

**CORPORATION OF THE CITY OF COURTENAY
COUNCIL MEETING AGENDA**

DATE: December 15, 2014
PLACE: City Hall Council Chambers
TIME: 4:00 p.m.

1.00 ADOPTION OF MINUTES

1. Adopt December 1, 2014 Inaugural Council meeting minutes

2.00 INTRODUCTION OF LATE ITEMS

3.00 DELEGATIONS

1. Tom Sparrow, N. I. Hospital Project Chief Project Officer to give update on the hospital

4.00 STAFF REPORTS/PRESENTATIONS

Pg #

(a) Financial Services

- 1 1. Audit Service Plan for Year Ending December 31, 2014
- 25 2. 2015 Garbage, Recyclables, and Yard Waste User Fees
- 29 3. Headquarters/Vanier Sanitary Sewer Service Area – 15 Year Parcel Tax Option

(b) CAO and Legislative Services

- 35 4. Election Results

(c) Development Services

- 39 5. Zoning Amendment Bylaw 2805 – 1253 Cumberland Road
- 53 6. Development Variance Permit No. 1413 - 130-19th Street
- 59 7. Development Variance Permit No. 1411 – 1443 Dover Place

(e) Engineering and Operations

5.00 EXTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

- 69 1. Heritage Advisory Commission Minutes of Sept 24 and Oct 22, 2014
- 75 2. Letter of Appreciation: Comox Bay Care Society
- 77 3. NIC Letter of Congratulations

6.00 INTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

- 79 1. Staff Memorandum re: Update on Airpark Lagoon Restoration Project

7.00 REPORTS/UPDATES FROM COUNCIL MEMBERS INCLUDING REPORTS FROM COMMITTEES

8.00 RESOLUTIONS OF COUNCIL

9.00 UNFINISHED BUSINESS

10.00 NOTICE OF MOTION

11.00 NEW BUSINESS

BYLAWS

For First and Second Reading

- 81 1. "Zoning Amendment Bylaw No. 2805, 2014"
(to allow a carriage house on a R-2 zoned property)

For First, Second and Third Reading

- 83 1. "Headquarters/Vanier Sanitary Sewer Service Area Parcel Tax Bylaw No. 2809, 2014"
(to establish a 15 yr. parcel tax payment option for the properties within the Headquarters Road and Vanier Drive sanitary sewer extension service area)

13.00 ADJOURNMENT

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THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council
From: Chief Administrative Officer
Subject: Audit Service Plan for Year Ending December 31, 2014

File No.: 1680-01

Date: December 15, 2014

PURPOSE:

The purpose of this report is to receive the Audit Service Plan for the Year Ending December 31, 2014, prepared by the firm of MNP LLP.

POLICY ANALYSIS:

Pursuant to Section 169 of the *Community Charter*, Council appointed the firm of MNP LLP to conduct the annual municipal audit for the City of Courtenay.

The Canadian Institute of Chartered Accountants Assurance (CICA) Handbook, which sets the standards for auditing in Canada, requires that the Auditors communicate the following with Council:

- (a) the audit and non-audit services that the auditor is providing to the City and its related entities;
- (b) the level of responsibility assumed by the auditor under generally accepted auditing standards; and
- (c) a summary of the audit approach.

EXECUTIVE SUMMARY:

The City's appointed auditors, Meyers Norris Penny, have now prepared and submitted the Audit Service for the year ending December 31, 2014. Communicating this plan to Council is a requirement under the Section 5751 of auditing standards set out in the CICA Assurance Handbook.

CAO RECOMMENDATIONS:

That based on the December 15, 2014 staff report "Audit Service Plan for Year Ending December 31, 2014", Council approve OPTION 1 to receive the Audit Service Plan for the year ending December 31, 2014.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

As required under Section 5751 of the CICA Handbook, the City's appointed auditors prepare and communicate the annual Audit Service Plan to Council.

DISCUSSION:

The City's appointed auditors, Meyers Norris Penny, have now prepared and submitted this year's Audit Service. Providing Council with this plan is a requirement under the auditing standards set out in the CICA Assurance Handbook.

The plan documents the overall approach and the general arrangements for the conduct of the fiscal 2014 audit, and will assist Mayor and Council in understanding both the scope of, and the approach to, the audit work. The estimated audit fees are detailed on Page 10 of the Audit Service Plan, and we are pleased to advise that the 2014 fees have only experienced a slight increase of \$500 (1.7%) from the previous year. This is made possible based on audit efficiencies as well as by the level of preparation and completeness of documentation provided by the finance division staff.

MNP will report to Council in mid-April 2015 on the results of their 2014 audit.

ADMINISTRATIVE IMPLICATIONS:

Preparation for the City's yearend, drafting of the 2014 financial statements, and coordinating the annual municipal audit are significant statutory work tasks for the finance division. The auditors are physically on-site for both an interim audit in December and for the final audit work in mid-March.

STRATEGIC PLAN REFERENCE:

While not currently detailed in the City's Strategic Plan, this is a statutory component of the Corporate Work Plan.

OFFICIAL COMMUNITY PLAN REFERENCE:

2.1 Vision Statements: "commitment to continued excellence"
"balance and ability to lead growth and provision of services"

REGIONAL GROWTH STRATEGY REFERENCE:


The City is a signatory to the Comox Valley Regional Growth Strategy, which identifies eleven major trends in the valley including the area as a growing region, and affordability concerns. Maintaining a sound financial position for the City is key in our ability to be a part of solutions for the Comox Valley as a whole.

OPTIONS:

OPTION 1: That Council receive the Audit Service Plan for the Year Ending December 31, 2014, prepared by the firm of MNP LLP. [Recommended]

OPTION 2: That Council does not receive the 2014 Audit Service Plan.

Prepared by:



Tillie Manthey, BA, CPA, CGA

Director, Financial Services/Deputy CAO

Attachment: MNP - The Corporation of the City of Courtenay, Audit Service Plan, Year Ending December 31, 2014



**THE CORPORATION OF THE CITY OF
COURTENAY
AUDIT SERVICE PLAN**

Year Ending December 31, 2014

November 3, 2014

Mayor and Council
The Corporation of the City of Courtenay
830 Cliffe Avenue
Courtenay, BC
V9N 2J7

Dear Mayor and Council:

We are pleased to put forward this report for discussion of our overall strategy and general arrangements for the audit of the consolidated financial statements of the Corporation of the City of Courtenay ("the City") for the year ended December 31, 2014. In this report, we cover those significant matters which, in our opinion, you should be aware of as Mayor and Council.

At MNP, we adhere to the highest level of integrity and professionalism. Our goal is to meet or exceed your requirements and ensure you receive outstanding service.

Our team of experienced professionals has been selected for this engagement because of their knowledge and understanding of the City. As a valued client of MNP, we look forward to working with you, your management team and employees over the course of our audit work.

We are dedicated to maintaining open channels of communication throughout this engagement. Please feel free to approach our team with any questions you may have about our upcoming audit, and to discuss any other matters that may be of interest to you.

Yours truly,



MNP LLP

CV/ch

EXECUTIVE SUMMARY

To make strategic business decisions with confidence, your stakeholders and the Mayor and Council of the Corporation of the City of Courtenay need relevant, reliable and independently audited financial information. But that's not all. You need an audit team that can deliver insight beyond the numbers and enhance the Corporation of the City of Courtenay's strategic planning and implementation processes so you can embrace new opportunities while effectively managing risk. Our senior team members have extensive knowledge of municipalities from many years of experience. Our audit strategy takes into account the limitations and opportunities you encounter each day, allowing our recommendations to be implemented with greater ease. Committed to your success, MNP delivers meaningful, reliable financial information to not only help you fulfill your compliance obligations, but also to achieve your key strategic goals.

Our audit service plan outlines the strategy we will follow to provide the Corporation of the City of Courtenay's Mayor and Council with our independent auditors' report on the December 31, 2014 consolidated financial statements.

There are no significant changes to accounting and auditing standards impacting your City for 2014 and none are expected in the next few years.

We propose to use \$700,000 as overall materiality for audit planning purposes.

To meet your release requirement of final financial statements, we plan to present our audit findings to the Mayor and Council in April 2014.

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1. INTRODUCTION

We are pleased to continue our appointment as auditors of the Corporation of the City of Courtenay ("the City").

Our Audit Service Plan will:

- Document the overall audit strategy and the general arrangements for the conduct of our December 31, 2014 audit
- Assist the Mayor and Council and management in understanding the approach to the December 31, 2014 audit
- Illustrate our commitment to assisting you reach your engagement objectives and to demonstrate our expertise

2. TOPICS FOR DISCUSSION

We are committed to providing superior client service by maintaining effective two-way communication.

Topics for discussion include, but are not limited to:

- Changes to your business operations and developments in the financial reporting and regulatory environment
- Business plans and strategies
- The management oversight process
- Fraud:
 - How could it occur?
 - Risk of fraud and misstatement?
 - Actual, suspected or alleged fraud?
- Your specific needs and expectations
- Audit Service Plan
- Any other issues and/or concerns

3. KEY CHANGES AND DEVELOPMENTS

Based on our knowledge of the City and our discussions with management, we have noted the recent developments set out below. Our audit strategy has been developed giving consideration to these factors.

ISSUES AND DEVELOPMENTS	SUMMARY
ENTITY SPECIFIC	There are no significant entity specific changes affecting the consolidated financial statements for the 2014 fiscal year.
REGULATORY	There are no significant regulatory changes affecting the consolidated financial statements for the 2014 fiscal year.
REPORTING: Current Accounting Standards	No changes to current accounting standards for the 2014 year.
REPORTING: Future Accounting Standards	<p>Changes effective for December 31, 2015:</p> <ol style="list-style-type: none">1. Liability for contaminated sites (PS 3260) - A liability for remediation of contaminated sites should be recognized when:<ul style="list-style-type: none">• An environmental standard exists;• The contamination exceeds the environmental standard;• The government is directly responsible or accepts responsibility for remediation of the contaminated site; and• A reasonable estimate of the amount can be made. <p>Changes effective for December 31, 2016:</p> <ol style="list-style-type: none">1. Financial instruments (PS 3450) – portfolio investments are measured at fair value instead of at historic cost.
AUDITING STANDARDS	No changes to auditing standards for the 2014 year.

4. KEY RESPONSIBILITIES

Effective discharge of the respective responsibilities of management, MNP and the Mayor and Council, and maintenance of strong working relationships and open communication between MNP as auditors, the management and the Mayor and Council of the City, is directed toward a common duty to provide appropriate and adequate financial accountability, and quality financial disclosure.

MANAGEMENT RESPONSIBILITIES

- Preparation and fair presentation of the consolidated financial statements, including the notes thereto, in accordance with Canadian Public Sector Accounting Standards
- Initial selection of and changes to significant estimates and accounting policies
- Disclosure of sufficient information about the extent and nature of events having an effect on the City
- Provide an adequate description of the selected applicable financial reporting framework
- Safeguarding of assets
- Establishment and maintenance of policies, financial reporting systems and controls (including those designed to prevent and detect fraud and misstatement)
- Ensuring compliance with applicable legislative authorities
- Provide and make available financial records and related data, copies of all minutes of Mayor and Council meetings and committees
- Provide information relating to any known or possible non-compliance with legislative or regulatory requirements, and laws and regulations
- Provide information about all related parties and related party transactions
- Allow access to staff and management, and other business associates (i.e., lawyers, bankers) as necessary
- Provide written confirmation of representations relating to significant and/or material financial reporting items and disclosures

MNP RESPONSIBILITIES

- Report whether the December 31, 2014 consolidated financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the City in accordance with Canadian Public Sector Accounting Standards
- Provide reasonable, but not absolute, assurance of detecting misstatements, fraud or non-compliance with laws and regulations having a material effect on the consolidated financial statements as a whole.
 - Absolute assurance cannot be provided due to inherent limitations of the audit including the possibility of intentional misstatements due to management override or collusion
- Conduct our audit in accordance with Canadian generally accepted auditing standards
- Obtain an understanding of the risk of material misstatement
 - Understand the environment
 - Evaluate internal controls (should we test internal controls, our assessments would not be sufficient to conclude on the effectiveness or efficiency of internal controls)
- Examine, on a test basis, evidence supporting the amounts and disclosures within the consolidated financial statements
- Assess the appropriateness of the accounting policies selected and their application, the significant estimates made by management, and the use of the going concern assumption

Detailed information on the Audit Process and the Audit Response to Identified Risk are included as Appendix B and Appendix C respectively.

MAYOR AND COUNCIL RESPONSIBILITIES

- Review and approve the consolidated financial statements
- Allocate responsibility between governance and management
- Maintain oversight of management to ensure the integrity of accounting and financial reporting systems
- Ensure that appropriate controls are in place, including those needed for monitoring risk, financial reporting, prevention and detection of fraud and misstatement, and compliance with relevant laws and regulations
- Consider the potential for management override of controls or other inappropriate influences, such as earnings management
- Prevention and detection of fraud and misstatement
- Creation and maintenance of a culture of honesty and high ethics
- Approval of policies and the monitoring of performance areas
- Provide information to assist MNP in updating its understanding of the entity and its environment, including internal control
- Provide information about the entity's objectives, strategies and related business risks that may give rise to material misstatements
- Provide information about significant communications with regulators
- Inform MNP of appropriate governance persons with whom to communicate
- Identify additional areas of concern for MNP to consider when undertaking the audit

5. DELIVERABLES

We are committed to providing you with the highest level of professional service. Based on our understanding of your needs and expectations, our planned service response includes:

- We will keep you informed of the effect and timing of relevant new and proposed financial reporting requirements
- We will assist you to plan for and implement relevant new financial reporting requirements
- We will communicate effectively, and in a timely manner, with the Mayor and Council. Our communications include this Audit Service Plan and, at the conclusion of our audit, the Audit Findings Report and our Management Letter
- We will attend and participate in Council meetings as appropriate
- We will assign an engagement team that understands the City, the environment in which it operates, and the accounting, tax and regulatory issues that affect your financial reporting
- We will provide ongoing business, taxation and accounting advice, including financial reporting recommendations on unusual transactions, business contracts and other business arrangements as they arise
- Upon completion of our audit, we will issue our independent auditors' report on your consolidated financial statements, prepared in accordance with Canadian public sector accounting standards



6. TIMETABLE

	DATE
Presentation of December 31, 2014 Audit Service Plan to the Mayor and Council	November 2014
Interim procedures	December 2014
Year-end procedures	March, 2015
Draft year-end consolidated financial statements to be discussed with management	early April 2015
Report of the December 31, 2014 Audit Findings to the Mayor and Council	mid April 2015
Mayor and Council approval for release of final year-end consolidated financial statements <ul style="list-style-type: none">• Issuance of independent auditors' report	mid April 2015
Issuance of Management Letter	mid April 2015

7. INDEPENDENCE

An essential aspect of all our services to the City is an independent viewpoint, which recognizes that our responsibilities are to the Mayor and Council. While the concept of independence demands a questioning and objective attitude in conducting our audit, it also requires the absence of financial or other interests in the City. In accordance with our firm's policy and the Rules of Professional Conduct which govern our profession, neither MNP nor any of its team members assigned to the engagement nor any of its partners are permitted to have any involvement in or relationship with the City that would impair independence or give that appearance. As auditors, we subscribe to the highest standards and are required to discuss our independence with the Mayor and Council on an annual basis. We will:

- Disclose to the Mayor and Council, in writing, all relationships between MNP and the City that in our professional judgment may reasonably be thought to bear on our independence;
- Confirm in writing that, in its professional judgment, MNP is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia; and,
- Discuss our independence with the Mayor and Council.

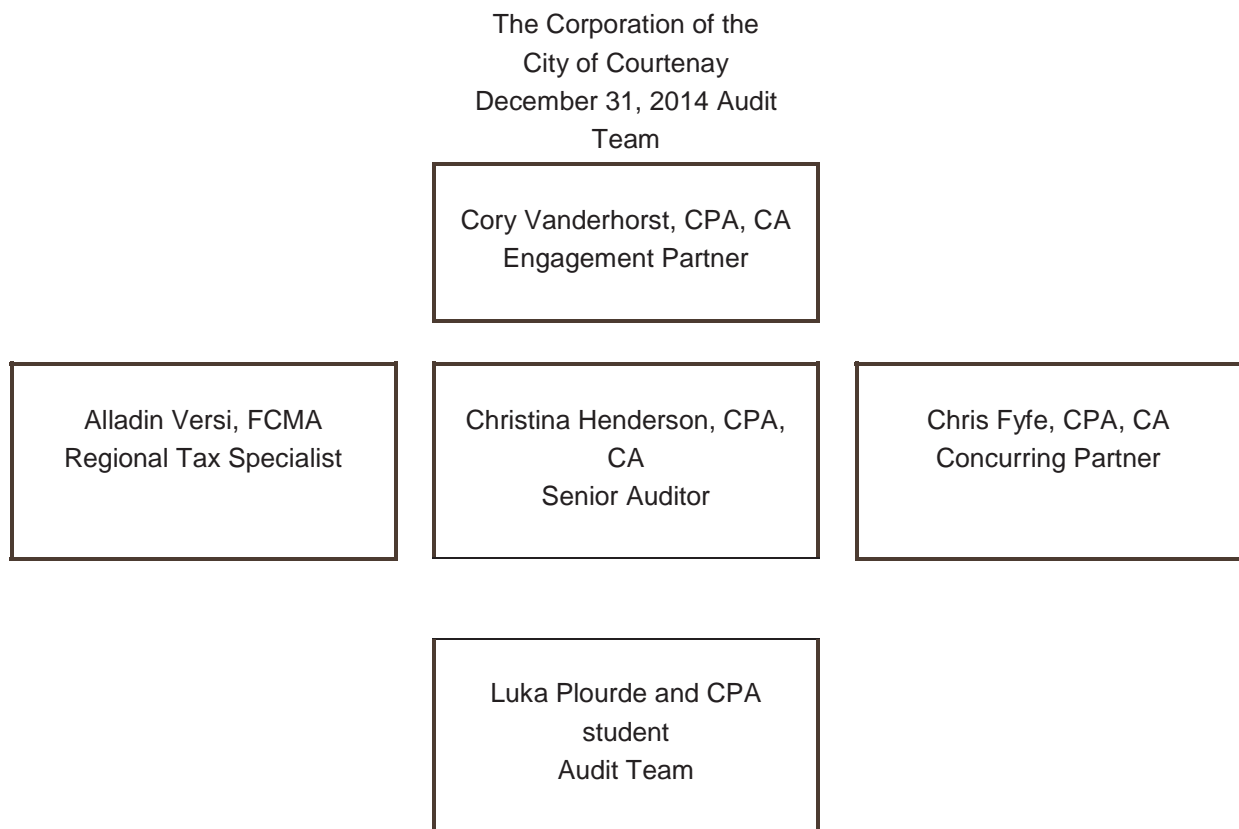
We are not aware of any relationships between our Firm and the City during the year that, in our professional judgment, may reasonably be thought to bear on our independence.

We hereby confirm that we are independent auditors with respect to the City.

During the course of the audit, we will communicate any significant new matters that come to our attention that, in our professional judgment, may reasonably be thought to bear on our independence. At the completion of our audit, we will reconfirm our independence

8. AUDIT TEAM AND MNP RESOURCES

In order to ensure effective communication between the Mayor and Council and our firm, we briefly outline below the key members of our audit team and the role they will play.



In order to serve you better and meet our professional responsibilities, we may find it necessary to expand our audit team to include other MNP professionals whose consultation will assist us to evaluate and resolve complex, difficult and/or contentious matters identified during the course of our audit. Additionally, reliance on specialists, including actuaries, may be necessary in order to obtain appropriate audit evidence. Any changes to the audit team will be discussed with you to ensure a seamless process and that all concerned parties' needs are met.

9. FEES AND ASSUMPTIONS

Our audit fees for the year-ended December 31, 2014 are estimated to be the following, exclusive of applicable taxes and travel disbursements:

	2014 ESTIMATE	2013 ACTUAL
Base fee, before disbursements and taxes	\$30,500	\$30,000

Pursuant to our billing policy, we will issue interim bills as follows:

- a) On delivery of the audit service plan 50% of the estimated fee;
- b) At the start of year-end field work 25% of the estimated fee;
- c) At the completion of year-end field work 15% of the estimated fee;
- d) Upon the delivery of the final financial statements and independent auditors' report, the balance.

Our estimated audit fees above are based on our past experience and our knowledge of the City. These estimates rely on the following assumptions:

- No significant deficiencies in internal controls which cause procedures to be extended
- No major unadjusted misstatements or un-reconciled balances
- Significantly all adjusting entries are completed prior to trial balance and journal entries being provided to audit team
- All management and required staff are available as needed
- Information and working papers required, as outlined in our letter of fiscal year-end requirements, are provided in the mutually agreed form and timing
- There are no changes to the agreed upon audit timetable and reporting requirements

If any significant issues arise during the course of our audit work which indicate a possibility of increased procedures or a change in the audit timetable, these will be discussed with management by the engagement partner so a mutually agreeable solution can be reached.

APPENDIX A: KEY CHANGES AND DEVELOPMENTS

NEW AND PROPOSED REPORTING AND AUDITING DEVELOPMENTS

Financial instruments (PS 3450)

In June 2011, the Public Sector Accounting Board (PSAB) issued new Section PS 3450 *Financial instruments*. The new standard establishes requirements for recognition, measurement, derecognition, presentation and disclosure of financial assets and financial liabilities, including derivatives. The main features of the new standard are:

- Financial instruments are classified into two measurement categories: fair value, or cost or amortized cost;
- Almost all derivatives, including embedded derivatives not closely related to the host contract, are measured at fair value;
- Portfolio investments in equity instruments quoted in an active market are measured at fair value;
- Other financial assets and financial liabilities are generally measured at cost or amortized cost;
- An entity may elect to measure any group of financial assets or financial liabilities (or both) at fair value when the entity has a risk management or investment strategy to manage those items on a fair value basis;
- Remeasurement gains and losses on financial instruments measured at fair value are reported in the statement of remeasurement gains and losses until the financial instrument is derecognized;
- Budget to actual comparisons are not required within the statement of remeasurement gains and losses;
- Financial liabilities are derecognized when, and only when, they are extinguished;
- Financial assets and financial liabilities are only offset and reported on a net basis if a legally enforceable right to set off the recognized amounts exists, and the entity intends to settle on a net basis or realize/settle the amounts simultaneously.

PS 3450 is effective for government organizations for fiscal years beginning on or after April 1, 2012. The effective date of PS 3450 for governments is for fiscal years beginning on or after April 1, 2015. The application of PS 3450 by governments will be reviewed by PSAB in the future. Early adoption is permitted. In the period that a public sector entity applies PS 3450, it also applies PS 1201 *Financial statement presentation* and PS 2601 *Foreign currency translation*.

Financial statement presentation (PS 1201)

In June 2011, as a result of the issuance of PS 3450 *Financial instruments*, the Public Sector Accounting Board (PSAB) issued new Section PS 1201 *Financial statement presentation*, which revises and replaces Section PS 1200 *Financial statement presentation*. The main features of the new standard are:

- Remeasurement gains and losses are reported in a new statement: the statement of remeasurement gains and losses;
- Other comprehensive income arising when a government includes the results of government business enterprises and government business partnerships in its financial statements, is reported in the statement of remeasurement gains and losses;
- Accumulated surplus or deficit is presented as the total of the accumulated operating surplus or deficit and the accumulated remeasurement gains and losses.

The Section is effective in the same period PS 3450 is adopted. The effective date of PS 3450 for government organizations is for fiscal years beginning on or after April 1, 2012. The effective date of PS 3450 for governments is for fiscal years beginning on or after April 1, 2015. The application of PS 3450 by governments will be reviewed by PSAB in the future. Early adoption is permitted.

Liability for contaminated sites (PS 3260)

In June 2010, new Section PS 3260 *Liability for contaminated sites* was included in the Public Sector Accounting Handbook (PSA Handbook). The section applies to all governments and government organizations that base their accounting policies on the PSA Handbook. The main features of this standard are as follows:

- A liability for remediation of contaminated sites should be recognized when:
 - An environmental standard exists;
 - The contamination exceeds the environmental standard;
 - The government is directly responsible or accepts responsibility for remediation of the contaminated site; and
 - A reasonable estimate of the amount can be made.
- If the criteria for the recognition of a liability in PS 3200, *Liabilities*, is met for a voluntary compliance with a non-authoritative policy or guideline, a liability may exist;
- If the existence of a contamination is uncertain, still required to determine whether a liability exists and recognize where appropriate;
- An assessment should be made based upon guidance in PS 3300, *Contingent liabilities*, if a government's responsibility for remediation of a contaminated site is uncertain;
- The liability for contaminated sites is comprised of the costs directly attributable to remediation activities, net of expected recoveries, based upon the information available at the financial statement date and an estimate of the settlement amount; and
- The liability should be assessed at each reporting date. Any changes in the liability are to be recognized when the revisions are made.

The standard is effective for fiscal years beginning on or after April 1, 2014. Earlier adoption is encouraged.

APPENDIX B: THE AUDIT PROCESS

OUR PLAN

Our overall audit strategy is risk-based and controls-oriented. Assessment and identification of risk is performed continuously throughout the audit process. We focus on the risks that have a potential impact on the financial accounting systems and subsequent financial reporting.

Our overall audit strategy does not, and is not intended to involve the authentication of documents, nor are our team members trained or expected to be experts in such authentication. Unless we have reason to believe otherwise, we accept records and documents as genuine. The subsequent discovery of a material misstatement resulting from fraud does not, in and of itself, indicate a failure to comply with Canadian generally accepted auditing standards.

AUDIT PROCEDURES

To meet our responsibilities in accordance with Canadian generally accepted auditing standards, our audit examination includes:

- Obtaining an understanding of the entity and its environment, including its controls, in order to identify and assess the risk that the consolidated financial statements contain material misstatements due to fraud or misstatement;
- Assessing the adequacy of and examining, on a test basis, the key controls over significant transaction streams and over the general organizational and computer environments;
- Assessing the systems used to ensure compliance with applicable legislative and related authorities pertaining to financial reporting, revenue raising, borrowing, and investing activities;
- Examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements;
- Assessing the appropriateness and consistency of accounting principles used and their application;
- Assessing the significant estimates used by management; and,
- Assessing the entity's use of the going concern assumption in the preparation of the financial statements.

As part of our planning process, we will also undertake to inform the Mayor and Council of concerns relating to management's implementation and maintenance of controls, and the effects of any such concerns on the overall strategy and scope of the audit. These concerns might arise from the nature, extent and frequency of management's assessments of controls in place to detect fraud and misstatement, and of the risk that the consolidated financial statements may be misstated; from a failure by management to appropriately address significant deficiencies in controls identified in prior audits; and, from our evaluation of the City's control environment, and management's competence and integrity.

OVERALL RELIANCE

In general, there are three levels of reliance that we can place on controls, or the absence thereof:

Low/None – where we cannot rely on controls because they are weak or absent, or where it is deemed to be more efficient to carry out a high level of direct substantive tests of transactions and balances. Audit evidence is primarily obtained through detailed verification procedures and sufficient substantive tests of details and transactions.

Moderate – where there are some deficiencies in systems application or procedural controls, or where it is deemed to be inefficient to test systems application controls, but where we can test and rely on the management monitoring systems in place to detect and correct material misstatements in the financial reporting systems. Testing of controls is supplemented with a moderate level of substantive tests of details and transactions.

High – where a high degree of control is in place in the areas of management monitoring controls AND systems application and procedural controls. Our audit work focuses on testing both management monitoring and systems application and procedural controls, and is supplemented with a low level of substantive tests of details and transactions.

For the 2014 audit, we are planning to place moderate reliance on some of the City's accounting systems. This level of reliance will involve testing of transactions in the payroll and purchases systems. This will enable us to reduce our substantive work. This reliance is based on our 2-year rotation of control testing, which is dependent on your systems having no significant changes. We plan to test the purchases system in 2014.

As part of our audit work we will update our understanding of the entity and its environment, including the controls relevant to our audit of the principal transaction cycles, sufficient to identify and assess the risks of material misstatement of the consolidated financial statements resulting from fraud or misstatement. This will be accomplished through enquiries with management and others within the entity, analytical procedures and observation and inspection.

Furthermore, we will consider whether effective controls have been established to adequately respond to the risks arising from the use of IT or manual systems and test the operation of those controls to an extent sufficient to enable us to reduce our substantive work. Our review of the City's controls will not be sufficient to express an opinion as to their effectiveness or efficiency. Although we will provide the Mayor and Council with any information about significant deficiencies in internal control that have come to our attention, we may not be aware of all the significant deficiencies in internal control that do, in fact, exist.

AUDIT MATERIALITY

Materiality is an important audit concept. It is used to assess the significance of misstatements or omissions that are identified during the audit and to determine the level of audit testing that is carried out. Specifically, a misstatement or the aggregate of all misstatements in consolidated financial statements as a whole (and, if applicable, for particular classes of transactions, account balances or disclosures) is considered to be material if it is probable that the decision of the party relying on the consolidated financial statements, who has reasonable understanding of business and economic activities, will be changed or influenced by such a misstatement or aggregate of all misstatements. The scope of our audit work is tailored to reflect the relative size of operations of the City and our assessment of the potential for material misstatements in the City's consolidated financial statements as a whole (and, if applicable, for particular classes of transactions, account balances or disclosures). In determining the scope, we emphasize relative audit risk and materiality, and consider a number of factors, including:

- The size, complexity, and growth of the City;
- Changes within the organization, management or accounting systems; and
- Concerns expressed by management.

Judgment is applied to determine a level of materiality appropriate to the audit of each set of consolidated financial statements. Determination of an appropriate level of materiality is affected by our perception of the financial information needs of users of the financial statements. In this context, it is reasonable to assume that users: understand that financial statements are prepared, presented and audited to levels of materiality; recognize uncertainties inherent in the measurement of amounts based on the use of estimates, judgment and consideration of future events; and make reasonable economic decisions based on the financial statements. The foregoing factors are taken into account in establishing the materiality level. **For your information, we propose to use \$700,000 as overall materiality for audit planning purposes.**

INHERENT LIMITATIONS IN THE AUDITING PROCESS

An auditor cannot obtain absolute assurance that material misstatements in the consolidated financial statements will be detected due to factors such as the use of significant judgment regarding the gathering of evidence and the drawing of conclusions based on the audit evidence acquired; the use of testing of the data underlying the consolidated financial statements; inherent limitations of controls; and, the fact that much of the audit evidence available to the auditor is persuasive, rather than conclusive in nature.

Because of the nature of fraud, including attempts at concealment through collusion and forgery, an audit designed and executed in accordance with Canadian generally accepted auditing standards may not detect a material fraud. While effective controls reduce the likelihood that misstatements will occur and remain undetected, they do not eliminate that possibility. Therefore, the auditor cannot guarantee that fraud, misstatements and non-compliance with laws and regulations, if present, will be detected when conducting an audit in accordance with Canadian generally accepted auditing standards.

The likelihood of not detecting material misstatements resulting from management fraud is greater than for employee fraud, because management is in a position to manipulate records, present fraudulent information or override controls.

We will inform the appropriate level of management or the Mayor and Council with respect to identified:

- Misstatements resulting from errors, other than clearly trivial misstatements;
- Fraud, or any information obtained that indicates that fraud may exist;
- Evidence obtained that indicates non-compliance or possible non-compliance with laws and regulations, other than that considered inconsequential;
- Significant deficiencies in the design or implementation of controls to prevent and detect fraud or misstatement; and
- Related party transactions that are not in the normal course of operations and that involve significant judgments made by management concerning measurement or disclosure.

Our concern as auditors is with material misstatements, and thus, we are not responsible for the detection of misstatements that are not material to the consolidated financial statements taken as a whole.

APPENDIX C: AUDIT RESPONSE TO IDENTIFIED RISK

SIGNIFICANT ACCOUNTS OR DISCLOSURES	CONTROLS TESTING	SUBSTANTIVE PROCEDURES
Cash and cash equivalents	No	Agree bank and confirm investments. Check allocation of interest income. Vouch outstanding items. Check cut-off.
Accounts receivable	No	Agree to subsequent receipts and invoices. Check collectability. Test accruals for reasonability. Check cut-off.
Accounts payable and accrued liabilities	Yes	Test internal controls. Agree to invoice and payment. Test accruals. Search for unrecorded liabilities.
Sick and Severance liabilities	No	Test calculations and methodology. Verify assumptions.
Deferred and restricted revenues (including Gas Tax Funds, developer deposits and unearned revenue and DCC reserve)	No	Ensure planning department data agrees to accounting records. Check individual calculations. Ensure revenue is recognized where appropriate. Vouch receipts to support.
Long-term debt	No	Confirm year end balances with MFABC. Recalculate interest expense and accrued interest.
Tangible Capital Assets	Yes	Obtain continuity schedule and test significant additions and disposals to support. Recalculate amortization based on TCA accounting policy. Review repairs and maintenance accounts for capital items.
Revenue – taxation	No	Agree to budget and BC Assessment information.
Revenue – Sales of services and connection fees	No	Analytics comparing actual results to budget, and a test of a sample of items.
Revenue – Other	No	Analytics comparing actual results to budget and a test of a sample of items.
Expenses	Yes	Analytics comparing actual results to budget. Test of a sample of items.
Payroll expenses	Yes	Analytics comparing actual results to budget. Test of a sample of items.



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THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council
From: Chief Administrative Officer
Subject: 2015 GARBAGE, RECYCLABLES, AND YARD WASTE USER FEES

File No.: 1705-20 / 1830-05

Date: December 15, 2014

PURPOSE:

The purpose of this report is to consider and establish the garbage, recyclables, and yard waste user fees for 2015.

POLICY ANALYSIS:

Section 194 of the *Community Charter* allows Council to charge a user fee to cover the cost of delivery of a service.

EXECUTIVE SUMMARY:

The costs associated with providing garbage, recyclables, and yard waste collection are reviewed annually and user fees are established to cover the projected cost to deliver the services in the upcoming year. These services are not funded from general property taxation. For 2015, a general user fee increase of 4% is required to ensure that the 2015 costs to deliver the service are fully covered.

CAO RECOMMENDATIONS:

That based on the December 15, 2014 staff report "2015 Garbage, Recyclables, and Yard Waste User Fees" Council approve OPTION 1 regarding the proposed increase to the 2015 garbage and recyclables user fees as outlined in the Table on Page 4 of the report, which is to generally increase the bylaw user fees by 4% as well as implement the second phase of an increase specific to compactor rates;

And that Council direct staff to amend the "City of Courtenay Fees and Charges Bylaw No. 1673, 1992", to reflect the proposed 2015 garbage and recyclables user fees.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

Council sets the garbage user fee rate schedule by bylaw each year to ensure that costs for the provision of garbage, recyclables and yard waste collection services are fully recovered on a user fee basis. These services are not funded from the general property taxation levy.

DISCUSSION:

The City provides weekly curbside pickup of mixed garbage and yard waste, and bi-weekly pickup of recyclables for residential properties, and scheduled mixed waste/cardboard pickup for commercial properties. The fee charged for this service must cover:

- The costs of the contractor engaged to provide garbage/recyclables pickup and transport services.

The increase in the cost of the solid waste and recyclables collection contract is calculated using an agreed to weighted formula which takes into account the annual increase or decrease in the Consumer Price Index Vancouver (weighted 90%), and the Price Index of Diesel in BC (weighted 10%).

Effective January 1, 2015 this blended formula results in a price index increase for the contractor, which is projected to be in the range of 2%.

- The regional landfill fees for disposal of the mixed waste.

Effective January 1, 2015, the regional landfill tipping fee will be \$120 per tonne. (2013, Jan-June = \$100 per tonne, July-Dec = \$110 per tonne) This increases the cost of the disposal of mixed waste by 14% for 2015.

- The internal costs to deliver the utility service.

Internal cost recovery provides recovery of the cost of billing and collection, as well as of the administration of the service, and represents approximately 7% of the overall utility user fee.

Mixed Waste Compactor Analysis

Last year, staff performed a detailed cost analysis for the provision of the mixed waste compactor bin service to businesses in Courtenay. The results of the cost analysis proved that the actual cost per pickup was 40% greater than the associated pickup fee set in the 2013 bylaw.

Council agreed to phase in the required increase over three years for this service (2014-15%, 2015-15%, 2016-10%), to minimize the impact on these customers.

Currently there are 10 larger businesses taking advantage of this service within the City. The bin size utilized at a site varies between 27 and 40 cubic yards, depending on waste pickup requirements.

Multi Material BC

The City signed an agreement with MMBC to provide recycling services to residential units in Courtenay as of May 19, 2014. The City is now receiving financial incentives through the new program which covers the cost of providing the bi-weekly curbside pickup of recyclables to residences.

The 2014 annual user fee was reduced by a pro-rated amount of \$10.79, which reflects the cost of providing residential recyclable service for May 19 – December 31, 2014. A further reduction of \$6.55 is required to entirely eliminate the recycling fee charge to residential units effective January 1, 2015.

FINANCIAL IMPLICATIONS:

To cover the expected 2015 cost of delivering the garbage, recyclables and yard waste pickup services in the City, *excluding the mixed waste compactors*, a revenue increase of 4% is required.

With regional landfill tipping fees for mixed waste expected to increase by 14% in 2015, the City must increase user fees to cover these costs. Residential users with recycling service will only see a \$.30/unit increase to their annual bill, due to the removal of the recycling portion of the user fee since the MMBC program came into effect.

Compactors – Mixed Waste

To cover the expected 2015 costs associated with providing pickup of the mixed waste compactors, a fee increase of 15% for each bin size is required and was approved by Council on December 2, 2013.

The following table illustrates the proposed impact on the various user fees:

	2015 Proposed Bylaw Rate	2014 Bylaw Rate	Impact	
Residential Fee per unit - includes recyclables and yard waste pickup	\$ 152.50	\$ 152.20	\$ 0.30	0.2%
Extra Bag Ticket (50 Litre) - each	\$ 2.25	\$ 2.00	\$ 0.25	13%
Residential Multifamily, excluding yard waste	\$ 134.00	\$ 129.00	\$ 5.00	4%
Additional Service fee - recyclables (per unit per year)	\$ -	\$ 6.55	-\$ 6.55	-100%
Additional Service fee - yard waste (per unit per year)	\$ 18.00	\$ 17.35	\$ 0.65	4%
Trade Premises	<i>per pickup</i>	<i>per pickup</i>	<i>per pickup</i>	
Cans - mixed waste (contains no recyclable material)	\$ 2.60	\$ 2.50	\$ 0.10	4%
DCBIA - per unit/premise per year	\$ 292.00	\$ 280.50	\$ 11.50	4%
DCBIA - recycle toter per bin	\$ 2.15	\$ 2.05	\$ 0.10	5%
Containers - 2 cubic yard	\$ 15.90	\$ 15.30	\$ 0.60	4%
Containers - 3 cubic yard	\$ 23.85	\$ 22.95	\$ 0.90	4%
Containers - All other per cubic yard	\$ 7.95	\$ 7.65	\$ 0.30	4%
Compactors - 27 cubic yard *	\$ 429.30	\$ 373.00	\$ 56.30	15%
Compactors - 40 cubic yard	\$ 636.00	\$ 552.00	\$ 84.00	15%
Compactors - All other per cubic yard	\$ 15.90	\$ 13.80	\$ 2.10	15%
Recycling Containers - 2 cubic yard	\$ 8.70	\$ 8.40	\$ 0.30	4%
Recycling Containers - 3 cubic yard	\$ 13.05	\$ 12.60	\$ 0.45	4%
Recycling Containers - All other per cubic yard	\$ 4.35	\$ 4.20	\$ 0.15	4%
Recycling Compactors - 40 cubic yard	\$ 212.16	\$ 204.00	\$ 8.16	4%
Recycling Compactors - All other per cubic yard	\$ 5.30	\$ 5.10	\$ 0.20	4%

ADMINISTRATIVE IMPLICATIONS:

Subsequent to Council endorsing the proposed increase to the 2015 garbage, recyclables and yard waste user fees, staff will prepare the amendment bylaw and bring it to Council for three readings and again for final reading and adoption. Once the amendment bylaw has been adopted, staff will update the financial system for the 2015 user fee billing.

STRATEGIC PLAN REFERENCE:

Not applicable

OFFICIAL COMMUNITY PLAN REFERENCE:

Section 6.5 Solid Waste

Policy: 1. "Review User Fees"

REGIONAL GROWTH STRATEGY REFERENCE:

Goal 8: Climate Change:
Reduce GHG emissions in the solid waste sector

CITIZEN/PUBLIC ENGAGEMENT:

The public is notified of the upcoming changes to garbage, recyclables, and yard waste user fees through media at regular council meetings, as well as on the City's website.

Customers with mixed waste compactor pickup were notified in writing of the phased increases on January 7, 2014.

OPTIONS:

OPTION 1: That Council endorse the proposed increase to the garbage, recyclables, and yard waste user fees as outlined in the Table on Page 4 of this report and directs staff to prepare the bylaws for three readings accordingly.

OPTION 2: That Council defer endorsing the proposed increase to the 2015 garbage, recyclables, and yard waste user fees for further discussion at a later Council meeting.


While Option 2 provides time for further discussion, it also impacts the schedule required for the 2015 Budget process. User fees are calculated to cover the costs associated with providing the service and it is beneficial to adopt them prior to the end of the calendar year or as early as possible in the new year to avoid calculating a prorated blended fee based on the 2014 and 2015 rates.

Prepared by:



Jennifer Nelson, CPA, CGA
Manager of Financial Planning

Concurrence:



Tillie Manthey, BA, CPA, CGA
Director, Financial Services/Deputy CAO



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council

File No.: 1970-14

From: Chief Administrative Officer

Date: December 15, 2014

Subject: Headquarters/Vanier Sanitary Sewer Service Area – 15 Year Parcel Tax Option

PURPOSE:

The purpose of this report is to establish a fifteen year parcel tax payment option for the properties within the Headquarters Road and Vanier Drive sanitary sewer extension service area.

POLICY ANALYSIS:

Sections 200 through 209 of the *Community Charter* allow Council to impose a parcel tax to provide all or part of the funding for a service.

EXECUTIVE SUMMARY:

The Headquarters Road and Vanier Drive sanitary sewer construction project was substantially complete in October 2014, and letters of advice were issued on November 12, 2014 to the owners of the three newly serviced properties within this area that the line was ready for use. The mandatory connection fee imposed, in accordance with Bylaws 2342 and 2742, is \$8,000. Council is asked today for consideration of a fifteen year parcel tax bylaw which would provide property owners a commutation option. The annual parcel tax is calculated to be \$576.99 per year for fifteen years, and would be levied with the annual property taxes.

CAO RECOMMENDATIONS:

That based on the December 15, 2014 report "Headquarters/Vanier Sanitary Sewer Extension Service Area" Council approve OPTION 1 and consider adopting the "City of Courtenay Headquarters/Vanier Sanitary Sewer Parcel Tax Bylaw 2809, 2014" which provides for a fifteen year parcel tax option for payment of the bylaw connection fee of \$8,000.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

The Headquarters/Vanier Road sanitary sewer works were completed earlier this year, and for the most part, encompassed the replacement of old asbestos cement concrete sewer main. This work also included sanitary sewer service replacement to property line, adding new services to several lots, and the replacement of storm culverts on Headquarters Road where the existing condition had reached end of pipe lifecycle.

DISCUSSION:

Under our current bylaws, a mandatory connection and capital contribution charge of \$8,000 per connection is imposed on the new Headquarters/Vanier Road properties receiving sewer service. By letter, these property owners have been advised that the sanitary sewer service has been completed and is ready for use. A connection deadline of February 12, 2015 was provided.

In order to provide these property owners with an alternative method of payment for the connection charge, the proposed fifteen year parcel tax bylaw has been drafted and is brought forward for Council consideration. Under this bylaw, owners will be levied \$576.99 per year for fifteen years (beginning in 2015).

FINANCIAL IMPLICATIONS:

There are no financial implications as the project was completed on time and within the approved budget. The bylaw fee for the three new sewer service connections in the area will provide \$24,000 in revenue, and will be used towards the overall cost of the project.

ADMINISTRATIVE IMPLICATIONS:

Subsequent to the passage of three readings of these bylaws, next steps include updating the property tax system for those property owners who have chosen the fifteen year payment option. The parcel tax will be collected beginning with the 2015 property tax levied in May.

STRATEGIC PLAN REFERENCE:

While there is no specific reference in the City's Strategic Plan regarding the sewer construction works on Headquarters Road and Vanier Drive, this sewer project was approved by Council as part of the 2014 Financial Plan.

OFFICIAL COMMUNITY PLAN REFERENCE:

6.3 Sanitary Sewer Treatment

REGIONAL GROWTH STRATEGY REFERENCE:

5-D Sewer: Encourage sewer management approaches and technologies that respond to public health needs and maximize existing infrastructure.

CITIZEN/PUBLIC ENGAGEMENT:

In March 25, 2014, letters were issued to residents advising them that the City was in the final design stages of the sanitary sewer construction project on Headquarters Road and Vanier Drive. Public notifications were posted throughout the construction period. The final letter of notice was issued on November 12, 2014 to the residents with new services to request that they confirm their preferred method of payment for the sewer service connection. Property owners have communicated directly with the Engineering Division with any queries they had over the course of the project.

OPTIONS:

1. That Council endorses the Headquarters/Vanier Sanitary Sewer Service Area Parcel Tax Bylaw No. 2809, 2014, which provides for a 15 year parcel tax payment option for property owners with new connections within this service area.
2. Defer readings of the proposed bylaw for further discussion.

Prepared by:



Tillie Manthey, BA, CPA, CGA

Director, Financial Services/Deputy CAO

THE CORPORATION OF THE CITY OF COURTENAY

BYLAW NO. 2809

A bylaw to impose a Parcel Tax on Property in the Glacier/Chapman Sanitary Sewer Service Area

WHEREAS the Council has constructed sanitary sewer extensions to service additional properties on Headquarters Road and Vanier Drive;

AND WHEREAS Council has imposed a mandatory fee per connection of \$8,000 in accordance with Bylaws 2342 and 2742, to provide for part of the funding for construction of the works;

AND WHEREAS under the provisions of Section 200 of the *Community Charter*, the Council of the City of Courtenay may, by bylaw, impose a parcel tax to provide all or part of the funding for a service;

AND WHEREAS under the provisions of Section 202 of the *Community Charter*, the Council of the City of Courtenay may, by bylaw, direct the preparation of a parcel tax roll for the purposes of imposing a parcel tax;

NOW THEREFORE, the Council of the City of Courtenay in open meeting assembled enacts as follows:

1. In this Bylaw, unless the context otherwise requires:

“Parcel” means any lot, block or other area in which real property is held or into which it is sub-divided.

“Group of Parcels” means where a building or other improvement extends over more than one parcel of land, those parcels, if contiguous may be treated by the Assessor as one parcel and assessed accordingly.

2. The service for which the tax is imposed is for the extension of the sanitary sewer into the Headquarters Road and Vanier Drive service area.
3. A parcel tax roll for the Headquarters/Vanier sanitary service area is hereby directed to be prepared, consisting of those properties in areas as follows:

Schedule A: Headquarters/Vanier Sanitary Sewer Service Area

4. The tax is imposed for fifteen (15) years, beginning with 2015 and up to and including the year 2029.
5. The parcel tax is imposed on the basis of an amount per connection on each parcel on the Headquarters/Vanier service area parcel tax roll.

6. The parcel tax shall be levied on each parcel or group of parcels of real property within the Headquarters/Vanier service area parcel tax roll, unless the owner or previous owner of the parcel has already paid the fee in full on connection.
7. The parcel tax roll and every revision thereof shall be considered and dealt with by a Parcel Tax Roll Review Panel appointed pursuant to Section 204 of the Community Charter.
8. The parcel tax hereby imposed shall be:
 - a) Nil for each parcel of land or real property for which the owners or prior owners have chosen to prepay the connection fee(s).
 - b) \$576.99 per connection on each parcel of land or real property for which the owners or prior owners have chosen to pay the bylaw connection fee(s) over fifteen years as an annual parcel tax.
9. The parcel tax shall be levied annually upon the owner of each parcel of land or real property and shall be collected in the same manner and with like remedies as ordinary taxes upon the land are collected.
10. The Bylaw and the annual parcel tax hereby imposed shall remain in force from year to year until altered or repealed.
11. This Bylaw may be cited for all purposes as **“Headquarters/Vanier Sanitary Sewer Service Area Parcel Tax Bylaw No. 2809, 2014”**.

Read a first time this 15th day of December, 2014

Read a second time this 15th day of December, 2014

Read a third time this this 15th day of December, 2014

Finally passed and adopted this day of January, 2015

Mayor

Director of Legislative Service

Schedule A
Bylaw 2809, 2014
Headquarters/Vanier Parcel Tax

Bylaw Service
area Shaded





THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council
From: Chief Administrative Officer
Subject: Election Results

File No.: 4200-07
Date: December 15, 2014

PURPOSE:

The purpose of this report is to report the results of the 2014 General Local Election as required by section 148 of the *Local Government Act*.

CAO RECOMMENDATIONS:

That based on the December 15, 2014 staff report "Election Results", Council approve OPTION 1 and receive the Election Results report from the Chief Election Officer for information.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

Section 148 of the *Local Government Act* requires that the Chief Election Officer submit a report of the election results to Council within 30 days after the declaration of the official election results.

FINANCIAL IMPLICATIONS:

There are no financial implications to the City.

ADMINISTRATIVE IMPLICATIONS:

Election administration is included in the Work Plan for the Legislative Services Department.

STRATEGIC PLAN REFERENCE:

No reference. Statutory in nature.

OFFICIAL COMMUNITY PLAN REFERENCE:

No references.

REGIONAL GROWTH STRATEGY REFERENCE:

No references.

CITIZEN/PUBLIC ENGAGEMENT:

No citizen or public engagement is required.

OPTIONS:

OPTION #1- Receive the election results report for information. (recommended and required by statute)

Prepared by:

A handwritten signature in black ink, appearing to read "J. Ward", with a large loop at the beginning.

John Ward, CMC
Director of Legislative Services
Chief Election Officer

Attachment:

1. *Report of Election Results.*



**CORPORATION OF THE CITY OF COURTENAY
LOCAL GENERAL ELECTION NOVEMBER 15, 2014**

REPORT OF ELECTION RESULTS

Total votes received for the office of Mayor:

Jangula, Larry	3483	Elected
Ambler, Jon	2502	

Total votes received for the office of Councillor:

Wells, Bob	2985	Elected
Felgenhauer, Marcus	1800	
Hillian, Doug	2592	Elected
Theos, Manno	3033	Elected
MacInnis, Stu	1196	
Doerksen, Dan	1722	
Lennox, Rebecca	2835	Elected
Anglin, Bill	1900	
Winchester, Starr	2333	
Knox, George	1452	
Chaney, Terry	1351	
Frisch, David	3671	Elected
Eriksson, Erik	2448	Elected

Total votes received for the Office of School District #71 Trustee

Gambacorta, Donna	1720	
Caton, Janice	2265	Elected
Huber, Jordan	1263	
Boldt, Cliff	1784	Elected
Robertson, Alex	1440	

Opinion Question

How much annual property tax would you be willing to pay to reduce homelessness?

	<u>Votes</u>
\$0	1588
Up to \$5 (for a home that is assessed at \$300,000)	1275
Up to \$10 (for a home that is assessed at \$300,000)	2444

Election Statistics

Total number of ballots cast	6150
Ballots cast at Filberg Centre	2728
Ballots cast at Queneesh Elementary School	1805
Ballots cast at advance voting	1518
Ballots cast at special and mail voting	99
Registered electors	18217
New registrations on voting days	533
Total number registered	18750
Turnout % of registered voters	<u>32.8%</u>

A handwritten signature in black ink, appearing to read 'John Ward', with a large circular flourish on the left side.

John Ward
Chief Election Officer



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council
From: Development Services Department
Subject: Zoning Amendment Bylaw 2805, 2014 - 1253 Cumberland Road

File No.: 3360-20-1410
Date: December 15, 2014

PURPOSE:

The purpose of this report is for Council to consider a zoning amendment for the property located at 1253 Cumberland Road to allow the development of a carriage house on a Residential Two (R-2) zoned property less than 1,250 m² in area.

CAO RECOMMENDATIONS:

That based on the December 15, 2014 staff report "Zoning Amendment Bylaw No. 2805, 2014– 1253 Cumberland Road" Zoning Amendment Bylaw No. 2805, 2014 proceed to First and Second Reading; and

That Council direct staff to schedule and advertise a statutory public hearing with respect to Zoning Amendment Bylaw No. 2805, 2014 on February 2, 2015 at 5:00 p.m. in City Hall Council Chambers.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

The subject property is an approximately 1,013 m² residential lot located on Cumberland Road across from Woodcote Park. It has access to both Cumberland Road and Willemar Avenue. The property is currently developed with an older single residential dwelling and a detached shop located to the rear. The applicants are requesting to amend the R-2 zone to allow a carriage house to be developed on a lot less than 1,250 m². The proposed amendment would apply to the subject property only and would not reduce the required



Figure 1. Subject property shown in blue.

lot size for remaining R-2 properties.

DISCUSSION:

The proposed application represents infill development within an established neighbourhood. The Official Community Plan (OCP) supports infill development within existing urban residential areas provided it is in keeping with the character and scale of the surrounding neighbourhood. This neighbourhood contains a mix of residential densities with detached single family homes, duplexes, and multi-residential developments. Typical of older residential areas, the neighbourhood is diverse, not only in housing type but also in architectural style and building age.

The applicants are proposing to build a 54 m² (576 sq.ft) carriage house which will be accessed from Willemar Avenue. The existing home fronts Cumberland Road. The location of the carriage house on the lot maintains the established development pattern for homes along Willemar Avenue with respect to front and side yard building setbacks. To better integrate duplex, carriage houses and secondary residences within existing neighbourhoods, these housing forms are subject to development permit guidelines addressing the form and character of the building and site layout. Should this zoning amendment application be approved, the applicant will need to obtain a development permit which will be considered under a separate application. Consistent with the Development Permit Guidelines and newer development in the area, the proposed building will be clad in hardi-plank siding with manufactured stone and cedar shingle accents.

Preserving mature vegetation can also assist in integrating new development within an established neighbourhood. This property is not subject to the Tree Protection Bylaw however tree retention is encouraged through the rezoning and development permit process. The applicants have indicated in their submissions that they intend to retain all existing mature vegetation (Attachment No. 2). As part of the Development Permit process, the applicants will be required to submit a site plan showing the location of all trees in relation to the proposed carriage house.

As the subject property does not meet the minimum lot size required for a carriage house, the applicants are proposing to amend the R-2 zone specific to this property to allow a carriage house to be constructed. The proposed carriage house meets all other requirements of the R-2 zone as demonstrated in the table below.

Table 1. Zoning Compliance

<u>R-2 Carriage House Requirement</u>	<u>Regulation</u>	<u>Proposed</u>
Maximum Floor Area	75 m ²	54 m ²
Minimum Property Size	1,250 m²	~1,103 m² *triggers zoning amendment
Front Yard (Willemar)	7.5 m	7.5 m
Side Yard	3.0 m	3.0 m and 5.8 m
Rear Yard (Cumberland)	4.0 m	~38 m
Height	6.5 m	5.8 m
Maximum Lot Coverage	40%	~20%

As the proposed development aligns with OCP policy supporting infill development in areas with existing amenities and services and is consistent with the Development Permit Guidelines for form and character, staff is recommending that Bylaw 2805 receive First and Second Reading.

FINANCIAL IMPLICATIONS:

There are no direct financial implications related to the processing of development applications as the fees are designed to offset the administrative costs. However, at the time of building permit the applicant will be required to pay Development Cost Charges (DCCs) and service connection fees for the carriage house. Current DCC charges for carriage houses are \$4,104.25 which represents 25% of the DCC charge for a new single family lot. Building Permit fees will be calculated at time of building permit application, the present fee is \$7.50 per \$1000 of construction value. Ongoing costs associated with development include operating and maintenance costs for municipal infrastructure, and the provision of protective services and recreational programs. These costs are recovered through property taxation and user fees.

ADMINISTRATIVE IMPLICATIONS:

The processing of development applications is included in the current work plan as a statutory component. It is estimated that City staff have spent approximately 35 hours processing this application. Should the zoning amendment be successful, a Development Permit and Building Permit applications will be required requiring approximately 20 hours of additional staff time for processing and review.

STRATEGIC PLAN REFERENCE:

The proposed development fits with 2014 Strategic Plan goal to create a progressive, diverse and sustainable community as it will add a new rental dwelling unit in an established residential area.

OFFICIAL COMMUNITY PLAN REFERENCE:

The proposed zoning amendment is consistent with the urban residential land use designation, and the climate change policies of the Official Community Plan. It represents infill residential development near existing amenities and services including schools, parks, trail and cycling networks.

REGIONAL GROWTH STRATEGY REFERENCE:

The proposed development is consistent with the RGS objective to ensure a diversity of housing options to meet evolving demographics and needs, and to locate housing in core settlement areas close to existing services.

CITIZEN/PUBLIC ENGAGEMENT:

The applicants held a neighbourhood information meeting at the subject property on November 22, 2014. One neighbouring resident attended expressing concern with respect to privacy. The applicants have indicated that they will be using frosted glass on windows facing the adjacent property to address this privacy concern. The applicants' summary of this meeting is included in this report as Attachment No. 3. Should this application for a zoning amendment receive First and Second Reading, a public hearing will be held pursuant to *Section 890* of the *Local Government Act*. Prior to public hearing all property owners and occupants within 100 m of the proposal will be notified. As the applicants will be away in January, they have requested that the public hearing be postponed until the first available Council meeting in February, 2015.

OPTIONS:

OPTION 1: Give Bylaw 2805 First and Second Readings and proceed to Public Hearing (Recommended).

OPTION 2: Defer consideration of Bylaw 2805 with a request for more information.

OPTION 3: Defeat Bylaw 2805.

Prepared by:



Erin Ferguson, BSc, MCP
Land Use Planner

Reviewed by:

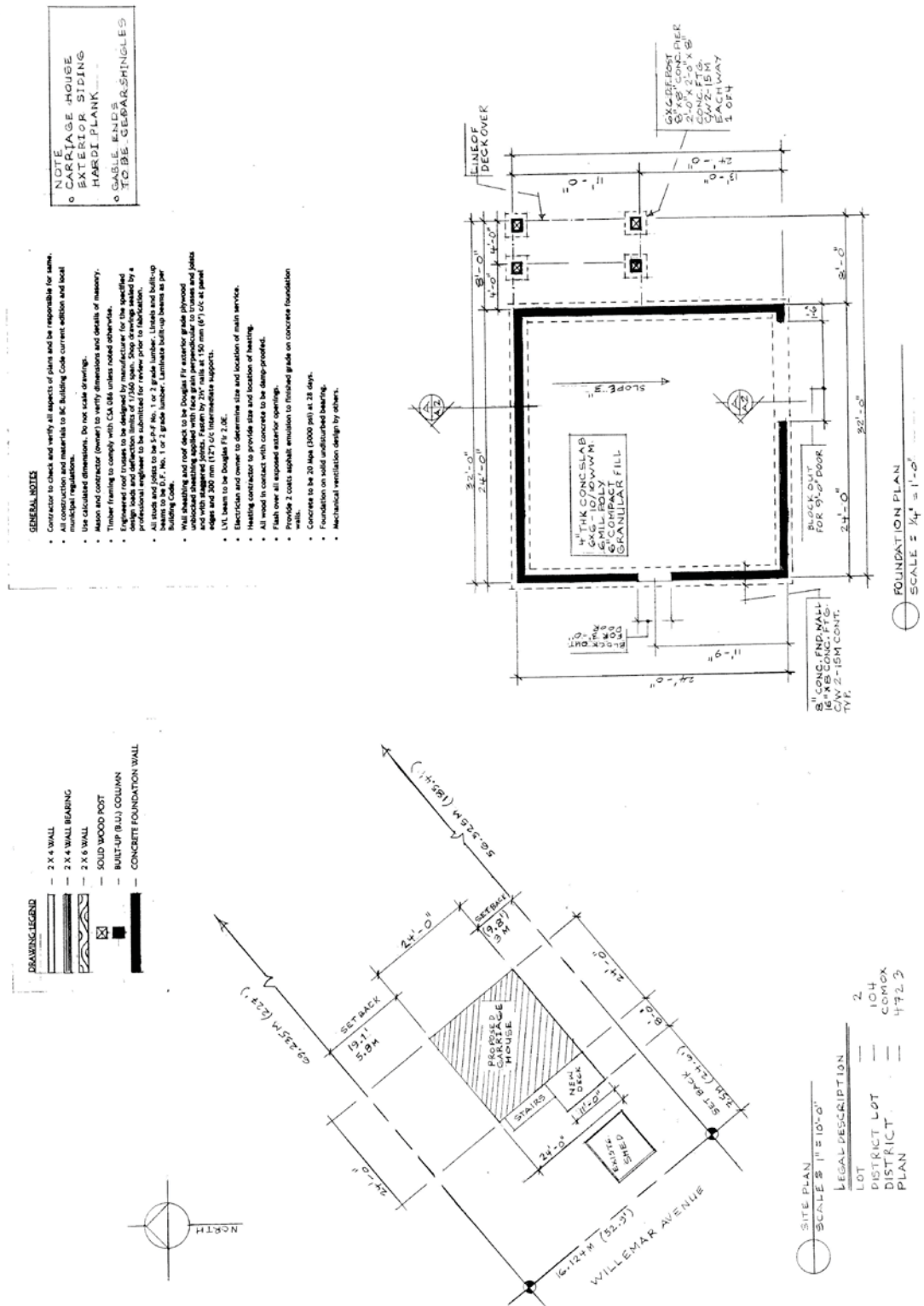


Peter Crawford, MCIP, RPP
Director of Development Services

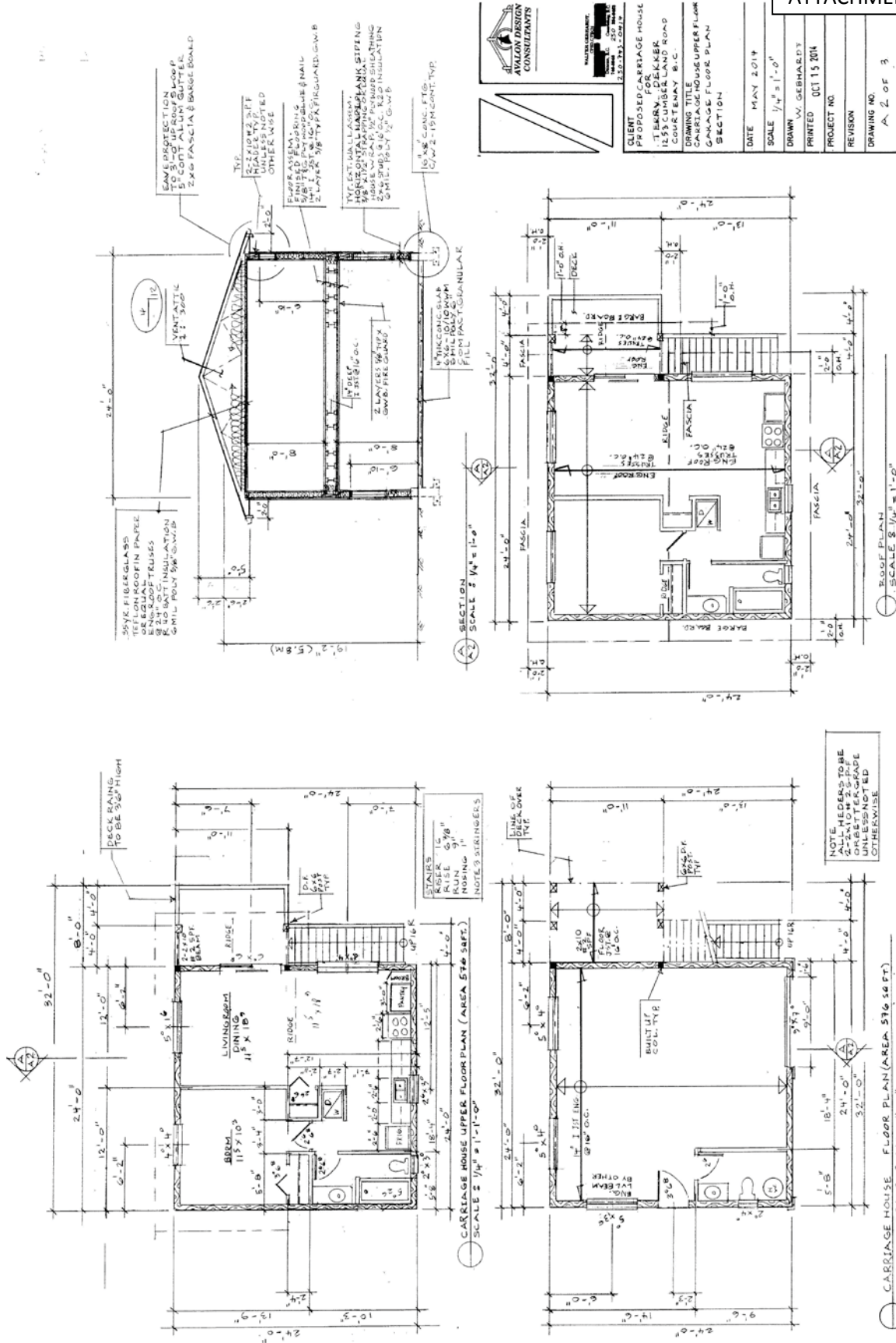
Attachments:

1. *Attachment No. 1: Plans and Elevations, November 27th 2014*
2. *Attachment No. 2: Applicant's Project Description and Sustainability Statement, August 29, 2014*
3. *Attachment No. 3: Summary of Public Information Meeting, November 22nd 2014*

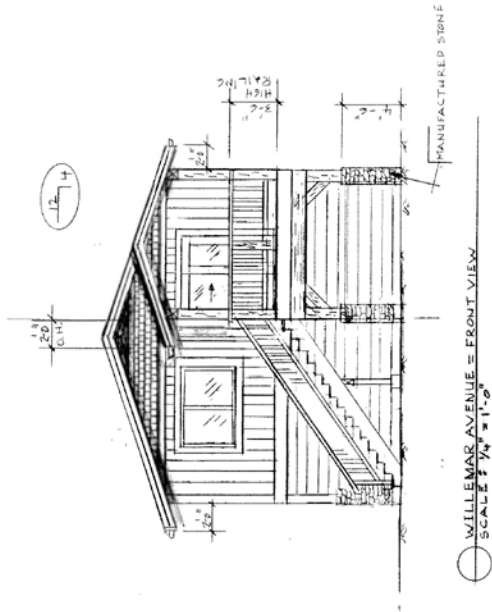
ATTACHMENT NO. 1




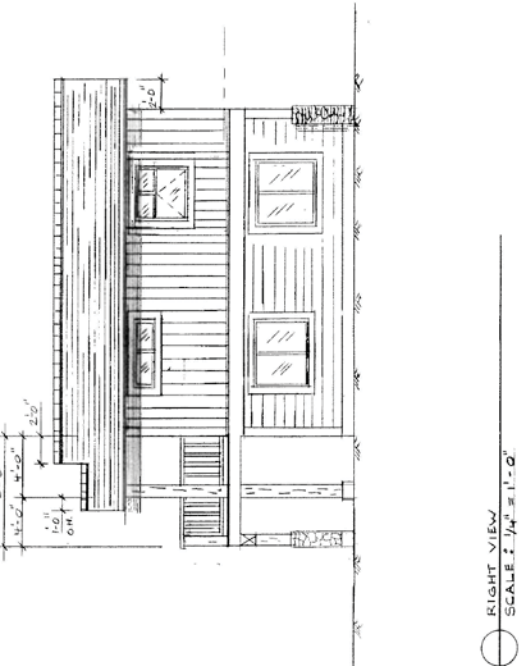
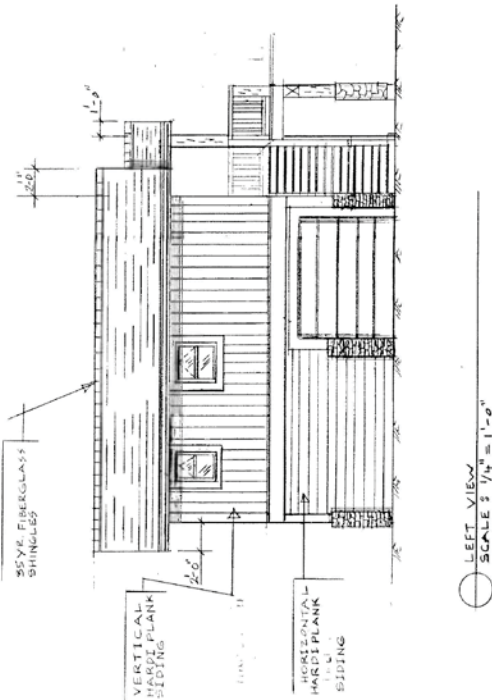
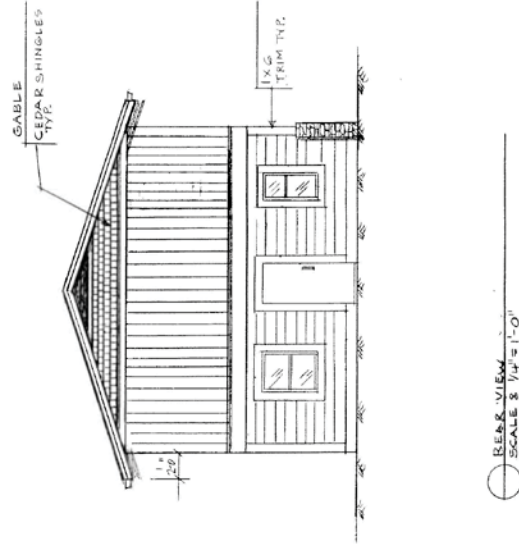
ATTACHMENT NO. 1



ATTACHMENT NO. 1



 AVALLON DESIGN CONSULTANTS 250-743-0917 250-743-0918	
CLIENT: PROPOSED CARRIAGE HOUSE FOR: TERRY DEKKER 1253 CUMBERLAND ROAD COURTNEY, B.C. DRAWING TITLE: ELEVATIONS	
DATE: MAY 2014	SCALE: 1/4" = 1'-0"
DRAWN: W. GEBHARDT	PRINTED: OCT 15 2014
PROJECT NO.	REVISION
DRAWING NO. A3 of 3	



ATTACHMENT NO. 2

1253 Cumberland Road, Courtenay BC V9N 2E8
005-998-689 Lot 2, District lot 104, Comox District, Plan 4723

Summary
Carriage house

- A two-story building
- First floor 24' x 24' Garage/workshop
- Intended to provide a family garage allowing for storage of household items & a space for woodworking hobbies
- Second floor 24' x 24' separate floor for a suite
- Appropriate for a single person or a couple. Will include a kitchen, living room, bedroom & bathroom

Description of development

- This will be an attractive structure with a variety of siding in earth tones and finishing products such as wood trim, cedar shakes and stone.
- It will have 2 distinct rooflines for visual interest.
- The principal entrance will be at the front of the building and will be defined by a wide deck
- It will preserve the integrity of the mature trees on the property and the landscaping will enhance the current yard.
- It will be designed with considerations for neighbours' privacy.

Reasons rationale for proposal

The existing neighbourhood is a mix of apartment buildings, duplexes, triplexes and single-family homes so that the addition of a carriage house maintains the character of the area and promotes the wide range of housing options.

ATTACHMENT NO. 2

Sustainability Evaluation Check List
1253 Cumberland Road, Courtenay BC V9N 2E8
005-998-689 Lot 2, District lot 104, Comox District, Plan 4723

Land use

- Complements and supports the existing mixed use neighbourhood that includes a low-rise apartment building, triplex, duplexes and single-family dwellings
- Will rejuvenate the current street view from unkempt to well manicured
- The building will support the wide range of housing options available in the neighbourhood
- Will not negatively impact the City's infrastructure, neighbourhood or environment
- The relatively central location promotes the use of walking and public transit
- The close proximity to Woodcote Park encourages recreational opportunities

Building Design

- This will be an attractive two-story structure with a variety of siding in earth tones and finishing products including wood trim, cedar shakes and stone
- It will have 2 distinct rooflines for visual interest.
- First floor is a 24' x 24' Garage/workshop intended to provide a family garage allowing for storage of household items & a space for woodworking hobbies
- The Garage door is located at the side of the building
- Second floor is a 24' x 24' suite with a covered entrance at the front of the building, accessible by a wide staircase and deck,
- Appropriate for a single person or a couple. Will include a kitchen, living room, bedroom & bathroom
- The building will preserve the integrity of all the mature trees on the property and the landscaping will markedly enhance the current yard.
- Consultations have already begun to design the structure with considerations for neighbours' privacy.

BRITISH COLUMBIA LAND SURVEYOR'S CERTIFICATE OF LOCATION
FOR LOT 2, DISTRICT LOT 104, COMOX DISTRICT, PLAN 4723.

1253 CUMBERLAND RD., COURTENAY
SCALE 1 : 300 (METRIC)

NOTES:
OFFSETS SHOWN ARE NOT TO BE USED FOR DEFINING LOT BOUNDARIES.
LOT DIMENSIONS AND OFFSET DISTANCES SHOWN COULD VARY
UPON A COMPLETE RESURVEY OF THE SUBJECT PROPERTY.
LOT DIMENSIONS DERIVED FROM PLAN 27554.

WILLEMAR AVENUE

PLAN 1

PLAN 2

DL 104

CUMBERLAND ROAD

SHED ON CONCRETE FOUNDATION

HOUSE WITH BASEMENT

HOUSE

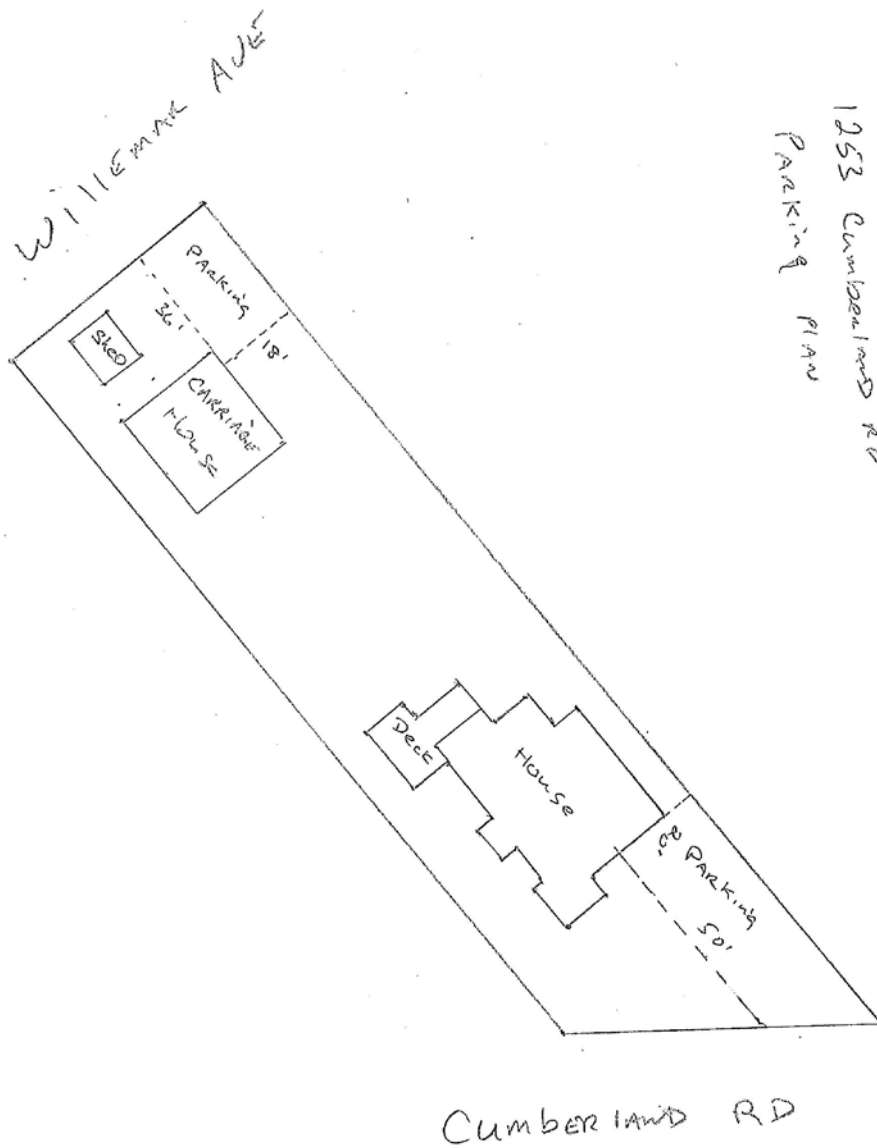
DECK

OVERLAP

FEBRUARY 26, 2014 B.C.L.S.

THIS DOCUMENT IS NOT VALID UNLESS
ORIGINALLY SIGNED AND SEALED

ATTACHMENT NO. 2



ATTACHMENT NO. 3

1253 Cumberland rd. carriage house
Public meeting

Our public meeting was held on November,22,2014 in our home at 1253 Cumberland rd. from 2:00 to 3:00.

Only one person attended the meeting.

Meeting was advertised by mailout notification to list of names provided by the city of Courtenay.

Information at the meeting included, the what the building was designed to be used for, the drawings for the building and site plan.

The only question was about privacy for neighbor. This is to be addressed by using frosted glass in the windows that face the affected property. No other concerns raised.

Yours Truly

Terry Dekker and Gil Bourque

RECEIVED
NOV 27 2014
CITY OF ...

ATTACHMENT NO. 3

Notification of Public Information Meeting

- Re construction of a carriage house at 1253 Cumberland Road., Courtenay
 - Date: Saturday November 22, 2014
 - Time: 2 – 3 pm.
 - Location: 1253 Cumberland Road, Courtenay
- The proposed structure will be built in the rear of 1253 Cumberland Road, with an entrance off of Willemar Road.
 - This will be a two-story structure with a variety of siding in earth tones and finishing products including wood trim, cedar shakes and stone
 - It will have 2 distinct rooflines for visual interest.
 - First floor is a 24' x 24' Garage/workshop intended to provide a family garage allowing for storage of household items & a space for woodworking hobbies
 - The Garage door is located at the side of the building
 - Second floor is a 24' x 24' suite with a covered entrance at the front of the building, accessible by a wide staircase and deck, appropriate for a single person or a couple, and will include a kitchen, living room, bedroom & bathroom
 - The building will preserve the integrity of all the mature trees on the property and the landscaping will markedly enhance the current yard.
- If you have any comments or concerns please direct them to:
Gil Bourque, in writing, at:
1253 Cumberland Road, Courtenay, V9N 2E8
by November 22, 2014

RECEIVED
NOV 27 2014
CITY OF COURTENAY



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council
From: Chief Administrative Officer
Subject: Development Variance Permit No. 1413 - 130 19th Street

File No.: 3090-20-1413
Date: December 15, 2014

PURPOSE:

The purpose of this report is for Council to consider variances to the Zoning Bylaw to accommodate the construction of a road between 19th Street and 20th Street.

CAO RECOMMENDATIONS:

That based on the December 15, 2014 staff report "Development Variance Permit No. 1413 – 130 19th Street" Council approve Option 1 to grant variances to the Zoning bylaw to reduce the required front and side yard setbacks for an existing commercial building located at 130 19th Street.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

The subject property is located on 19th Street between the Courtenay River and Cliffe Avenue. It is currently developed with a single storey commercial building (Service Canada) and associated parking lots. As part of a larger development concept, the subject property will be subdivided and a portion of the property will be dedicated as City road to accommodate the extension of Riverside Lane from 19th Street to 20th Street. The new road will provide access to the future commercial and multi-residential developments shown in Figure 1.

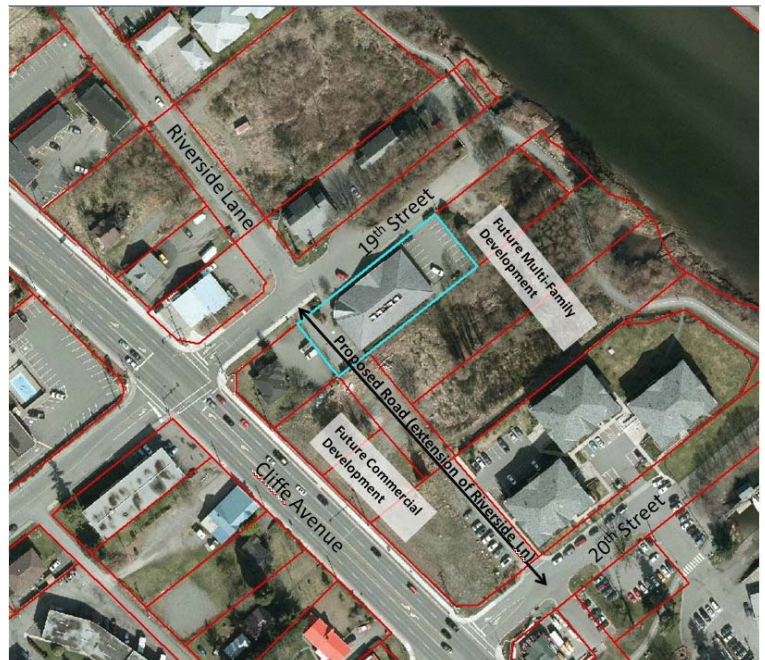


Figure 1. Subject property is shown with blue outline.

DISCUSSION:

As a result of the proposed subdivision and road dedication, Riverside Lane will become the front yard of the Service Canada building as defined by the Zoning Bylaw and 19th Street will become an external side yard. With this property line adjustment, the existing commercial building will not meet the required front yard building setback for the Multiple Use Two (MU-2) zone. In addition, the existing building is considered non-conforming with respect to the required side yard setbacks although this is not related to the proposed subdivision. In order to address the non-conforming setbacks and to accommodate the proposed subdivision, the applicant is seeking a variance to the following sections of the Zoning Bylaw:

- *Section 8.14.5 (1)* – to reduce the required front yard setback from 7.5 m to 5.85 m;
- *Section 8.14.5 (3)* – to reduce the required side yard setback adjacent to a street from 7.5 m to 3.22 m; and
- *Section 8.14.5 (3)* – to reduce the required side yard setback for an internal lot line from 4.5 m to 3.16 m.

A site survey sketch showing the requested variances is included in Attachment No. 1. As the proposed variances to the front yard are minor in nature and the larger variance to the external side yard relates to an existing non-conforming condition, staff has no objections to the variance requests. Notice of this proposal was mailed to surrounding property owners and occupants as required by the *Local Government Act* and staff has not received any public feedback to date. As noted above, this application is part of a larger development concept with active subdivision, rezoning and commercial development permit applications. The extension of Riverside Lane was included in the plans shown during the public engagement process for the rezoning and development permit applications.

FINANCIAL IMPLICATIONS:

There are no direct financial implications related to the processing of development applications as the fees are designed to offset the administrative costs. As this variance relates to a subdivision application involving an existing building, there are no other financial implications associated with the approval of this variance.

ADMINISTRATIVE IMPLICATIONS:

The processing of development applications is included in the current work plan as a statutory component. To date staff have spent approximately 10 hours reviewing the variance application and preparing the report. An additional hour of staff time will be required to prepare the notice of permit, register the notice on title and close the file.

STRATEGIC PLAN REFERENCE:

The proposed variance is consistent with the 2014 Strategic Plan goal to promote healthy lifestyles as the road dedication will extend Riverside Lane which forms part of the Courtenay Riverway greenway route.

OFFICIAL COMMUNITY PLAN REFERENCE:

The proposed variances facilitate the dedication and extension of Riverside Lane which is consistent with the OCP transportation goals to develop a transportation system that provides choices for different modes of travel including vehicle, transit, pedestrian, cycling and people with mobility impairments and to support an integrated transportation system that works towards reducing travel distances and congestion.

REGIONAL GROWTH STRATEGY REFERENCE:

The subject property is located within a Core Settlement Area. As mandated by the Regional Growth Strategy, the majority of growth and development should be concentrated in these areas to provide the efficient use of land, provide alternative transportation choices and to limit encroachment into resource lands and rural areas on the fringes of the City.

CITIZEN/PUBLIC ENGAGEMENT:

Pursuant to *Section 922* of the *Local Government Act*, the City has notified surrounding property owners and occupants of the variance application. To date, no public correspondence has been received.

OPTIONS:

OPTION 1: Approve Development Variance Permit No. 1413 (Recommended).

OPTION 2: Defer consideration of Development Variance Permit No. 1413 pending receipt of further information.

OPTION 3: Not approve Development Variance Permit No. 1413.

Prepared by:



Erin Ferguson, BSc, MCP
Land Use Planner



Peter Crawford, MCIP, RPP
Director of Development Services

Attachment No. 1: Draft Development Permit, December 15, 2015

**THE CORPORATION OF THE CITY OF COURTENAY
BYLAW NO. 2699**

Permit No. DVP 1413

DEVELOPMENT VARIANCE PERMIT

(December 15, 2014)

To issue a Development Variance Permit

To: Name: Newco Holdings Inc, Inc. No. BC0377138
Address: 5191 Mearns Road
Duncan, BC
V9L 6W3

Property to which permit refers:

Legal: Lot B, Section 68, Comox District, Plan VIP54581
Civic: 130 19th Street

Conditions of Permit:

Permit issued to vary the following sections of the *City of Courtenay Zoning Bylaw No. 2500, 2007* to accommodate a road dedication:

- a) *Section 8.14.5 (1)* – to reduce the required front yard setback from 7.5 m to 5.85 m;
- b) *Section 8.14.5 (3)* – to reduce the required side yard setback adjacent to a street from 7.5 m to 3.22 m; and
- c) *Section 8.14.5 (3)* – to reduce the required side yard setback for an internal lot line from 4.5 m to 3.16 m.

Development Permit No. 1413 is issued subject to the following condition:

- i) That development must be in conformance with the plan contained in *Schedule No. 1*.

Time Schedule of Development and Lapse of Permit

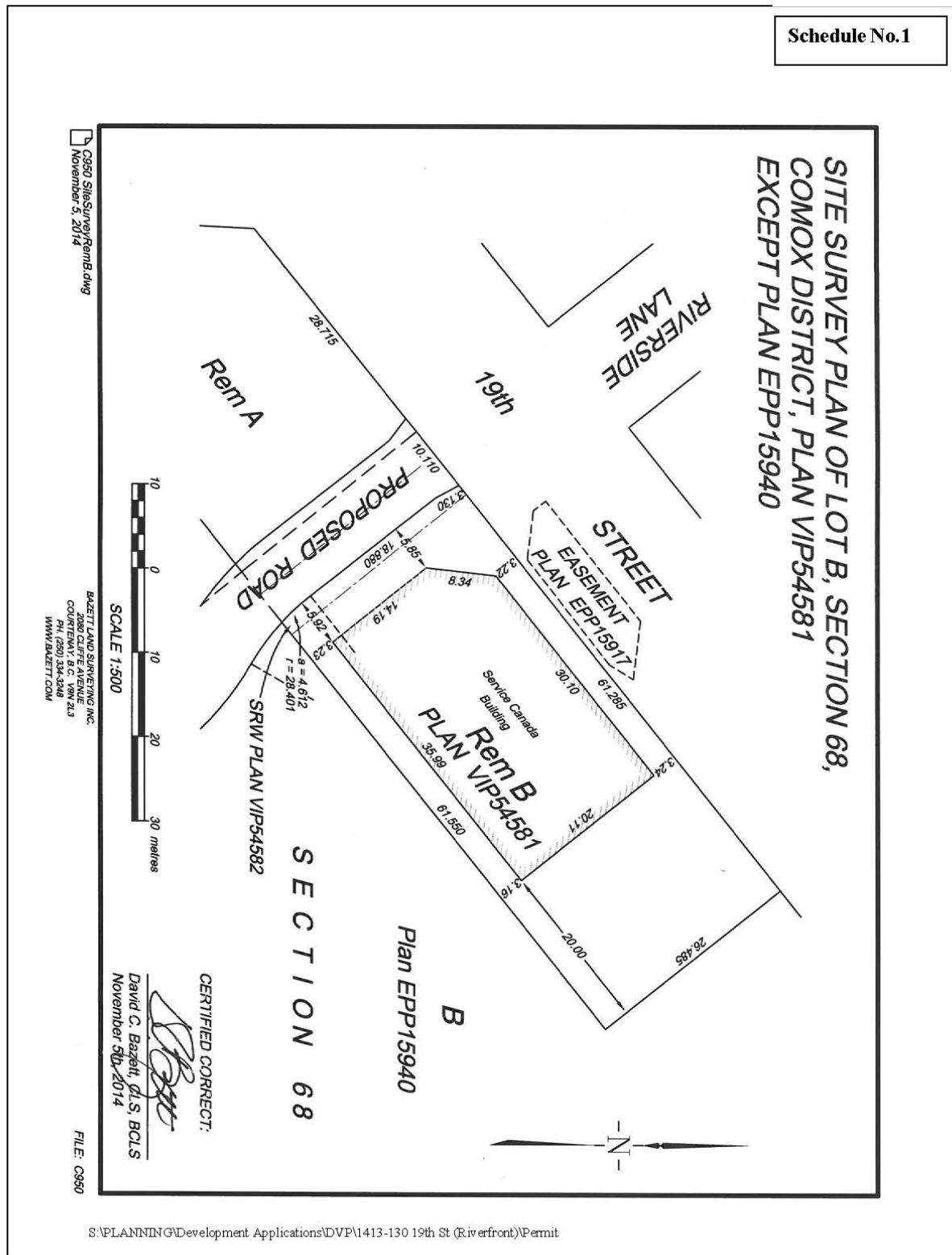
That if the permit holder has not substantially commenced the construction authorized by this permit within (12) months after the date it was issued, the permit lapses.

Date

Director of Legislative Services

S:\PLANNING\Development Applications\DVP\1413-130 19th St (Riverfront)\Permit

Schedule No.1





THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council

File No.: 3090-20-1411

From: Chief Administrative Officer

Date: December 15, 2014

Subject: Development Variance Permit No. 1411 – 1443 Dover Place.

PURPOSE:

The purpose of this report is for council to consider a variance to the zoning bylaw to relax the rear yard setback to accommodate the construction of a single residential dwelling.

CAO RECOMMENDATIONS:

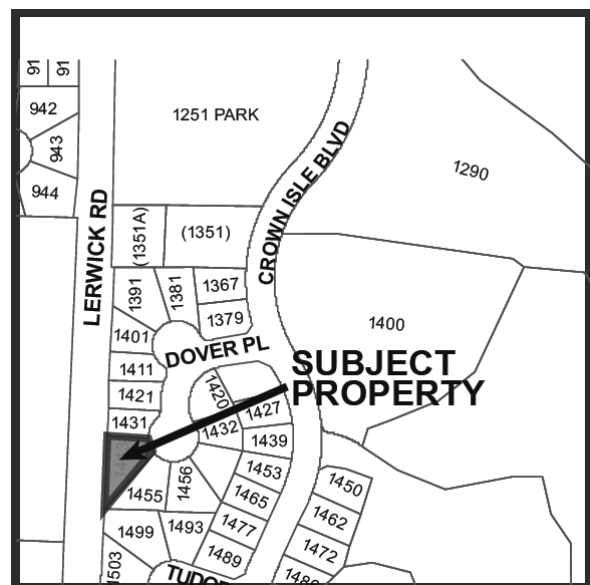
That based on the December 15, 2014 staff report “Development Variance Permit No. 1411 – 1443 Dover Place.” Council approve Development Variance Permit No. 1405 (Option 1).

Respectfully submitted,

David Allen, BES, CLGM, SCLGM
Chief Administrative Officer

BACKGROUND:

The subject property is a vacant lot zoned Comprehensive Development One B Zone (CD-1B) in the Crown Isle subdivision. This zone permits a variety of uses including single family, duplex and multi residential dwellings. The applicant is currently pursuing the construction of a single family home and has requested a variance of 1.4 meters to the minimum required rear yard setback.



DISCUSSION:

The plans attached to the proposed Development Variance Permit represent the property owners' preferred house design and site layout. The proposed house will extend 1.4 metres into the required rear yard setback (Schedule No.1). The encroachments include two corners of the proposed building representing a dining room and master bedroom in the current plans. As this property line is adjacent to Lerwick Road, the variance will not negatively impact any adjacent property owners.

The proposed single family dwelling complies with all remaining provisions of the *Zoning Bylaw* including lot coverage and front and side yard setbacks.

FINANCIAL IMPLICATIONS:

There are no direct financial implications resulting from this request. Should Council approve the development variance permit, and an application is made for a building permit, the applicant would be required to pay an estimated \$2,500 in building permit fees upon approval of the permit. There are no outstanding Development Cost Charges (DCC's) owing on the property.

ADMINISTRATIVE IMPLICATIONS:

The processing of development applications is included in the current work plan as a statutory component. Staff has spent a combined 11 hours to date on this application and council report. If approved, it's estimated that an additional 1 hour of staff time would be required to prepare the notice on title and close the file.

STRATEGIC PLAN REFERENCE:

Not specifically referenced

OFFICIAL COMMUNITY PLAN REFERENCE:

Not specifically referenced

REGIONAL GROWTH STRATEGY REFERENCE:

The proposed development is consistent with the RGS goals and objectives to ensure a diversity of housing options to meet evolving demographics and needs, and to locate housing in core settlement areas close to existing services.

CITIZEN/PUBLIC ENGAGEMENT:

The applicant held a public information meeting with regard to the proposed variance on Nov 12th, 2014. No residents attended the meeting. The minutes of the meeting (Attachment No. 1) indicate that residents were informed of the meeting through a letter that was hand delivered to the individual's addresses which were provided by the City of Courtenay. As required by the *Local Government Act*, the City has also provided notification of the proposed variance to property owners within 30 metres of the subject property. No comments have been received to date.

OPTIONS:

OPTION 1: Approve Development Variance Permit No. 1411 as attached. (Recommended)

OPTION 2: Defer consideration of Development Variance Permit No. 1411 pending receipt of further information.

OPTION 3: Do not approve Development Variance Permit No. 1411.

Prepared by:



Allan Gornall, B.Sc
Planning Technician



Ian Buck, MCIP, RPP
Manager of Planning

Attachments

1. *Citizen and Public Engagement Information and Minutes – Nov 17, 2014*

Attachment No.1

1 of 3



Tel: (250) 703-5050 Toll Free: (888) 338-8439
Fax: (250) 703-5051 info@crownisle.com
399 Clubhouse Drive, Courtenay, BC Canada V9N 9G3

November 17, 2014

City of Courtenay
Development Services Department

**RE: PUBLIC INFORMATION MEETING – SUMMARY REPORT REGARDING DEVELOPMENT VARIANCE
PERMIT APPLICATION FOR 1443 DOVER PLACE, COURTENAY, BC**

The public information meeting was held on Wednesday, November 12th in the Silver room of the Crown Isle clubhouse. The meeting started at 6:00 pm and Jayson Welsh, our construction manager, stayed until 7:00 pm. There were no attendees. Letters were delivered by hand to those located in Courtenay and Comox. Two letters were delivered by mail as one was to a PO Box number and the other to an address in Victoria. The Victoria letter was sent by courier. Each letter included an overview of the application we were making as well as a site plan, map and comment sheet.

The meeting room was set up to accommodate 20 people and a table was put out to display a large set of floor plans and elevations. We also provided a sign in sheet, comment sheets, site plan and landscape plan. As no one attended this meeting, we are unable to provide a summation of questions or major discussion points.

Sincerely,

A handwritten signature in dark ink, appearing to read "Rick Waldhaus", with a long, sweeping horizontal line extending to the right.

Rick Waldhaus, C.G.A.
Silverado Land Corp. Group of Companies

www.crownisle.com

GOLF SHOP RESORT CENTRE VILLAS REAL ESTATE RESTAURANTS GOLF ACADEMY

Attachment No. 1

2 of 3



Tel: (250) 703-5050 Toll Free: (888) 338-8439
Fax: (250) 703-5051 info@crownisle.com
399 Clubhouse Drive, Courtenay, BC Canada V9N 9G3

November 4, 2014

To whom it may concern,

**RE: PUBLIC INFORMATION MEETING – PROJECT VARIANCE APPLICATION
1443 DOVER PLACE, COURTENAY**

Please be advised there will be a Public Information Meeting held at Crown Isle Resort & Golf Community on Wednesday, November 12th, 2014 at 6pm in the Silver Room of the Clubhouse.

This lot is a unique and challenging space to build on therefore we are requesting variance to the building envelop by 1.5 meters (see attached site plan and map). As such, we have applied to the City of Courtenay for a project variance. The meeting will be conducted by Jayson Welsh, Construction Manager for Crown Isle Homes. Jayson will be on-hand after the presentation to answer any questions you may have.

Please find comment sheet attached. These sheets will also be available at the meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Waldhaus", with a long horizontal line extending to the right.

Rick Waldhaus, C.G.A.
Silverado Land Corp. Group of Companies

www.crownisle.com

GOLF SHOP RESORT CENTRE VILLAS REAL ESTATE RESTAURANTS GOLF ACADEMY

Attachment No. 1

3 of 3

PUBLIC INFORMATION MEETING**NOVEMBER 12th, 2014 AT 6:00 PM****PROJECT VARIANCE APPLICATION FOR LOT37, VIP81876, BK.72, COMOX LAND DISTRICT****CIVIC ADDRESS: 1443 DOVER PLACE****COMMENT SHEET**

NAME: _____ EMAIL: _____
ADDRESS: _____ PHONE: _____

Silverado Land Corp. has applied to the City of Courtenay for a Project Variance. . This lot is a unique and challenging space to build on. As such, we are requesting variance to the building envelop by 1.5 meters. This will not impede anyone's view and will improve how the house sits and is viewed by neighbors. This project is under review by staff in the Planning Department of the City.

Given the information you have received regarding this project do you have any comments or questions?

Please return your comment sheets by November 14/2014

Comment sheets can be submitted by one of the following methods:

1. Hand your comment sheet in tonight
2. Drop your comment sheet of at reception in the Clubhouse
3. Email your comment sheet to claire@crownslehomes.com

**THE CORPORATION OF THE CITY OF COURTENAY
BYLAW NO. 2699**

Permit No. DVP - 1411

DEVELOPMENT VARIANCE PERMIT

December 15, 2014

To issue a Development Variance Permit

To: Name: Silverado Land Corp
 Address: 399 Clubhouse Dr.
 Courtenay, BC V9N 9G3

Property to which permit refers:

Legal: Lot 37, Block 72, Comox District, Plan VIP81876

Civic: 1443 Dover Place, Courtenay B.C, V9N 9G3

Conditions of Permit:

Permit issued to vary *Section 8.32.9 (1)* of the *City of Courtenay* by reducing the rear yard setback from 9.0m to 7.6m for a proposed single residential dwelling subject to the following condition:

1. Development must be in conformance with the plans and drawings contained in *Schedule No.1*

Time Schedule of Development and Lapse of Permit

That if the permit holder has not substantially commenced the construction authorized by this permit within (12) months after the date it was issued, the permit lapses.

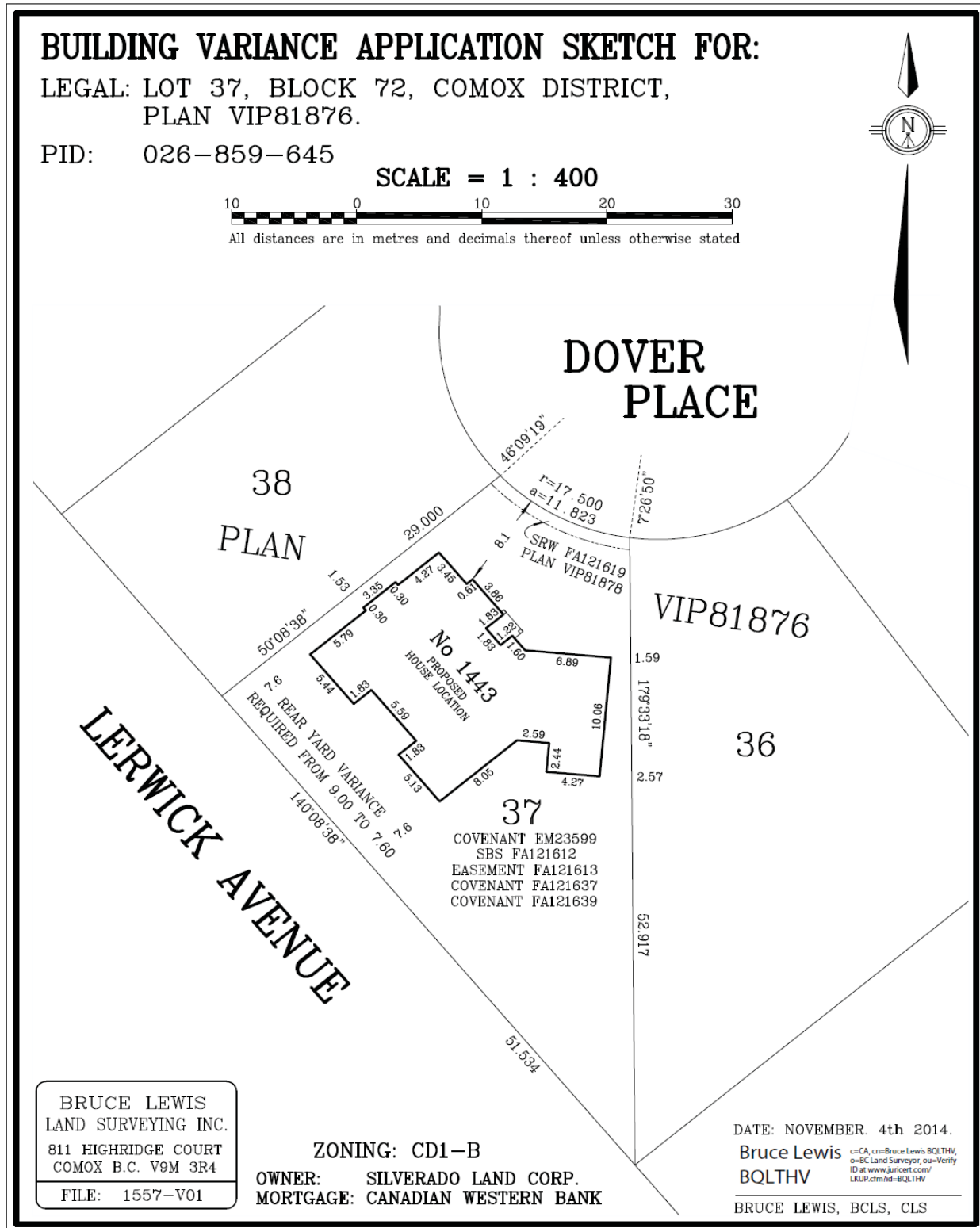
Date

Director of Legislative Services

S:\PLANNING\Development Applications\DVP\1411-1443 Dover Pl (Crown Isle Homes)\Permit\Permit.docx

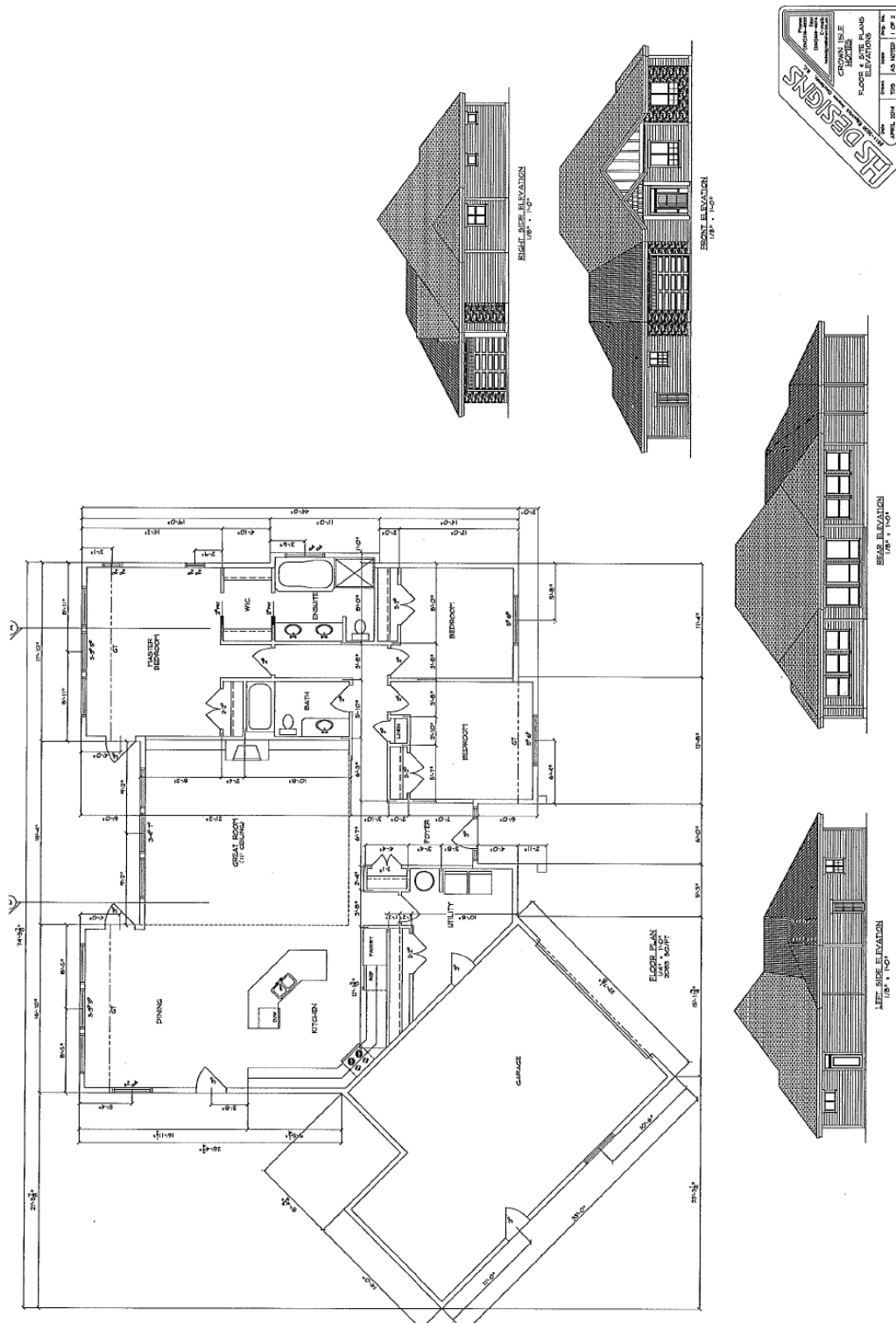
Schedule No. 1

1 of 3



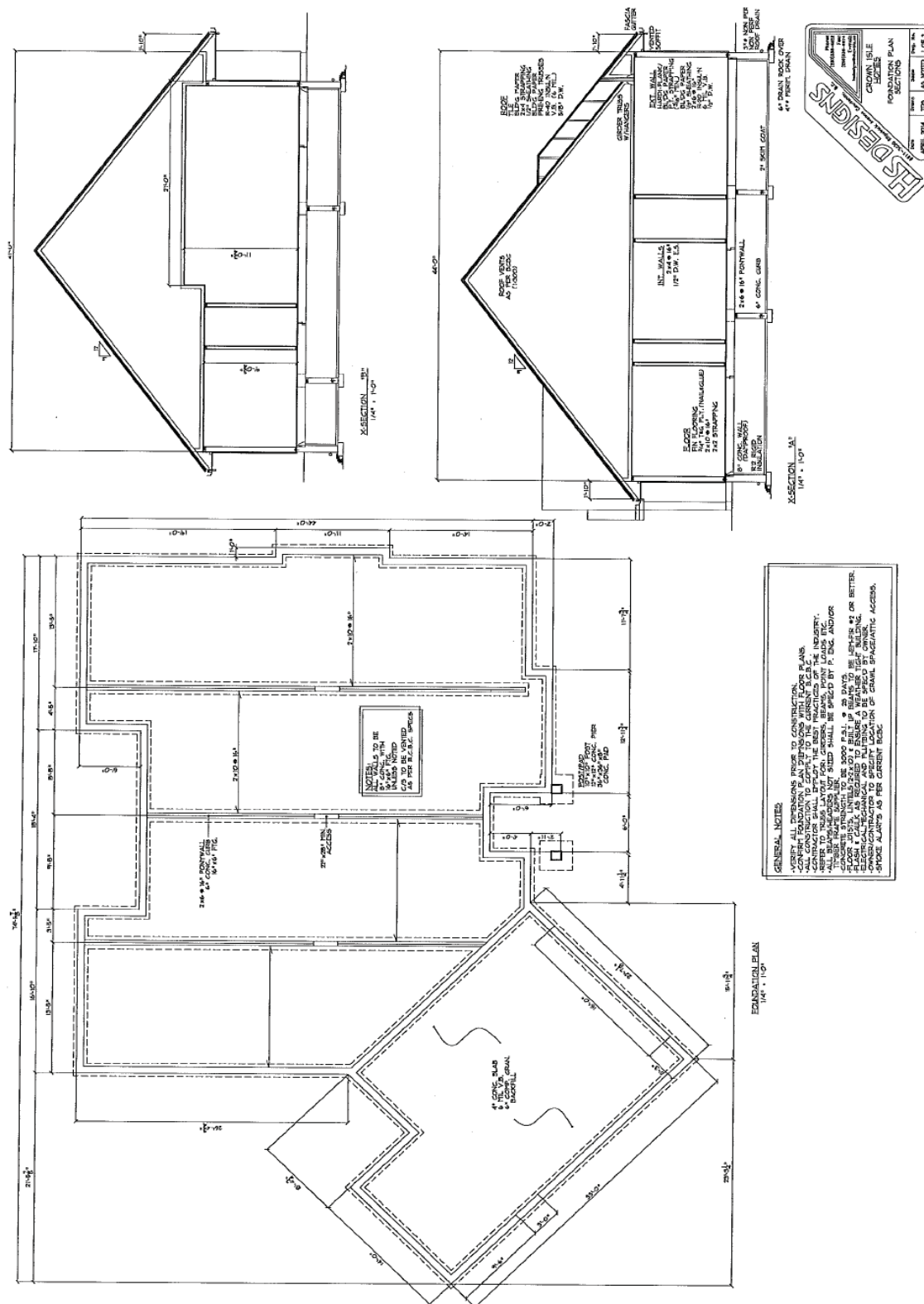
Schedule No.1

2 of 3



Schedule No.1

3 of 3



Minutes of a City of Courtenay Heritage Advisory Commission meeting held September 24, 2014 at 10:00 a.m. in the City Hall Council Chambers

Present: L. Burns J. Hagen L. Grant C. Piercy
J. Fortin R. Smith E. Ferguson, staff

Absent: D. Griffiths D. Levett H. Squire

*FOR
DATE*

MINUTES

Moved by C. Piercy and seconded by J. Fortin that the minutes of the June 25, 2014 meeting be adopted as circulated.

Carried

OLD BUSINESS

40 HOUSES

E. Ferguson has started drafting letter to be circulated to property owners advising them of the City's intent to add the 40 houses to the heritage register. No further work has been done with respect to the plaque or information panel.

**REPORT OF
CENTENNIAL
COMMITTEE**

L. Burns gave an update of centennial committee projects. Moved by J. Hagen and seconded by L. Grant that the HAC recommends that the centennial committee explore the opportunity to promote the City's centennial through a display on the new fence being constructed on the former Palace Theatre site.

Carried.

**LETTERS OF
APPRECIATION**

L. Burns reported on the positive responses received from property owners who received the heritage appreciation cards. Two of the property owners have extended invitations to view or discuss the renovated properties.

BYLAW INQUIRY

E. Ferguson to set up a meeting with J. Ward (Director of Legislative Services) and L. Burns to discuss revisions to the Heritage Advisory Commission Bylaw.

**CENTENNIAL
WORKSHOPS**

Work is ongoing on centennial panels.

NEW BUSINESS

**OLD HOUSE
RENOVATIONS**

Dale Roberts (property owner) presented proposed changes to the Old House including the addition of new entrance and porch to the left side of the west elevation and a new porch and ramp replacement on the right side of the west elevation. The Heritage Advisory Commission indicated a preference for wood top rail on the ramp rather than metal to better reflect the remainder of the building.

Moved by J. Hagen and seconded by L. Grant that the Heritage Advisory Commission supports the proposed changes to the Old House building but would prefer to see wood integrated into the ramp railing to better reflect the character of the building.

Carried.

**HERITAGE BC
CONFERENCE**

J. Hagen and J. Fortin to give short presentation on the City's centennial activities at

the Annual BC Heritage Conference in Cloverdale. J. Hagen and J. Fortin to report on conference proceedings at the October HAC meeting.

HERITAGE WEBSITE

E. Ferguson will forward First Nations content to Komox First Nation for their review.

CORRESPONDENCE

HERITAGE BC

L. Burns reviewed Heritage BC Update.

FOR YOUR INFORMATION

T.T. Grieves, a home builder in Courtenay in 1905-1925. Relative wants to locate the family home called Fern Lee. The home was located on a Main Street and kids cut through the property to go to school.

Ronald Pugh inquired about the subdivision of property on Lake Trail.

ADDITIONS TO AGENDA

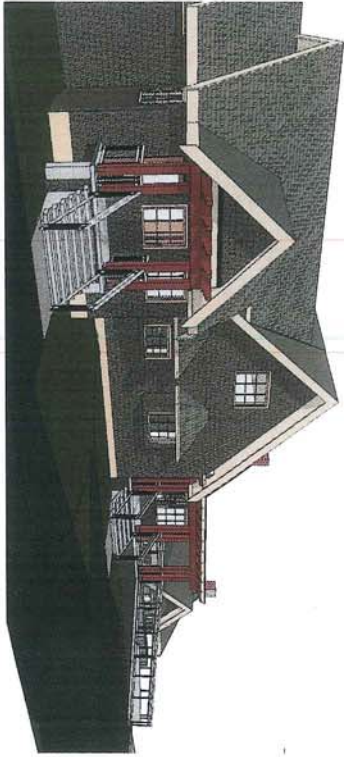
COMPLETE STREETS
PROJECT

Moved by J. Fortin and seconded by L. Grant that the Heritage Advisory Commission write a letter to Council in support the 5th Street option for the Complete Street Project as 5th Street is included in the City's Heritage Register and recommended as a Heritage Corridor in the Official Community Plan.

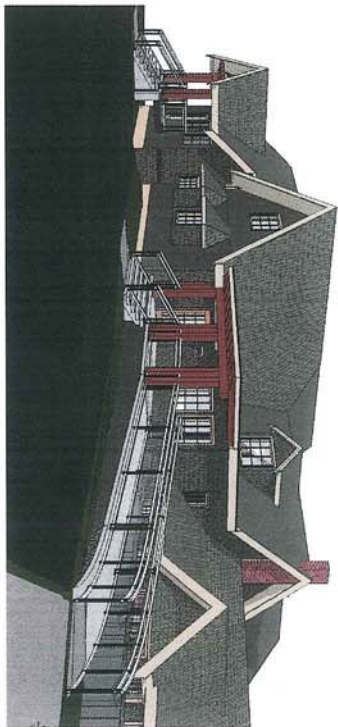
Carried.

Next Meeting: October 22, 2014 at 10 a.m.
The meeting adjourned at 12:00 pm.


Chair



2 PORCH PERSPECTIVE



3 RAMP PERSPECTIVE



1 WEST ELEVATION - Phase 4
CRU# 3/32" = 1'-0"

OLD HOUSE CRU
COURTENAY, BC SCALE: AS NOTED

PROPOSED WEST ELEVATION
AUG 20 2014

Martin Hagarty
Architect LTD
156 Isabel Road, Courtenay, BC, V9M 2R2
Cell: 250-216-0452 Email: martin.hagarty@shaw.ca

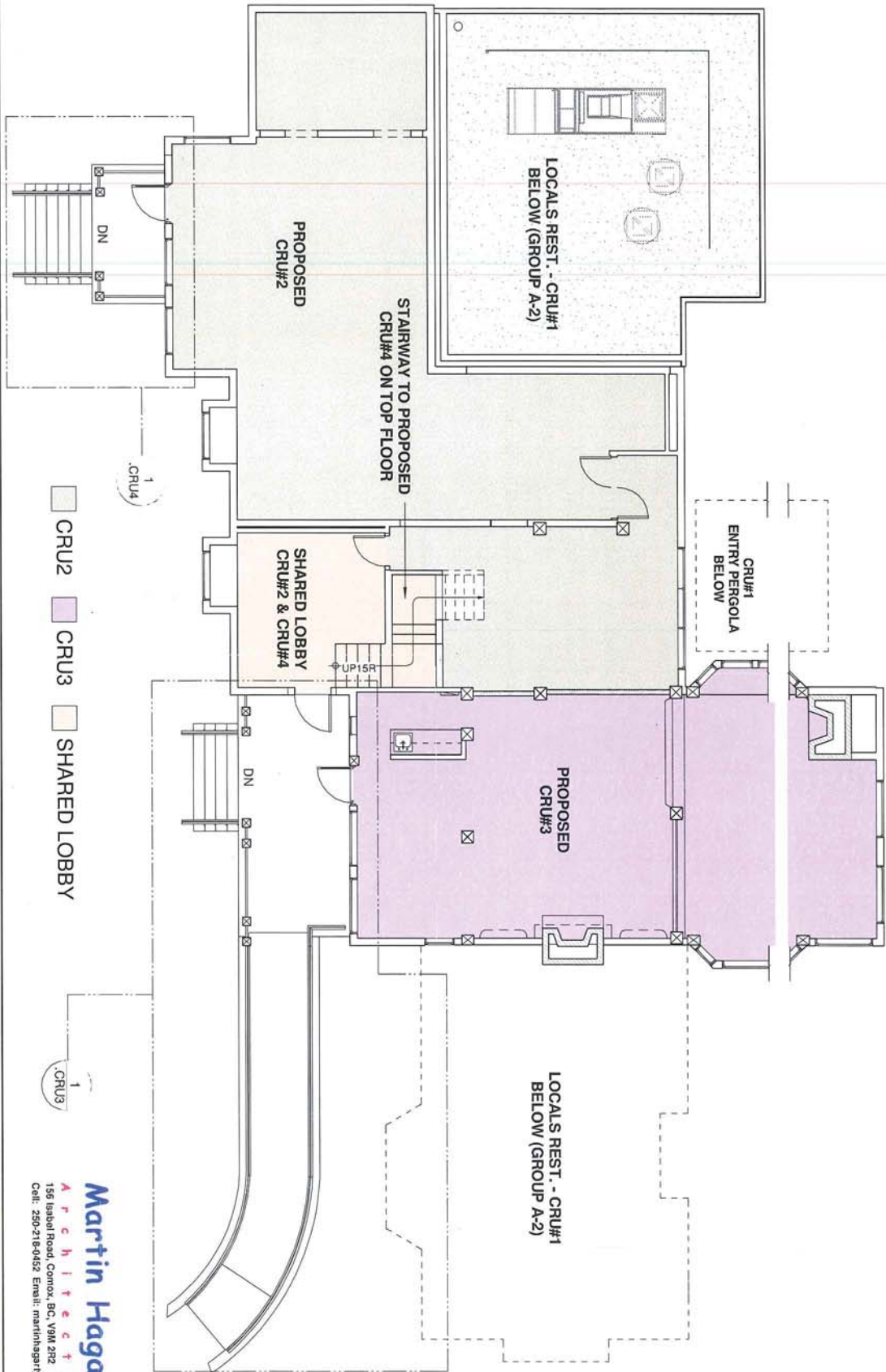
CELL: 250-705-7440 EMAIL: sg@martinshaw.ca
SG DESIGN & BUILD
DRAFTING & CONSTRUCTION SERVICES
1800 MCQUELLEN AVE. COURNOY, BC V9M 5B1

OLD HOUSE CRU

COURTENAY, BC SCALE: 1/8" = 1'-0"

PROPOSED CRU LAYOUT

AUG 20 2014



CRU#2 CRU#3 SHARED LOBBY

Martin Hagarty
ARCHITECT LTD
156 Isabel Road, Courtenay, BC V9M 2R2
Cell: 250-218-0452 Email: martin.hagarty@shaw.ca

CELL: 250-708-7240 EMAIL: sg@martin.hagarty.ca
SC DESIGN & BUILD
DRAFTING & CONSTRUCTION SERVICES
1556 MCLELLAN AVE. COMOX, BC V9M 3B1

Minutes of a City of Courtenay Heritage Advisory Commission meeting held October 22, 2014 at 10:00 a.m. in the City Hall Council Chambers

Present: L. Burns J. Hagen L. Grant C. Piercy
J. Fortin R. Smith

Absent: D. Griffiths D. Levett H. Squire E. Ferguson, staff

OLD BUSINESS

40 HOUSES	Tabled until next meeting
REPORT OF CENTENNIAL COMMITTEE	Judy spoke on Volunteers of Significance project, Lawrence on DBIA plans, sponsorship, and collateral events (eg. block parties)
BYLAW INQUIRY	Erin and Lawrence will meet with John Ward.
CENTENNIAL WORKSHOPS	Work is up-to-date; E. Ferguson will notify if further work is needed.
COMPLETE STREETS PROJECT	Letter indicating support for 5 th street option received by Council, reported in Echo newspaper.
VIDEO OF 1085 5 th STREET RENOVATION	Invitation to owner to show video at a meeting is postponed.

NEW BUSINESS

HERITAGE BC CONFERENCE	J. Hagen reported on the Heritage BC conference, attended by herself and J. Fortin. The theme was "Building Bridges", recognizing and incorporating cultural, natural and immigrant heritage, and emphasizing the sustainability of re-inventing the use of old buildings. "Look at what you've got and make better use of it". The report to Council will be made in the new year.
COURTENAY VOLUNTEER APPRECIATION BANQUET	Moved by C. Piercy and seconded by J. Hagen that a letter of appreciation be sent to the City for the Volunteer Banquet.

CARRIED

FOR YOUR INFORMATION

Heritage week 2015 will be February 16 -22. The Centennial display is planned for Courtenay's participation in the Cumberland Heritage Fair.

Lawrence's meeting with the Comox DBIA re: Comox heritage was reported at the Oct. 15 workshop.

Next Meeting: November 26, 2014 at 10 a.m.
The meeting adjourned at 11:40 pm.


Chair

Comox Bay Care Society

2800 Cliffe Avenue

Courtenay, B.C. V9N 2L7

250-702-7011 www.comoxbaycare.org



"Promoting Positive Change in our Community"

City of Courtenay
830 Cliffe Avenue
Courtenay, BC
V9N 2J7

Dear Mayor Jangula and Council:

We are sending this letter to thank you for your generous past support of the Care-A-Van, the mobile clinic that carries 27 volunteer medical professionals to deliver medical, dental, and optometry services to those who are homeless or at risk of homelessness in the Comox Valley.

Thanks to you and a great many like you the Care-A-Van has had a significant effect on those least fortunate members of our community. Those receiving our services express such gratitude that someone cares, and we want to pass that gratitude on to you, who make it all possible.

If at any time you would like more information on our current operations please contact Helen Boyd at 250-702-7011 or write to: Comox Bay Care Society, 2800 Cliffe Avenue, Courtenay, BC.V9N 2L7. or visit our website at www.comoxbaycare.org.

Thanks for your attention and best regards,

Bob Kallio - thanks again.

Bob Kallio
Board Member
Fund Raising Committee

OFFICE OF THE PRESIDENT

NORTH ISLAND



COLLEGE

For Info

November 28, 2014



Mayor and Council
City of Courtenay
830 Cliffe Avenue
Courtenay, BC
V9N 2J7

Dear Mayor Jangula and Council:

On behalf of North Island College (NIC), I extend our warm congratulations on your election to mayor and council.

Thank you for your commitment to serving the citizens of your community.

We look forward to establishing a strong and positive working relationship between NIC and the City of Courtenay in 2015 and for years to come.

In the New Year, I will be requesting an opportunity to meet with you and your colleagues in order to provide a briefing regarding NIC's progress, challenges and priorities for the future. My office will be in touch to arrange a date and time.

We welcome your ideas and questions on how NIC and the City of Courtenay can support each other to strengthen educational access and success, social well-being, economic prosperity and the health of the North Island.

Best wishes for great success in your new roles and next terms of office.

Sincerely,

John Bowman
President



THE CORPORATION OF THE CITY OF COURTENAY

MEMORANDUM

To: Council
From: Chief Administrative Officer
Subject: Update on Airpark Lagoon restoration project

File No.: 0400-20
Date: December 15, 2014

The Project Watershed Society has been successful in obtaining a significant portion (51%) of their overall funding request for the Airpark Lagoon Breach project: \$142,000 of a total required \$280,800. The remaining \$138,000 is currently pending from a number of granting sources.

The primary goal of the Airpark Lagoon Breach project is to establish hydrological flows similar to original river flows prior to the creation of the former sewage lagoon, which was in operation between 1962 and 1984. Restoration components include: a) the installation of a 20 metre long culvert (2.44m high X 3.98m wide) within the northern portion of the property thereby 'breaching' the dike between the Courtenay River and lagoon, and b) salt marsh habitat restoration outside of the lagoon area, within the K'omoks Estuary. The installation of the culvert will provide increased river flows into the lagoon, improve nutrient cycling and oxygenation, provide increased fish access to the lagoon and provide an additional point of escape from the lagoon (seals have been known to trap and hunt fish within the lagoon).

Extensive background work has occurred to date including 4 years of studies of the biological and ecological conditions of the site, projected ecological-value increase with proposed recommendations, hydraulic modeling and a detailed restoration. Project Watershed has been successful in consulting with and securing required endorsements for the project from the various agencies including K'omoks First Nations, Department of Fisheries and Oceans and the Ministry of Forest, Lands and Natural Resource Operations, along with a number of community organizations. The City of Courtenay has been a supporter of the project since the fall of 2010 when Council first learned of it.

Once all the funding is in place, the City will work with Project Watershed to support the construction of the culvert for the summer 2015 season. The City has offered in-kind support in the form of assistance with project communications, trail closures and confirmation of a maintenance and safety-management plan for the new asset. Project Watershed has also indicated that they intend to appear as a delegation in the New Year to provide additional details of the project to Council as well as request in-kind and financial resources from the City.

The land on which the culvert is being proposed is Crown Land, for which the City holds a 30 year Crown Lease. The lease will be expiring December 18, 2015, at which time the Ministry of Forest, Lands and Natural Resource Operations will be sending the City lease renewal papers to enter into a new tenure arrangement (very likely another 30 year lease). City staff was considering requiring that the lease be renewed prior to accepting the culvert asset, however upon further discussion with Project Watershed and the Ministry it has been determined that there is no risk in accepting the asset at this time under the current Crown Lease tenure arrangement.

THE CORPORATION OF THE CITY OF COURTENAY

BYLAW NO. 2805

A bylaw to amend Zoning Bylaw No. 2500, 2007

The Council of the Corporation of the City of Courtenay in open meeting assembled enacts as follows:

1. This bylaw may be cited for all purposes as “**Zoning Amendment Bylaw No. 2805, 2014**”.
2. That “Zoning Bylaw No. 2500, 2007” be hereby amended as follows:
 - (a) by amending Section 8.2.1(7) by adding “(d) notwithstanding the required lot size in (c), a carriage house is permitted on Lot 2, District Lot 104, Comox District, Plan 4723”, as shown in bold outline on **Attachment A** which is attached hereto and forms part of this bylaw;
 - (b) That Zoning Bylaw No. 2500, 2007, Schedule No. 8 be amended accordingly.

3. This bylaw shall come into effect upon final adoption hereof.

Read a first time this _____ day of _____, 2014

Read a second time this _____ day of _____, 2014

Considered at a Public Hearing this day of , 2015

Read a third time this _____ day of _____, 2015

Finally passed and adopted this day of , 2015

Mayor

Director of Legislative Services

THE CORPORATION OF THE CITY OF COURTENAY

BYLAW NO. 2809

A bylaw to impose a Parcel Tax on Property in the Glacier/Chapman Sanitary Sewer Service Area

WHEREAS the Council has constructed sanitary sewer extensions to service additional properties on Headquarters Road and Vanier Drive;

AND WHEREAS Council has imposed a mandatory fee per connection of \$8,000 in accordance with Bylaws 2342 and 2742, to provide for part of the funding for construction of the works;

AND WHEREAS under the provisions of Section 200 of the *Community Charter*, the Council of the City of Courtenay may, by bylaw, impose a parcel tax to provide all or part of the funding for a service;

AND WHEREAS under the provisions of Section 202 of the *Community Charter*, the Council of the City of Courtenay may, by bylaw, direct the preparation of a parcel tax roll for the purposes of imposing a parcel tax;

NOW THEREFORE, the Council of the City of Courtenay in open meeting assembled enacts as follows:

1. In this Bylaw, unless the context otherwise requires:

“Parcel” means any lot, block or other area in which real property is held or into which it is sub-divided.

“Group of Parcels” means where a building or other improvement extends over more than one parcel of land, those parcels, if contiguous may be treated by the Assessor as one parcel and assessed accordingly.

2. The service for which the tax is imposed is for the extension of the sanitary sewer into the Headquarters Road and Vanier Drive service area.
3. A parcel tax roll for the Headquarters/Vanier sanitary service area is hereby directed to be prepared, consisting of those properties in areas as follows:

Schedule A: Headquarters/Vanier Sanitary Sewer Service Area

4. The tax is imposed for fifteen (15) years, beginning with 2015 and up to and including the year 2029.
5. The parcel tax is imposed on the basis of an amount per connection on each parcel on the Headquarters/Vanier service area parcel tax roll.

6. The parcel tax shall be levied on each parcel or group of parcels of real property within the Headquarters/Vanier service area parcel tax roll, unless the owner or previous owner of the parcel has already paid the fee in full on connection.
7. The parcel tax roll and every revision thereof shall be considered and dealt with by a Parcel Tax Roll Review Panel appointed pursuant to Section 204 of the Community Charter.
8. The parcel tax hereby imposed shall be:
 - a) Nil for each parcel of land or real property for which the owners or prior owners have chosen to prepay the connection fee(s).
 - b) \$576.99 per connection on each parcel of land or real property for which the owners or prior owners have chosen to pay the bylaw connection fee(s) over fifteen years as an annual parcel tax.
9. The parcel tax shall be levied annually upon the owner of each parcel of land or real property and shall be collected in the same manner and with like remedies as ordinary taxes upon the land are collected.
10. The Bylaw and the annual parcel tax hereby imposed shall remain in force from year to year until altered or repealed.
11. This Bylaw may be cited for all purposes as **“Headquarters/Vanier Sanitary Sewer Service Area Parcel Tax Bylaw No. 2809, 2014”**.

Read a first time this 15th day of December, 2014

Read a second time this 15th day of December, 2014

Read a third time this 15th day of December, 2014

Finally passed and adopted this day of January, 2015

Mayor

Director of Legislative Service



