

**MINUTES OF THE SPECIAL COUNCIL MEETING
2007-2011 FIVE YEAR FINANCIAL PLAN
HELD MARCH 13 AND MARCH 14, 2007 IN THE COUNCIL CHAMBERS**

Tuesday, March 13, 2007 at 6:30

PRESENT: Mayor McRae, Councillors Chopra, Mealey, McLeman, Patterson, Solda and Whiteman.

There were approximately 15 members of the public in attendance.

1. Call to Order and Adoption of Agenda

*Mealey/Patterson
That the agenda be adopted as circulated.*

Carried

2. Introduction of the Plan and Presentations - City Manager

Ken Watson, City Manager, provided an introduction to the Five Year Financial Plan 2007 – 2011. A working paper was circulated to Council and members of the public itemizing the revenue and expenditures for all City departments.

3. Human Resources - Manager of Human Resources and Community Development

Theresa Kingston, Manager of Human Resources and Community Development, provided an overview of the City's Human Resources Plan, including a description of budget details and changes from previous financial plans.

Council requested the annual cost of the Family Assistance Program. Staff will provide this.

There was general discussion regarding the training budget. Councillor McLeman stated that the training expenditures should be cut to reflect the direction of industry within the community. Councillors Solda and Whiteman and Mayor McRae spoke in favour of the benefits of the training program.

In response to a question of Councillor Chopra, Ms. Kingston stated that the financial plan achieves Council's goal of reducing the tax burden to industry by \$1.5 million over five years. It is proposed that staff reductions would be realized by reducing the use of "casual" employees and attrition where applicable. There is no plan to eliminate specific fulltime positions.

A member of the public commented that they appreciated the City providing training that is applicable and available to local industry.

**4. Administration / Finance / Information Technology
- City Clerk / Director of Finance and Manager of IT**

Russell Dyson, City Clerk, provided an overview of the Clerk's department and the proposed budget including increases to fees and services. In response to a question from Council, he indicated that parking ticket revenue is less than the cost of enforcing the regulations. It is provided as a service to businesses, not to generate revenue.

Ann Hopkins, Director of Finance, provided an overview of the Finance department and proposed budget including a description of the Tangible Capital Assets procedures that will be implemented. In response to a question, she explained that the City's total expenditures are \$26 million of which the Finance departments cost are approximately \$1.3 million. Councillor Chopra requested a comparison of finance costs to total budget for similar municipalities.

Ken Watson, City Manager, described the budget for his position as well as Economic Development, Travel Bureau and Promotion of Tourism. He explained that the City contributes approximately \$85,000 annually for a contract for service with the Chamber for Visitor Information Services and an additional \$11,200 for core funding of Tourism Alberni. These expenditures were based on past commitments of Council but could be reviewed at Council's discretion in any given year.

A member of the public suggested that the proposed Economic Development Officer's performance be assessed based on changes to local economic activity.

Janis Hamilton, Manager of Information Services, provided an outline of the department's budget and objectives for reducing expenditures over 5 years. In response to a question, she indicated that it is difficult to offer her services to train other municipalities, as I.T. setups are unique to each jurisdiction.

In response to a question, the Manager of Information Services stated that \$85,000 is budgeted for computer replacement in 2007. The City will try to extend the life of hardware, but this is often difficult to accomplish while keeping up with operating systems. The City plans on a three year life for its personal computers.

5. Fire Department - Fire Chief

Larry McGifford, Fire Chief, described the Fire Department budget including an outline of planned capital purchases in 2007. In response to several questions from the Mayor, the Fire Chief explained that emergency callout costs outside the City boundary are generally recovered, the City supports the ambulance service by responding to their calls, options for the fire boat are being considered and the department has not participated in training exercises at the paper mill recently.

In response to questions regarding proposed capital purchase, the Fire Chief stated the fire truck due for replacement in 2007 is 21 years old, has modest trade in value, would be paid for from the ERRF fund, and is expected to cost \$450,000. The replacement of the Fire Chief's vehicle is proposed to be a 4 x 4 pickup to provide more reliable transportation in winter. The Fire Chief has had to use his personal vehicle in the past. The ERRF fund is close to having the funds necessary for this vehicle.

In response to a question from Council, the Director of Finance explained that the Fire Department and Public Works Department contribute to the ERRF fund by a line item in their budget.

Councillor Chopra proposed that the Fire Department partner with a private company for installation of a new radio antenna. The Fire Chief stated that this would compromise emergency service. In response to a question, the Fire Chief indicated that a paid professional fire department provides insurance saving for business and industry.

A member of the public proposed that the Fire Department offer training for schools and business for a fee. The Fire Chief explained that this would counter their fire safety initiatives, which provides a free service.

A member of the public asked about a composite department of volunteer and professional Firefighters – is it practical? The Fire Chief stated that the level of service provided at present is based on a complete professional department.

In response to a question of Council – what are priorities for capital spending? - the Fire Chief stated the new fire truck was a priority over the Fire Chief's vehicle.

6. Museum and Heritage - AV Museum Director

Jean McIntosh, Museum Director, provided an outline of the department's service, personnel and the proposed budget.

In response to questions from the Mayor, the Museum Director explained that most museums, unlike Port Alberni, have 90% of the collection out of public view. In Port Alberni the design of the collection is to allow public viewing of the majority of the collection. The Museum located elsewhere in the community would be costly and would remove the Museum from the Community Centre – Echo Centre.

There was general discussion regarding the budget, reducing expenditures and increasing revenues. The Museum Director explained that charging admission would turn away visitors, require staff to administer and would likely provide modest revenues.

In response to questions from Council, the Museum Director stated grant revenues in the budget were conservative, she is confident they will be realized. She explained that the operating grants are provincial. Some federal grants are available for specific projects.

A member of the public stated that the volunteer hours provided to the Museum are overlooked. She stated that volunteers participate because of the City's commitment and the professionalism of Jean McIntosh.

In response to a question from the public, the Museum Director explained the Museum provides marketing for the four heritage attractions. They have updated the brochure this year.

McLeman/Solda

That Council for the City of Port Alberni direct the Museum Director to provide a budget with a \$50,000 reduction of expenditures realized by the year 2011.

Carried

7. McLean Mill – President, Industrial Heritage Society (IHS)

Kevin Hunter, President, IHS, provided a presentation of the McLean Mill budget and operating plan for 2007. A highlight of the plan is the proposed Arrowsmith Explorer, a steam train excursion between Port Alberni and Qualicum Beach.

In response to a number of questions he indicated that the Mill is looking at options for marketing their lumber; the former Arena is open for visitors on Tuesday evening and Saturdays by donation; and the IHS is aware of the need to make the food service profitable at the McLean Mill - they will make changes in 2007.

Council shared many different ideas for the Mill. The Mill will be following the priorities identified in the Strategic Plan published by Hambleton and Associates. This will include erecting mileage signs to find the Mill by road along both routes – Beaver Creek and Cherry Creek Roads.

The public shared many original ideas for the Mill including a campground, logger sports school and funding from out of town foundations.

The reporter for the AV Times asked if the Western Vancouver Island Industrial Heritage Society was limited in its rolling stock for the train. Mr. Hunter explained their capacity is 182. The new caboose will provide washroom facilities for the Arrowsmith Explorer.

Councillor Chopra, speaking on behalf of the Alberni Clayoquot Regional District asked that the Mill diversify its revenue sources.

8. Adjournment

Mealey/McLeman

That the meeting adjourn at 9:50 pm, until 6:30 pm Wednesday, March 14th, at which time the Council will continue to review department budgets.

Carried

Wednesday, March 14, 2007 at 6:30 pm in the Council Chambers

PRESENT: Mayor McRae, Councillors Chopra, Mealey, McLeman, Patterson, Solda and Whiteman.

There were approximately 10 members of the public in attendance.

1. Call to Order

Mealey/Whiteman

That the meeting reconvene at 6:30 pm.

Carried

2. Planning - City Planner

Scott Smith, City Planner, provided an overview of the Planning department and the proposed budget.

In response to a question about the purpose of Development Cost Charges, the City Planner stated they were for City infrastructure, including sewer, water and parks. It is a reserve for specific purposes. The City must complete a study to rationalize fees and charges which are adopted by bylaw.

Councillor Solda stated that she agrees with increases in fees for rezoning to cover costs. The City Planner will present a report outlining options for Council's direction.

Councillor Chopra stated he is happy to see increased costs of development applications and Development Cost Charges. In response to a question – when do we bring this forward? - the City Clerk stated that staff will bring a report forward with all fee ideas to Council to set their priority on what will be implemented first.

Councillor McLeman expressed concern about the Province's Trade, Investment and Labour Mobility Agreement with Alberta and how it could impact the City's ability to adopt Development Cost Charges.

There were no comments or questions from the public regarding the Planning Department budget.

3. Engineering and Public Works - City Engineer

Guy Cicon, City Engineer, provided an overview of the Engineering and Public Works department and the proposed budget.

Mayor McRae asked about the status of the provincial funding for storm relief. The City Engineer explained that expenses have been accounted and will be submitted for reimbursement.

Council asked staff to bring forward an option to lease vehicles with the next proposed vehicle purchase.

Mayor McRae asked what the value of gas tax rebates were and what is the revenue to be used for. The City Engineer stated that water and sewer projects qualify, the criteria is very specific. Page 24, line 9 – the reserve for capital projects indicates that in 2005 the City received \$237,000 and in 2006 \$237,000. In 2007 the City is projected to receive \$316,000.

Mayor McRae asked about bridge inspection for City roads, what shape are they in, are they earthquake proof? The City Engineer responded that an evaluation was done 5 to 10 years ago and no serious deficiencies were identified at that time.

In response to a question, the City Engineer stated that the Redford and 10th Avenue intersection will receive a dedicated left turn lane in 2007. The pavement will be upgraded and repaired during installation.

Regarding the Sewage Lagoon, the City Engineer stated the Province is satisfied with the City's Liquid Waste Management Plan (LLMP) now in progress. The City is evaluating a constructed wet land option which requires purchase of a large land base and the establishment of wetlands with plants to treat sewage. The City needs to discuss access to land with Tseshaht First Nation who are landowners.

Councillor Solda asked about the street light at 10th and Burde. The City Engineer stated that money has been set aside for full signalization but this project is on hold on account of the unknown future for the high school location.

The City Engineer stated snow and ice removal is \$20,000 less for 2007. This is a budget reduction which will be realized with reduced overtime hours and concentration on mail routes rather than residential streets. The City Engineer will bring forward a refined task description for Council's approval.

The City Engineer described the plan to eliminate Commercial Container Garbage Collection. Councillor Solda asked why not charge by weight? The City Engineer explained this would require upgrades to equipment. Councillor Solda stated the City should look into the alternative of a higher cost for the service.

The City Engineer stated that Bus Shelters would be installed before next winter.

Councillor Chopra asked about the two vehicles to be replaced. The City Engineer explained the vehicles are well used and showing signs of wear and increased maintenance costs.

The City Clerk read two letters, from the Flooring Depot and Handy Andy Maintenance, supporting continued commercial garbage container pickup. The letters are attached to and form part of these minutes.

Regarding Commercial Container Garbage Collection, Councillor Patterson asked what will be the increase in cost to break even. The City Engineer responded that a 40% increase is required to meet the deficit.

McLeman/Solda

That the City of Port Alberni provide commercial container garbage collection service for at least one year and the City increase the fee to meet the financial need of the service.

Carried

Councillor Patterson proposed consideration of purchasing hybrid vehicles. He stated that the cost savings could be more than anticipated. He stated that leasing is the worst idea, especially on account of kilometer limits.

Mayor McRae asked who will pay for improvements to Cherry Creek Road. The City Engineer responded that the Pacific Rim Shopping Centre is responsible. Council asked staff to determine the completion date.

Gary Robertson, President of the Uptown Merchants Association stated he was in favour of the rate increase for commercial garbage.

A member of the Public asked if the City would look at potential revenues from bus shelters. How do you decide what streets will be rehabilitated? The City Engineer stated that many factors influence the road program, including use, age, and coordinating upgrades with underground works.

4. RCMP – OIC

Inspector Gord Wellar, OIC, RCMP Port Alberni, provided an overview of the RCMP department and the proposed budget.

Councillor Solda asked what PRIME for records management is and what is in the budget for implementation. Inspector Wellar explained it is a real time information system to be implemented throughout the country, with the City assuming its share of the costs for training and management of the system.

Inspector Wellar stated two new officers were proposed in previous budgets. Now only one is proposed in this 5 year plan.

A tour of the new detachment is to be arranged for Mayor and Council.

A member of the Public inquired about a regular report in the newspaper regarding crime and identifying locations of accidents. The RCMP and AV Times will coordinate the return of this information.

A member of the Public commented that the Community should look more closely at crime and causes. Inspector Wellar stated that the AV SafetyNet are undertaking a study to determine causes of crime and this will be shared with the RCMP.

5. Parks and Recreation - Director of Parks and Recreation

Scott Kenny, Director of Parks and Recreation, provided an overview of the Parks and Recreation department and the proposed budget.

Councillor Patterson asked if facility maintenance would be jeopardized. The Director of Parks and Recreation responded that there are no deficiencies in the proposed facility maintenance program.

In response to the question, are low income customers at risk with increases in rates? The Director of Parks and Recreation stated they shouldn't be as the City still has the Heart Program.

A member of the public asked have you investigated a private/public for new facilities. The Director of Parks and Recreation stated the City did go through this exercise with the Multiplex and it was determined the costs were more expensive.

A member of the Public commented that it would be a good idea to sell unused fields and give up planting flowers. The Director of Parks and Recreation stated that the planting is easy, it is maintenance that is costly. Decisions are already made because of the need to order materials.

6. Adjournment

Mealey/McLeman

That the Council for the City of Port Alberni adjourn the meeting at 10:05 pm and remaining items on the agenda be considered at the meeting at 3:00 pm on Thursday, March 15, 2007.

Carried

Mayor

Clerk