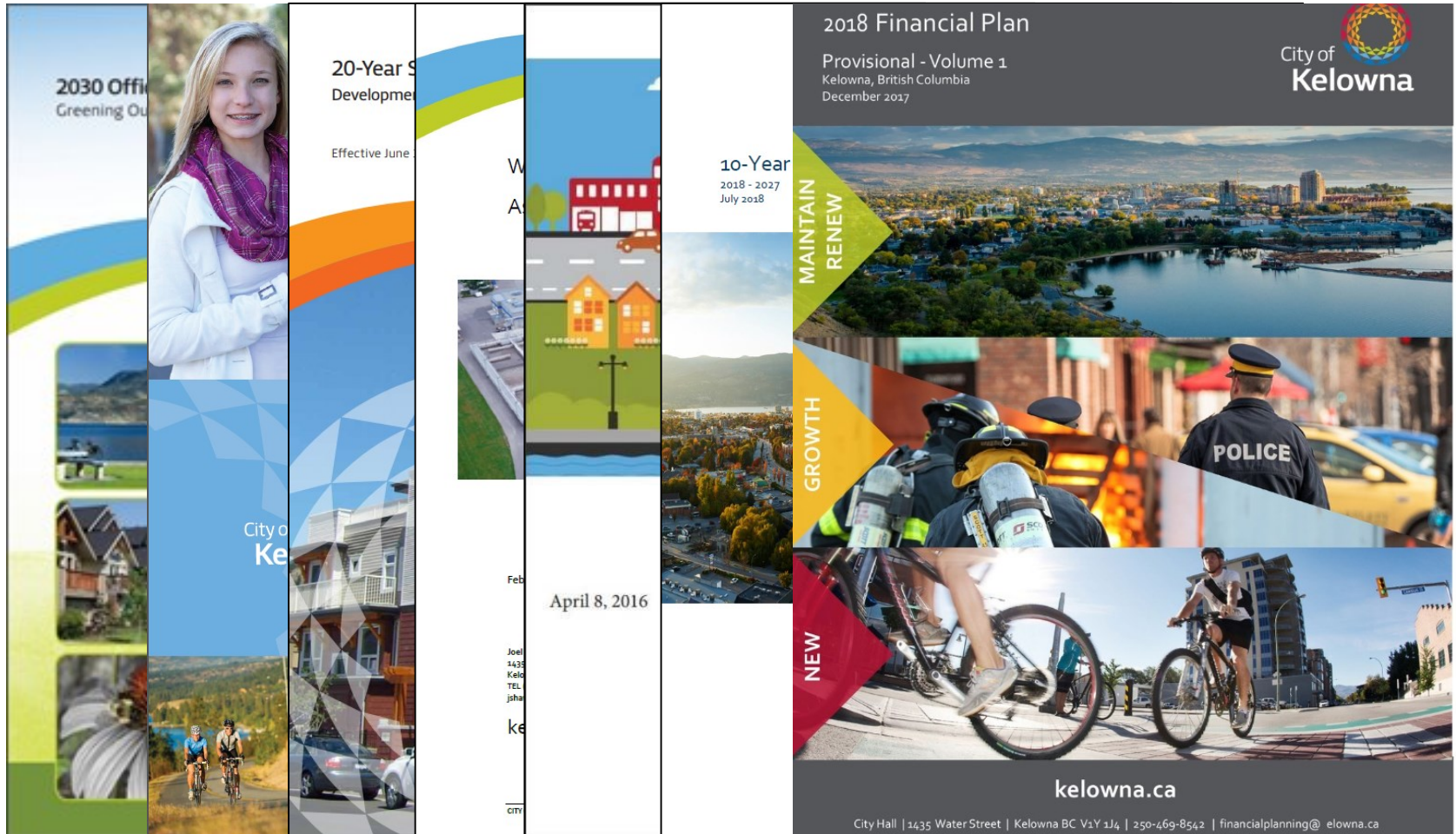# PRESENTATION OUTLINE

▶ Why so many Plans?

▶ Infrastructure Planning Process

▶ Capital Planning Cycle

▶ Multiple Bottom Line Analysis

▶ Infrastructure Deficit

▶ 20-Year Serving Plan & Financing Strategy

City of **Kelowna**

Infrastructure Plans

Plan Alignment

Understanding Community Service Expectations

Delivering Infrastructure that supports Service Delivery
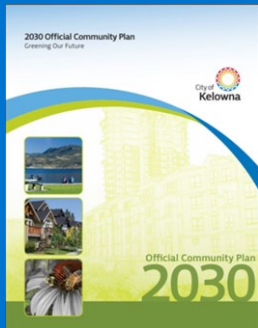
OCP

Council Priorities
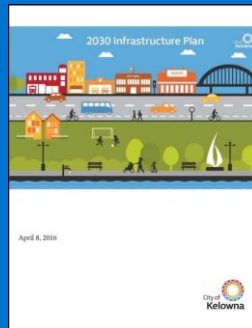
2030 Inf. Plan
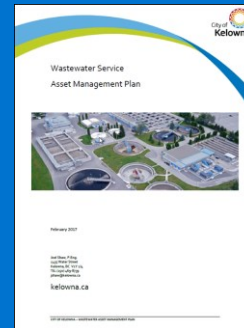
10-Yr Capital Plan

Annual Capital Program

City of **Kelowna**

INFRASTRUCTURE PLANNING MODEL

DECISIONS

INFORMATION

COMMUNITY EXPECTATIONS

OCP

CORPORATE VISION

COUNCIL PRIORITIES

2030 INFRASTRUCTURE PLAN

10 YR CAPITAL PLAN

ANNUAL CAPITAL DELIVERY

SERVICE DELIVERY
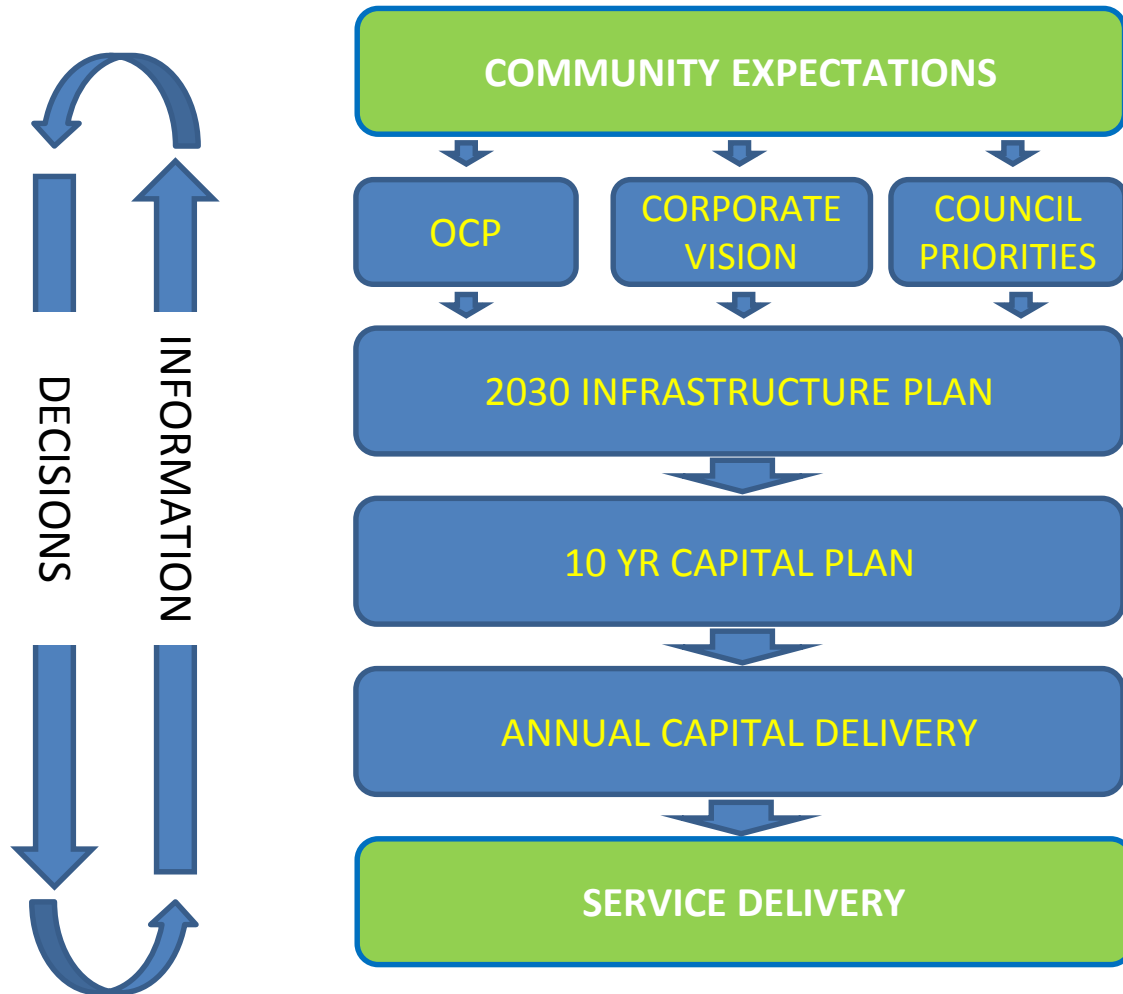
City of **Kelowna**

GROWTH
20-Yr Servicing Plan (DCC)

NEW/GROWTH
Infrastructure Master Plans

RENEW
Asset Management Plans

2030 Infrastructure Plan

City of Kelowna

Operation & Maintenance Costs

Community Engagement

Financial Strategy

Service Levels

City of **Kelowna**

Infrastructure Planning

▶ 2030 Infrastructure Plan set the direction.

▶ 10-Year Capital Plan maintains direction and adjusts for change. *Updated annually*.

▶ Annual Capital Plan is directed by 10-Year and is responsive to emerging issues and priorities.

2030 INFRASTRUCTURE PLAN

10 YR CAPITAL PLAN

ANNUAL CAPITAL PLAN

City of **Kelowna**

Maintaining Direction

Total Investment

Total **$1.06B**

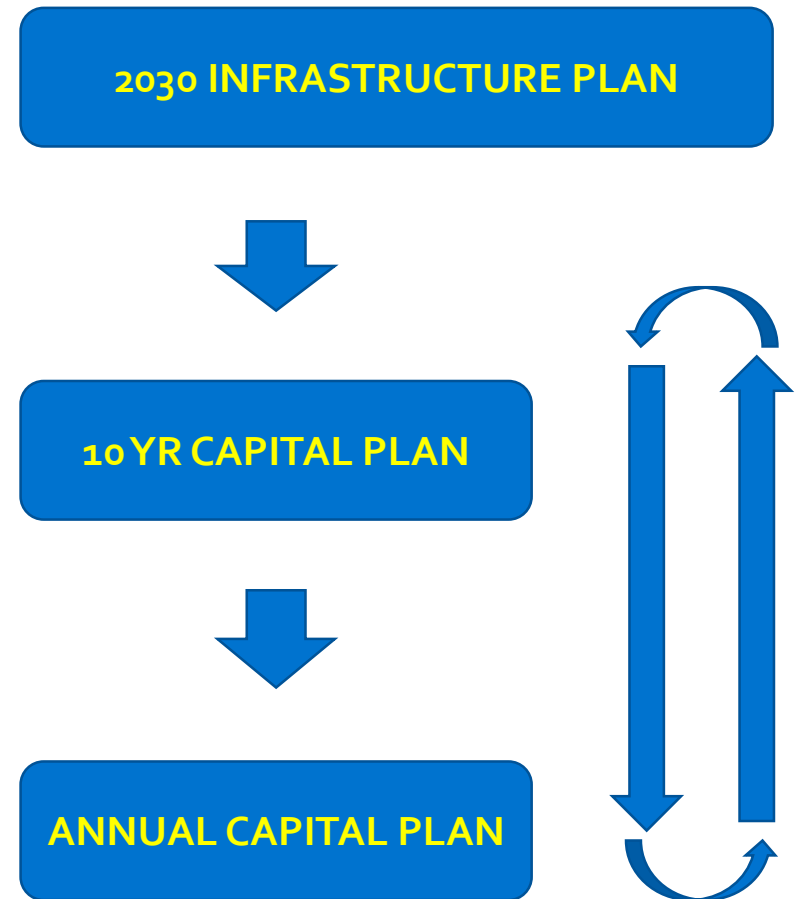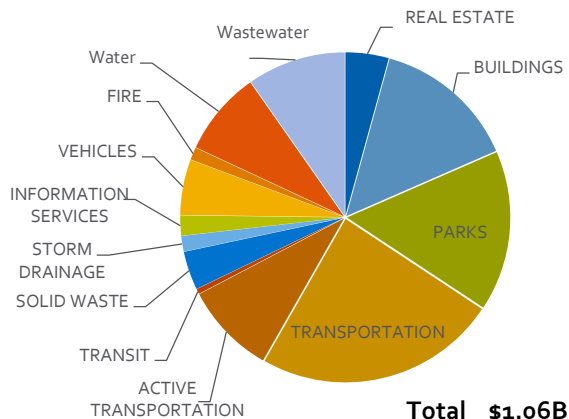- Transportation -   33%
- Parks -   16%
- Buildings -   14%
- Wastewater -   10%
- Water -   8%
- Vehicles -   5%
- Solid Waste -   4%
- Real Estate -   4%
- Storm Drainage -   2%
- Information Services 2%
- Transit -   1%
- Fire -   1%

Tax / Gas Tax
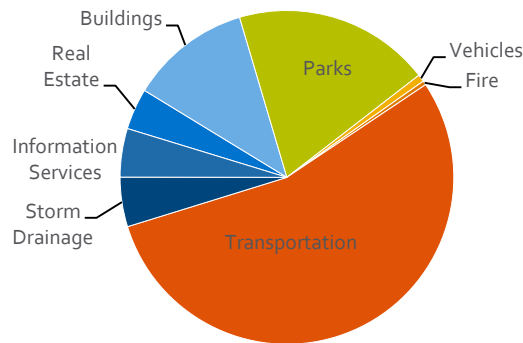
- Transportation -   55%
- Parks -   19%
- Buildings -   12%
- Storm Drainage -   5%
- Information Services 5%
- Real Estate -   4%
- Fire   1%

New/Growth/Renew

Total **$1.06B**

- Growth -   46%
- Renew -   35%
- New -   19%

City of **Kelowna**

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Capital Planning Cycle

Project Review

MBL & Prioritization

Draft Annual Capital

☆ 10-Year Capital Endorsed

Project Costing

☆ Final Budget Review

Financial Services Review

April

Annual Capital

10-Year Capital

10-Year Capital Plan Update

City Manager Review

January

Provisional Budget Review ☆

☆ - Council Approval Required

City of **Kelowna**

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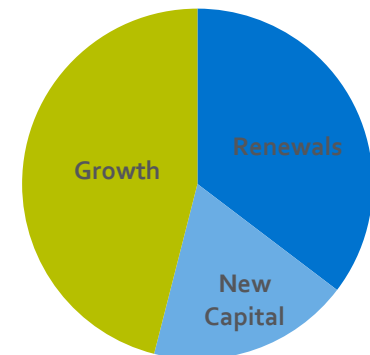
10-Year Capital Plan

Average Annual Investment for Infrastructure Renewal

Legend:
- 10-Yr Capital Plan Actual $24.4 million
- Renewal Forecast (10-Yr Average) $31.4 million
- Renewal Forecast (20-Yr Average) $36.0 million

City of **Kelowna**
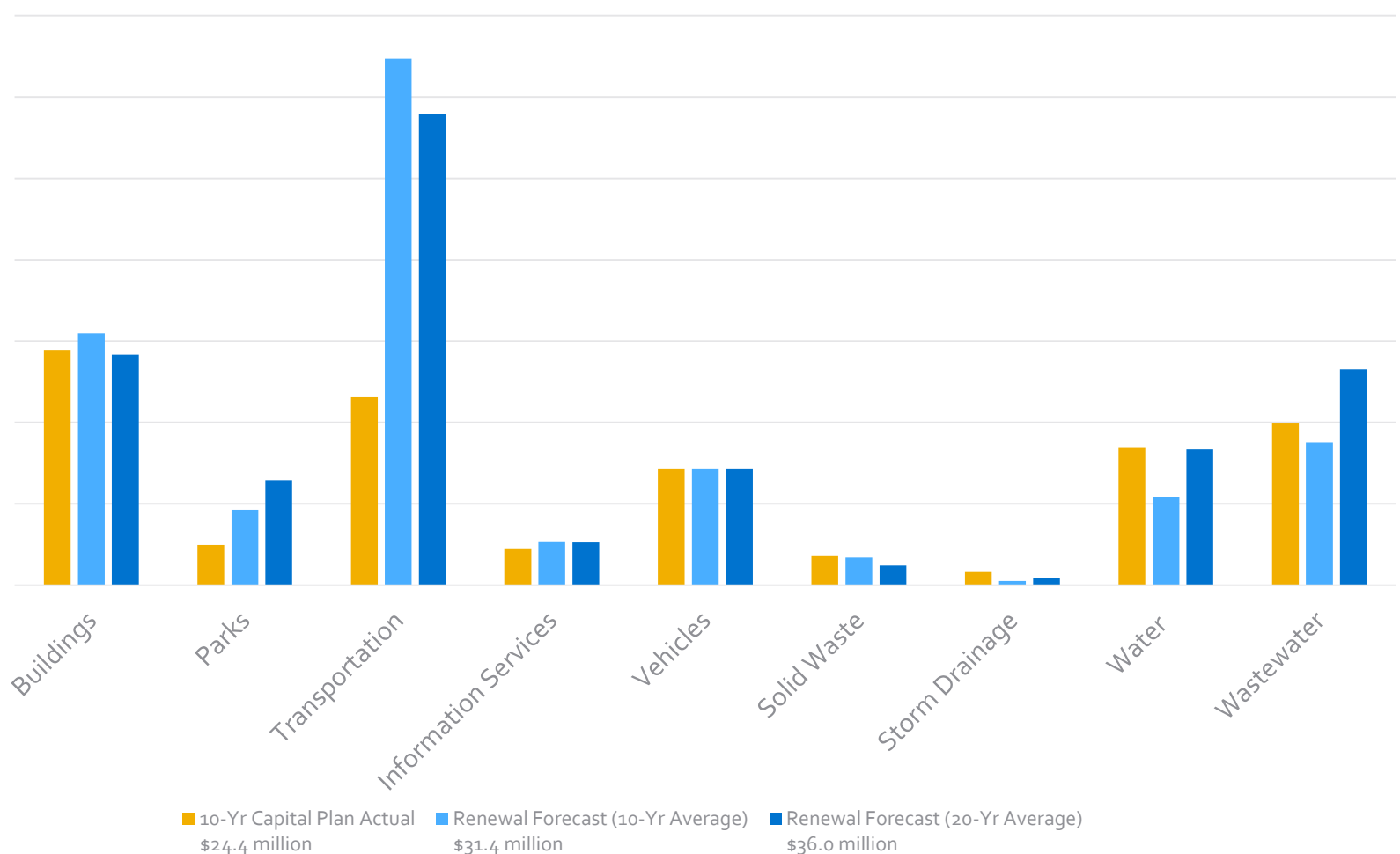
INVESTMENT PRIORITY 1 AND PRIORITY 2
(in millions)

Chart data:

Category	Priority 1 ($571M)	Total Requirement (P1 & P2, $1,049M)
Real Estate & Parking	$35	$55
Buildings	$148	$248
Parks	$124	$220
Transportation	$199	$456
Storm Drainage	$12	$13
Info. Serv.	$15	$18
Vehicles	$40	$40

City of **Kelowna**
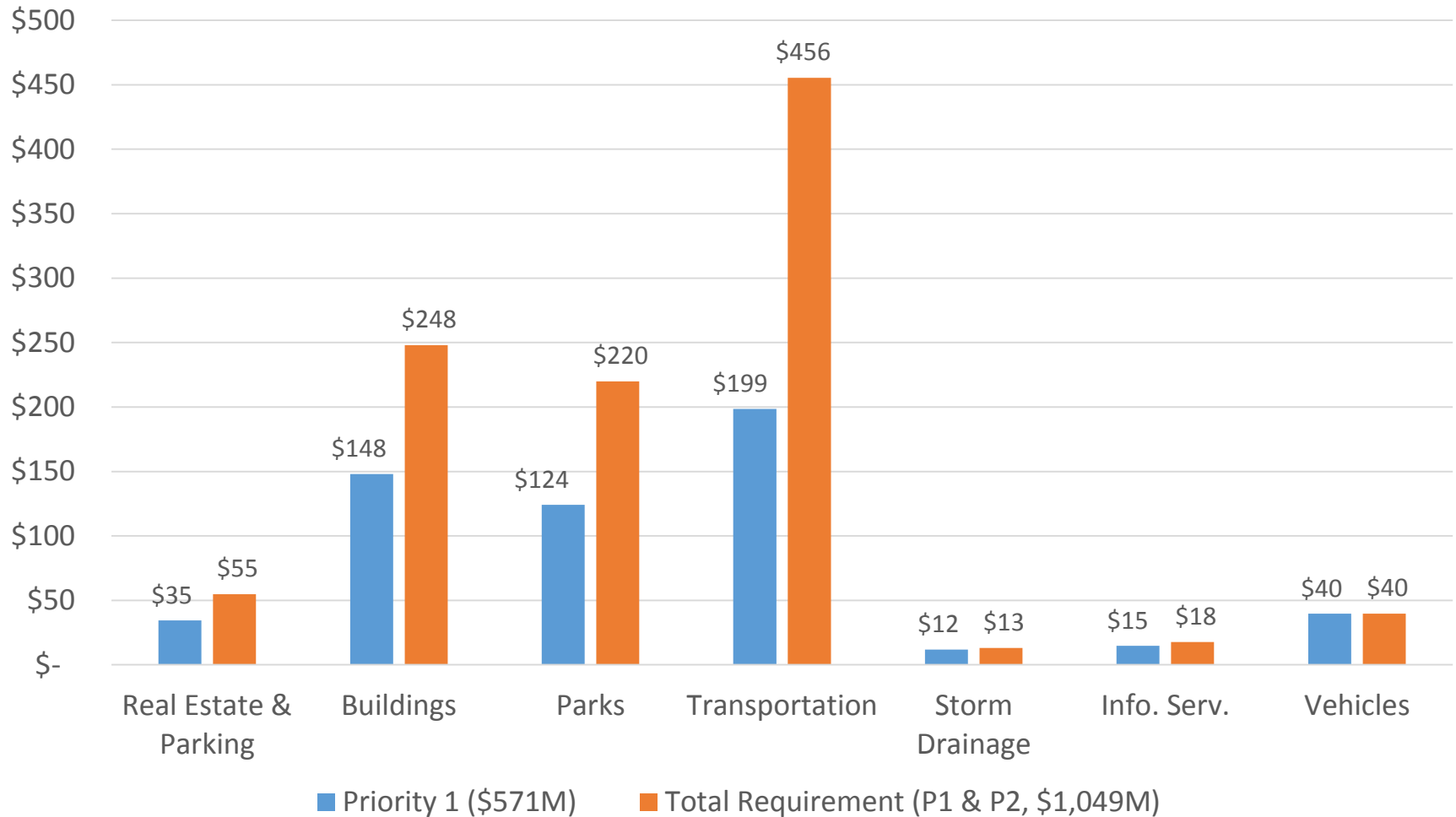
Infrastructure Deficit – 10-Year Plan P2 Projects

Infrastructure Deficit New, Growth & Renewal 2018-2027 $465 (millions)

- Renewal, $134.93, 29%
- New, $163.33, 35%
- Growth, $164.98, 36%
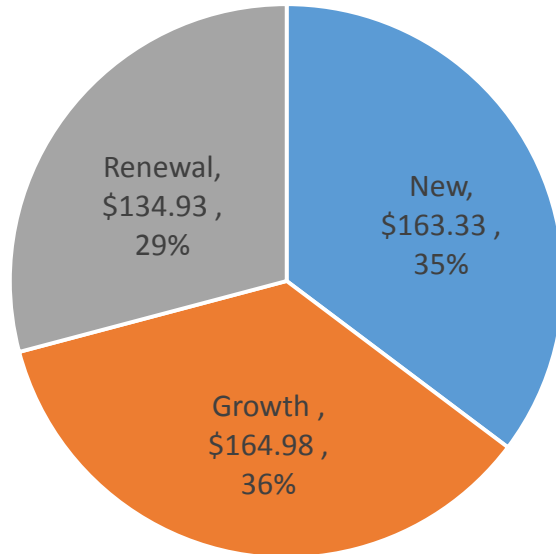
Infrastructure Deficit Cost Center 2018-2027 (millions)
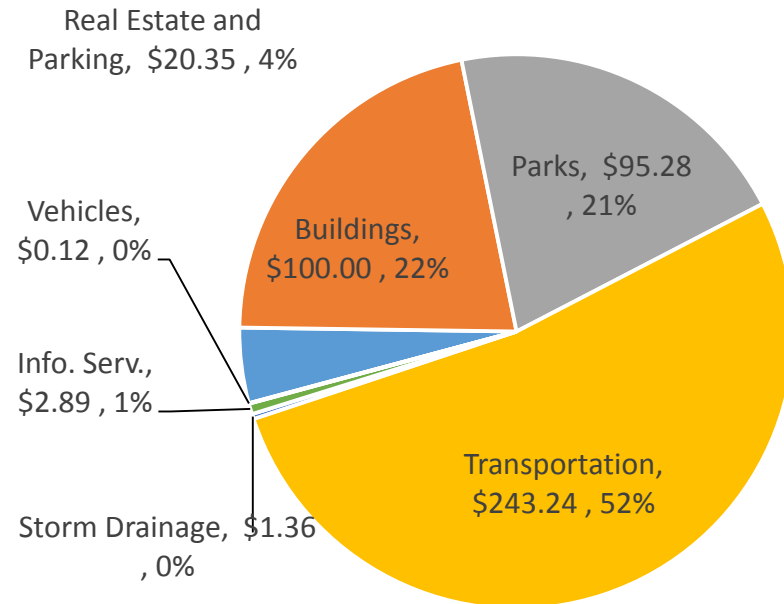
- Real Estate and Parking, $20.35, 4%
- Parks, $95.28, 21%
- Vehicles, $0.12, 0%
- Buildings, $100.00, 22%
- Info. Serv., $2.89, 1%
- Transportation, $243.24, 52%
- Storm Drainage, $1.36, 0%

City of **Kelowna**
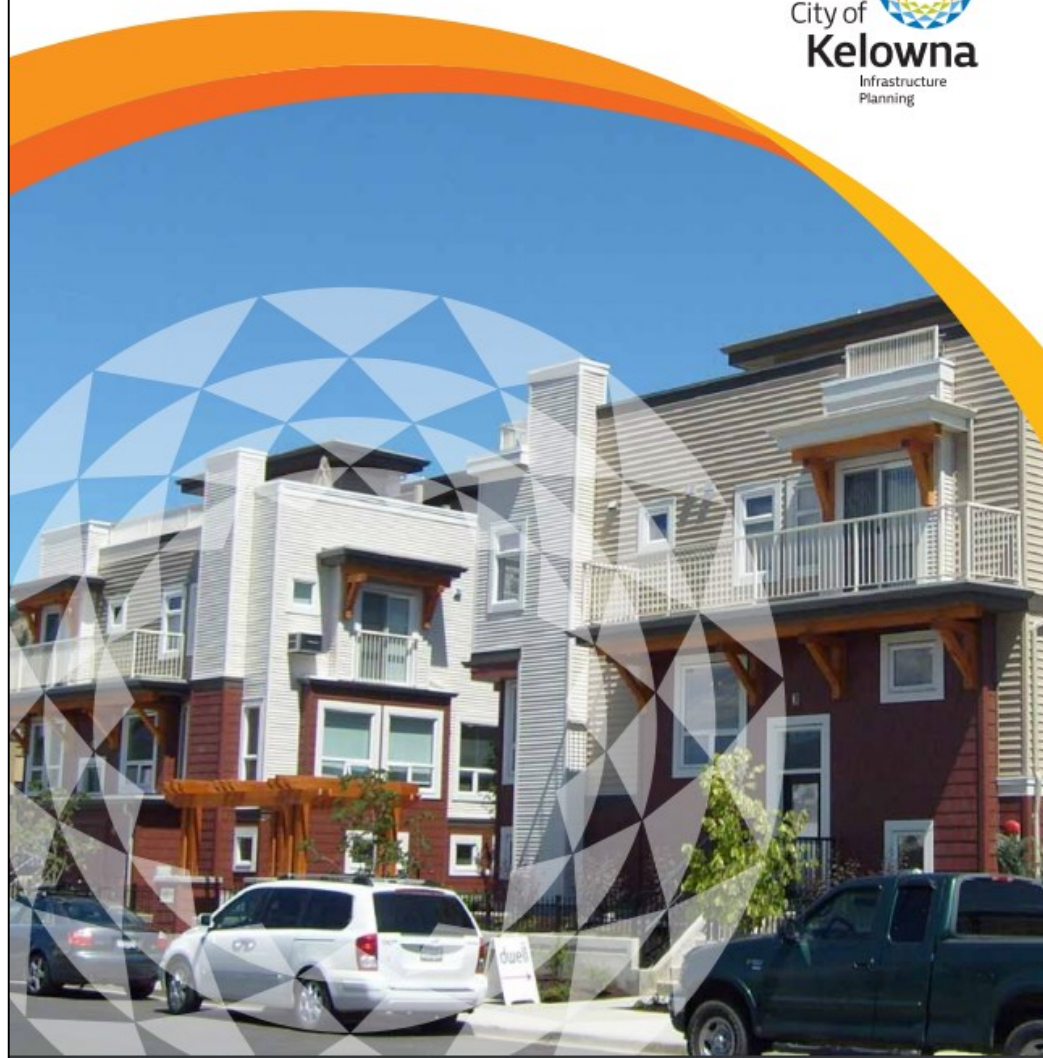
Legislation

- Local Government Act
  - Sections 932 thru 937
  - DCCs assist in paying capital costs due to growth,
  - Charges directly attributable to development impact,
  - Charges similar for all development that impose similar capital cost burden,
  - Constructing, altering, or expanding facilities,
  - Payable at subdivision or building permit,
  - DCC Bylaw requires Provincial approval.

City of **Kelowna**

Legislation- Eligible Infrastructure

▶ Transportation – not off street parking

▶ Sewage

▶ Water

▶ Drainage

▶ Parkland Acquisition and Improvement

Legislation – Ineligible Infrastructure

▶ Fire Halls, Police Buildings

▶ Recreation and Cultural Centers

▶ City Halls

▶ Works Yards

▶ Arenas

▶ Soft services – i.e. child care facilities, replacement housing

Legislation

▶ Infrastructure must be consistent with city wide infrastructure standards,

▶ DCCs should not deter development,

▶ DCCs cannot discourage reasonably priced housing or serviced land,

▶ DCC funds cannot be used for other purposes,

▶ Waived or Reduced DCCs must be covered by taxpayer (i.e. non –profit housing),

▶ Churches, Residential units under 30 sq. m. exempt.

City of **Kelowna**

Legislation – Guiding Principals

▶ **Integration**
  - ▶ DCC program consistent with OCP and corporate financial and capital infrastructure plans.

▶ **Benefiter Pays**
  - ▶ Costs should be paid by those who will benefit from infrastructure.

▶ **Fairness and Equity**
  - ▶ DCCS should distribute costs between existing users and new development in a fair manner.

▶ **Assist factors**
  - ▶ Political decision
  - ▶ Minimum 1%
  - ▶ Consistent for each infrastructure area

▶ **Accountability**
  - ▶ Transparent process that is assessable and understandable by stakeholders.

▶ **Certainty**
  - ▶ Stability of DCC rates and well planned delivery of infrastructure.

▶ **Consultative**
  - ▶ Meaningful and informed input from the public and stakeholders

City of **Kelowna**

Kelowna DCC Program

▶ Started in 1988

▶ Consistent with Provincial Best Practices Guide

▶ Major infrastructure to service OCP growth

▶ Includes Transportation, Water, Sewer, Parks land acquisition,

▶ Does not include Parks development or Drainage

▶ Infrastructure standards consistent with Subdivision & Servicing Bylaw (7900)

▶ 5 Categories of Residential Housing based on density

▶ Industrial based on hectares

▶ Commercial based on sq. meters

▶ Institutional based on sq. meters

▶ Special consideration for Agriculture

City of **Kelowna**

DCC Program – Funding Sources
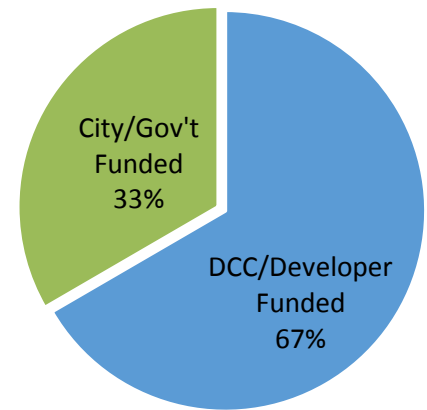
2030 Major Services - Funding Sources ($ Millions) - 2018 Update							
Major Service	**Gov't Funded**	**Developer Funded**		**City Funded**		**2030 OCP**	
	Grant	**Developer Construct**	**DCC's**	**Taxation**	**Utility User Rates**	**2018 Totals**	**% Total**
Arterial Roads	39.7	75.1	234.7	168.4		517.9	59%
Water Distribution		6.4	26.3		31.3	64.0	7%
Wastewater Trunks		7.4	28.2		9.4	45.1	5%
Wastewater Treatment			66.1		21.9	88.0	10%
Parkland Acquisition	5.4		142.2	17.7		165.3	19%
2018 Totals	45.1	88.8	497.6	186.1	62.5	880.3	100%
% Total	5%	10%	57%	21%	7%	100%	

City of **Kelowna**

DCC Rates

Okanagan Valley Single Family Residential DCC

DCC Rates

Lower Mainland Single Family Residential DCC
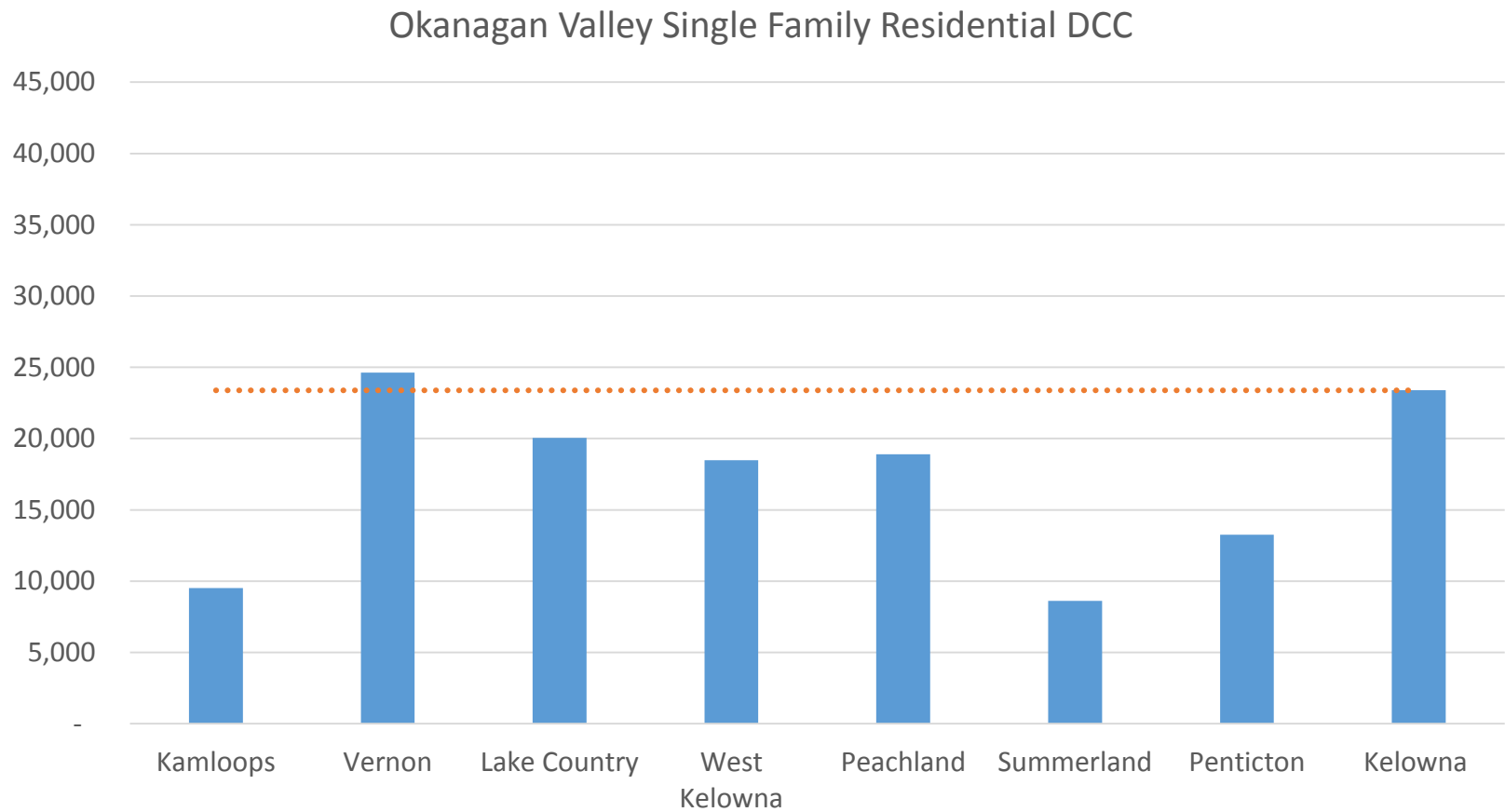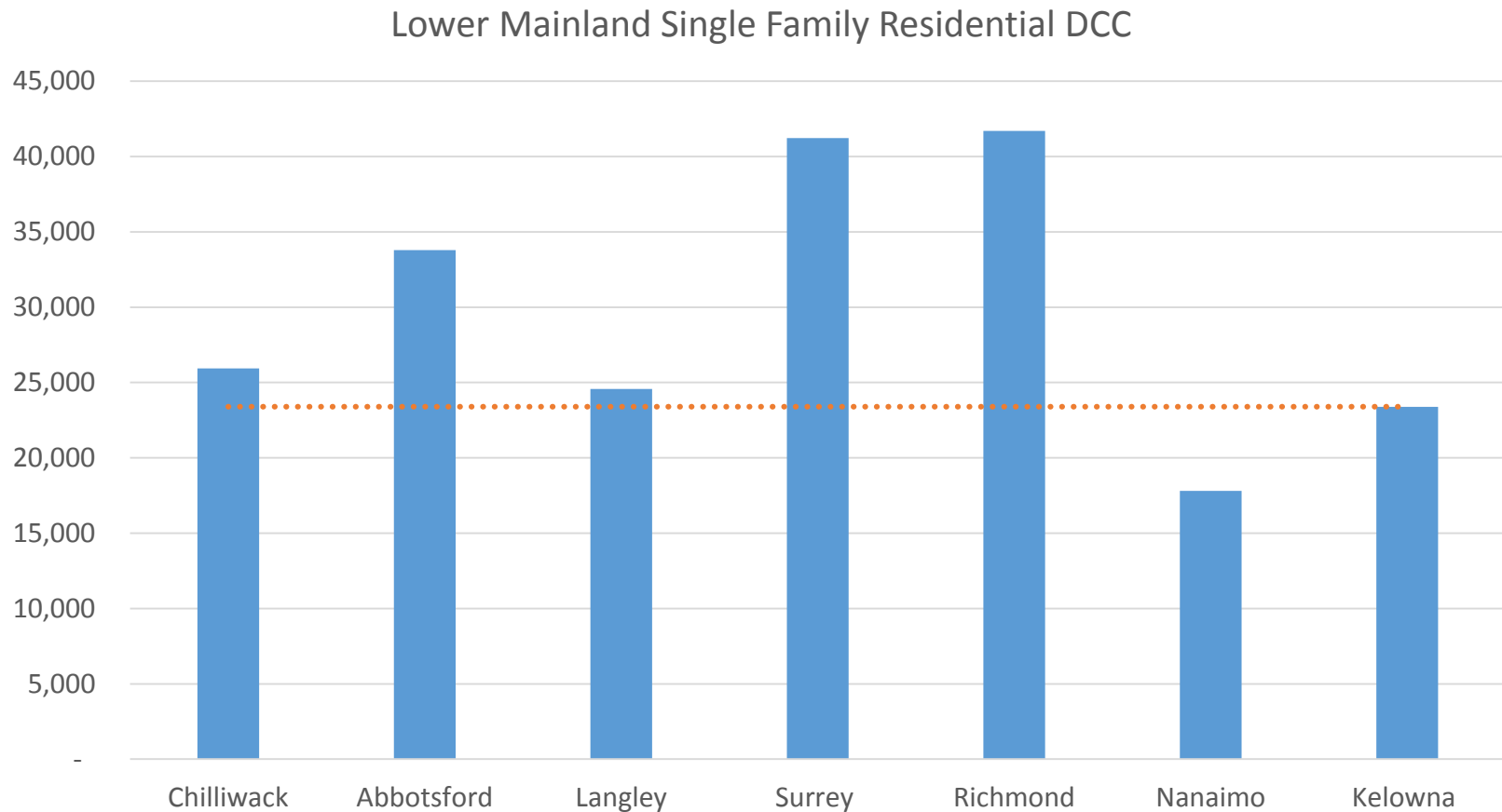
Keeping the Pace

Continuing our Success on the
Asset Management Journey

CNAM 2019 Conference | May 6-9, 2019 | Kelowna, BC

Questions?

For more information, visit **kelowna.ca**.

Report to Council

City of
Kelowna

Date: November 19, 2018

File: 0610-51

To: City Manager

From: City Clerk

Subject: 2014-2018 Council Committee End of Term Review

Report Prepared by: Sandi Horning, Acting Legislative Services Supervisor

Recommendation:
THAT Council receives, for information, the Report from the City Clerk dated November 19, 2018 with respect to the 2014-2018 Council Committee End of Term Review.

Purpose:
To provide Council with information from the 2014-2018 Council Committee term for review and further discussion.

Background:
Various Committees of Council are established under the *Community Charter* or *Local Government Act*.

Statutory Committees have a legislated role to Council and must be established. The City of Kelowna's statutory committees are the Parcel Tax Review Panel and the Board of Variance.

Standing Committees are established by the Mayor, who determines Terms of Reference and membership. The Audit Committee is a standing committee.

Advisory Committees may be established by Council. They provide an opportunity for members of the public to work together collaboratively to provide advice on matters referred to them by Council on a wide range of programs, policies and services.

All Committees are accountable and responsive to Council's leadership and direction, as well as being open and transparent. The formal roles of these committees are outlined in their terms of reference. During the previous Council term, the Agricultural Advisory Committee, Airport Advisory Committee, Audit Committee, Civic and Community Awards Steering Committee and Heritage Advisory Committee were established for the term that ended in November 2018.

A review of each Council Committee was conducted prior to the end of the committee term. This review process examined the advisory committees.   Staff liaisons and respective supporting departments were consulted to identify key areas that, from a staff perspective, required further review and clarification including, objectives and mandate, resource requirements and membership.

Committee members from the Agricultural Advisory Committee and Heritage Advisory Committee were consulted to include their input on the objectives and operations of the Committee.

The **Parcel Tax Review Panel** and the **Board of Variance** are mandated by provincial legislation and therefore will require appointments for this Council term.

The **Audit Committee** comprises two functions. The finance component of the Committee reviews the City's financial statements with the external auditors and staff prior to their submission to Council. The human resources component of the Committee provides oversight to the collective bargaining and management exempt policy processes.

The **Agricultural Advisory Committee** provides recommendations on agriculture-related development applications being processed by the Community Planning Department and advises on agriculture policy projects led by the Policy & Planning and/or Community Planning Departments. The primary objective of the Committee is to advise Council on sustainable agricultural land use from a multiple bottom line perspective (i.e. cultural, economic, environmental and social). The Agricultural Advisory Committee's Terms of Reference can be viewed by clicking on the link provided.   The Committee is a valuable resource for staff and Council, advising on agriculture-related matters. The members' expertise and experience in this area are assets in supporting the City's goals of protecting agricultural land and promoting farming, as expressed through the Agriculture Plan, the Official Community Plan and Council's priorities. Staff suggest the Terms of Reference be clarified to reinforce that the Committee can be used in an advisory capacity on agricultural matters beyond development applications, particularly City-led projects that may impact agriculture. This can further support OCP objectives of protecting agricultural lands while meeting other municipal needs. Staff also suggest revising the Meeting Procedures in the Terms of Reference to establish a maximum presentation time of 15 minutes for the applicant, consistent with a Council Public Hearing, as well as including the practice of reporting back to the Committee on Council and Agricultural Land Commission decisions (particularly on applications the Committee had considered). Reporting back to the Committee provides a valuable connection between the Committee's recommendations and the decision-making outcomes. It also provides an opportunity for staff to inform the Committee on staff and Council direction on different topics. The Committee requires approximately 120 hours of staff time per year from the Community Planning Department and approximately 72 hours of staff time per year from the Office of the City Clerk. Approximately $1,680 per year is spent on meals provided to the Committee members prior to the meetings.

The **Airport Advisory Committee** provides recommendations related to the Kelowna International Airport and economic development for the region. The objective of the Committee is to review, report and advise Council on matters concerning the long-term strategic development of the Kelowna International Airport. The Airport Advisory Committee's Terms of Reference can be viewed by clicking on the link provided.   The Committee provides staff direct access into the various communities represented as it relates to developing and promoting air service. Staff are of the opinion that the Kelowna International Airport would not be as successful as it is today without having the cooperation from both a political and business relationship in furthering the development of the airport and its various services. The Committee requires approximately 12 hours of staff time per year from the Kelowna International Airport and approximately 10 hours of staff time per year from the Office of the City Clerk. Approximately $1,000 per year is spent on meals provided to the Committee members prior to the meetings.

The **Civic and Community Awards Steering Committee** supports community and neighbourhood service as a whole while promoting volunteerism, recognition of significant contributions and achievements of citizens, promotion of active lifestyles, and promotion of a proud community. The main objective of the Committee is to recognize outstanding contributions and achievements in the community. The Civic and Community Awards Steering Committee's Terms of Reference can be viewed by clicking on the link provided. Appointments to the Civic and Community Awards Steering Committee run concurrent with the Council term; however, the timing of these appointments causes a delay in the planning process for the event during the first year of each term. With a new Council being sworn into Office in early November, and nominations opening in mid-December, there isn't much time in between to receive Council approval should there be any revisions to the existing structure or program. The Committee requires approximately 700 hours of staff time per year from the Community & Neighbourhood Services Department and approximately 7 hours of staff time per year from the Office of the City Clerk. The Committee currently has a budget allocation of $34,835.

The **Heritage Advisory Committee** provides recommendations on matters related to heritage protection and conservation. The primary objective of the Committee is to advise Council on heritage-related development applications and may also advise on other matters related to the heritage significance of any building, structure or landscape feature located within the City. The Heritage Advisory Committee's Terms of Reference can be viewed by clicking on the link provided. The Committee is a valuable resource for staff and Council, advising on heritage-related matters; and the Committee felt the City's Heritage Guidelines need to be reviewed and updated, along with the Heritage Registry. The Committee requires approximately 144 hours of staff time per year from the Community Planning Department and approximately 48 hours of staff time per year from the Office of the City Clerk. Approximately $500 per year is spend on meals provided to the Committee members prior to the meetings.

For future committees, the Terms of Reference will require amendments in order to reflect the new Council term as well as any changes to the objective and scope.

Considerations not applicable to this report:
Internal Circulation:
Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:
Financial/Budgetary Considerations:
Personnel Implications:
External Agency/Public Comments:
Communications Comments:
Alternate Recommendation:

Submitted by:

S. Fleming, City Clerk

Approved for inclusion: City Manager

2018 Council Orientation

Council Committees 2018-2022 Council Term

2014-2018 Council Committees

Statutory Committees:

  Board of Variance

  Parcel Tax Review Panel

Standing Committee:

  Audit Committee

2014-2018 Council Committees

Advisory Committees with Council member:

> Airport Advisory Committee

> Civic and Community Awards Steering Committee

Advisory Committees without Council member:

> Agriculture Advisory Committee

> Community Heritage Advisory Committee

Term End Review

Agriculture Advisory Committee viewed as one of the more advanced and successful committees in the Province

Airport Advisory Committee important in developing and maintaining political and business relationships that further the development of the airport and its various services

Minor amendments to Terms of Reference for each could be considered

kelowna.ca

Term End Review

Council representation on Advisory Committees is inconsistent – two with and two without

Minor amendments to Terms of Reference for Heritage Advisory Committee could be considered

Timing of appointments to Civic and Community Awards Steering Committee creates delay in planning process during the first year of the Council term

Questions ?