



Minutes

Village of Tahsis

Meeting	Committee of the Whole
Date	Tuesday, March 8 2016
Time	12:00 noon
Place	Municipal Hall - Council Chambers

Present Mayor Jude Schooner - Chair
Councillor Randy Taylor
Councillor Brenda Overton
Councillor Kathy Bellanger
Councillor Louis Van Solkema

Staff Mark Tatchell, Chief Administrative Officer
Amit Sharma, Deputy Chief Finance Officer
Gabriel Gagnier, Director of Infrastructure and Operations
Janet St-Denis, Finance Assistant

Public 1 member of the public

Call to Order

Mayor Schooner called the meeting to order at 12:02 p.m. and acknowledged and respected that we are upon Mowachaht/Muchalaht Traditional Territory.

Introduction of Late Items

None.

Approval of the Agenda

Overton: COW 14/16

THAT the Agenda for the Committee of the Whole meeting be adopted as presented.

CARRIED

New Business

- 1 Preliminary Results of the Asset Management Funding Strategy (by Lisa Kristiansen)**
- (PowerPoint attached)

Taylor: COW 15/16

THAT a member of the public in the gallery be permitted to pose questions.

CARRIED

Overton: COW 16/16

THAT the Report on the Preliminary Results of the Asset Management Funding Strategy by Lisa Kristiansen be received.

CARRIED

Overton: COW 17/16

THAT the Committee of the Whole recess.

CARRIED

Taylor: COW 18/16

THAT the Committee of the Whole reconvene at 1:15 p.m.

CARRIED

Members of staff, the public and Committee members posed questions to Lisa regarding her presentation.

2 Potential Lease of Municipal Buildings (report from staff)

Taylor: VOT 19/16

THAT the Municipal Building Lease Report be received.

Staff was directed to work with the prospective tenant to reach a lease with the best interest of the Village in mind.

3 WFP Cedar Mill Site

WFP is prepared to erect fencing or other barriers along the perimeter of the former Cedar Mill.

The CAO suggested a contest with a prize to generate ideas for the perimeter, rather than the village making the decision without public input. Staff was directed to come back with ideas for this contest.

Adjournment

Overton: COW 20/16

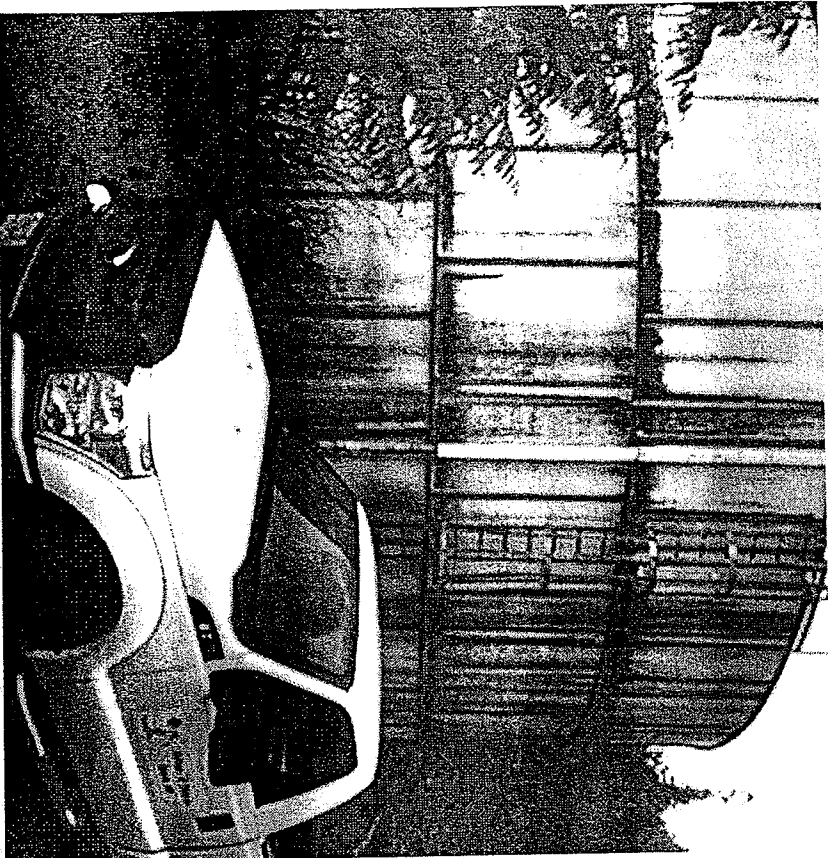
THAT the meeting adjourn at 1:50 p.m.

CARRIED

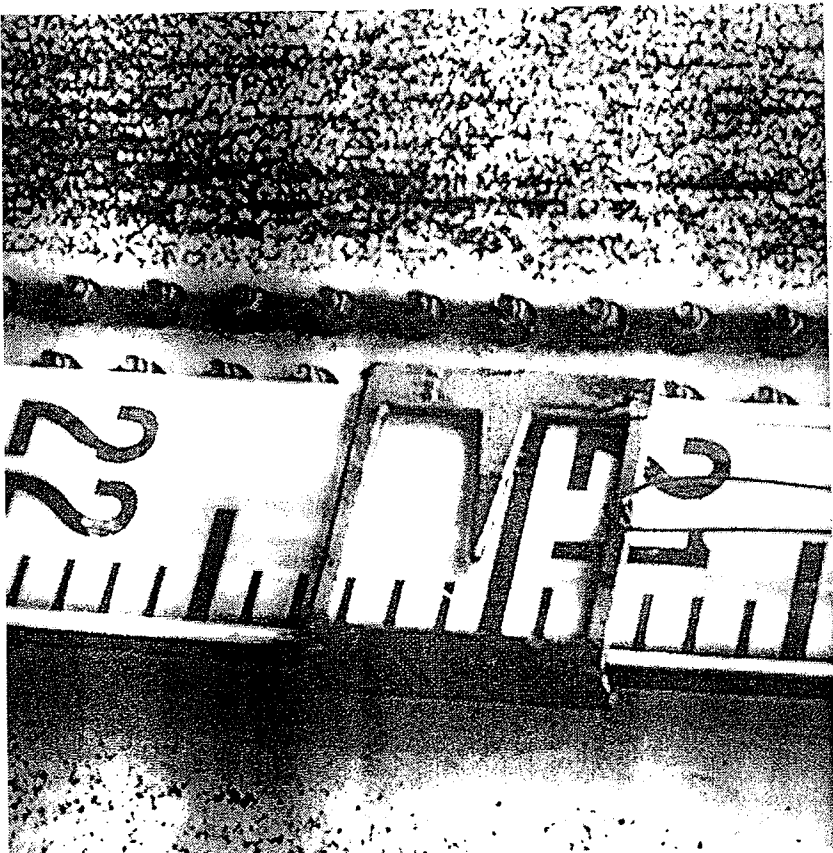
Certified correct this
15th Day of March 2016

A handwritten signature in black ink, consisting of a series of fluid, connected strokes. The signature starts with a large, sweeping curve on the left, followed by several smaller, more intricate loops and lines that extend to the right.

Corporate Officer



ASSET MANAGEMENT INFORMATION SESSION #1



VILLAGE OF TAHISIS
COMMITTEE OF THE
WHOLE
MARCH 8TH 2016

KRISTIANSEN &
ASSOCIATES

REQUIREMENTS OF ASSET MANAGEMENT

To meet their obligations to the Community the Village's Asset Management practices must:

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

REQUIREMENTS OF ASSET MANAGEMENT

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

REQUIREMENTS OF ASSET MANAGEMENT

The INFORMATION requirements include:

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

REQUIREMENTS OF ASSET MANAGEMENT

The DECISIONS to be taken include determining:

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

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

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

REQUIREMENTS OF ASSET MANAGEMENT

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

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

ENSURING EVERYONE IS ON BOARD

SUPPORTING DECISION MAKING CAPACITY

1. Do all parties understand the short & long term implications of the decisions made around asset management?
2. Were all parties aware of the information requirements for decision making? Was adequate information available for consideration when taking decisions?
3. Are supporting tools/frameworks in place to enable objective comparisons between competing options when multiple factors must be taken into account?

IMPROVING ON ASSET MANAGEMENT YOU ARE ALREADY DOING IT BUT ...

Improving on an Asset Management approach requires considering where you are currently in terms of ...

Organizational Capacity:

- financial, people, info/tech. infrastructure,

Approach:

- degree to which the approach is proactive vs. reactive
- availability of information to guide objective planning and decision making
- multidisciplinary

IT WILL BE A BALANCING ACT

ASSET NEEDS, LOS AND FINANCIAL REALITY

1. limited funds will constrain spending regardless of asset 'needs' and desired level of service (LOS)
2. it will be necessary to distinguish between *required* vs. *nice to have* LOS
3. public works expertise will play a strong role maximizing level of service and minimizing costs
4. finance will develop a long term financial plan to ensure LOS will be sustainable

TANGIBLE CAPITAL ASSET GROUPS

CONTENTS OF THE VILLAGES ASSET
REGISTER

LAND

BUILDINGS

MACHINERY & EQUIPMENT

ROADS & BRIDGES

DRAINAGE

WATER

SEWER

CORE ASSET GROUPS

FOR THE PURPOSE OF THIS DISCUSSION

LAND

BUILDINGS

MACHINERY & EQUIPMENT

ROADS & BRIDGES

DRAINAGE

WATER

SEWER

CORE ASSET GROUP CONTENTS

FOR THE PURPOSES OF THIS DISCUSSION

ASSET GROUP CONTENTS

SEWER PIPES sewer pipe, forcemain

SEWER OTHER sanitary sewer outfall, sanitary siphon, dosing chamber, manholes,
sanitary cleanouts, sanitary services, treatment plants and outfalls

WATER PIPES watermain

WATER OTHER valves, hydrants, services, reservoirs, water pump, chlorination stations

ROADS road - 9 meter local, sidewalks, retaining walls

ASSET MANAGEMENT RELATED STUDY

REPLACEMENT COSTS IN 2008 DOLLARS

- McElhanny completed a Capital Works Planning Study for the Village in 2008.
- Estimates were based on limited field and drawing data, and assume typical current-day materials and construction methods.
- Reported replacement costs also included construction, general contingencies and soft costs (legal, engineering, financing, and municipal administration fees).
- The charts/tables in this presentation do not include general contingencies or soft costs.

INFORMATION ON CORE ASSETS

INSTALLATION TIMING AND 2008 REPLACEMENT COSTS

Replacement Costs by Asset Group

Decade Installed	WATER	SEWER	ROADS	ALL
1950	0	0	3,331,500	3,331,500
1955	61,500	0	1,247,500	1,309,000
1960	633,525	402,350	0	1,035,875
1965	0	0	1,103,000	1,103,000
1970	3,392,725	7,310,250	4,202,000	14,904,975
TOTALS	4,087,750	7,712,600	9,884,000	21,684,350

ACTIONS TAKEN SINCE 2008 REPORT

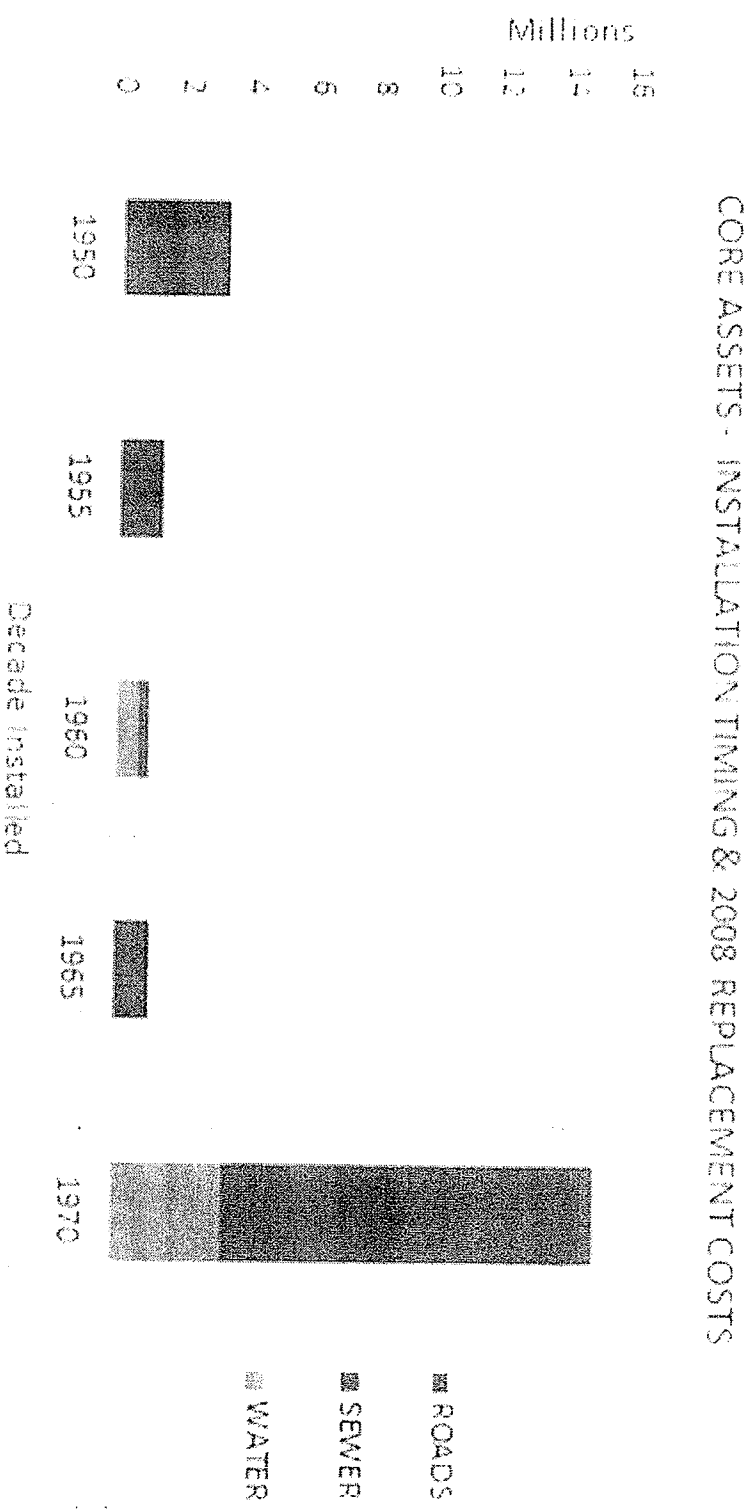
ROAD REPLACEMENT (NO PIPES DONE) & PAVING/PATCHING DONE

YEAR	ACTION TAKEN	LOCATION	TCA COST	PLANNING STUDY?
2009	Asphalt Paving	North Moquinda near Quadra	12,675	YES (DONE)
2009	Asphalt Paving	Barnacle Beach	26,675	NO
2009	Road replacement	Alpine View Rd	413,534	YES (1/2 DONE)

- The road replacement did not include any pipe renewals – the road replacement will be revisited when the pipes are replaced.

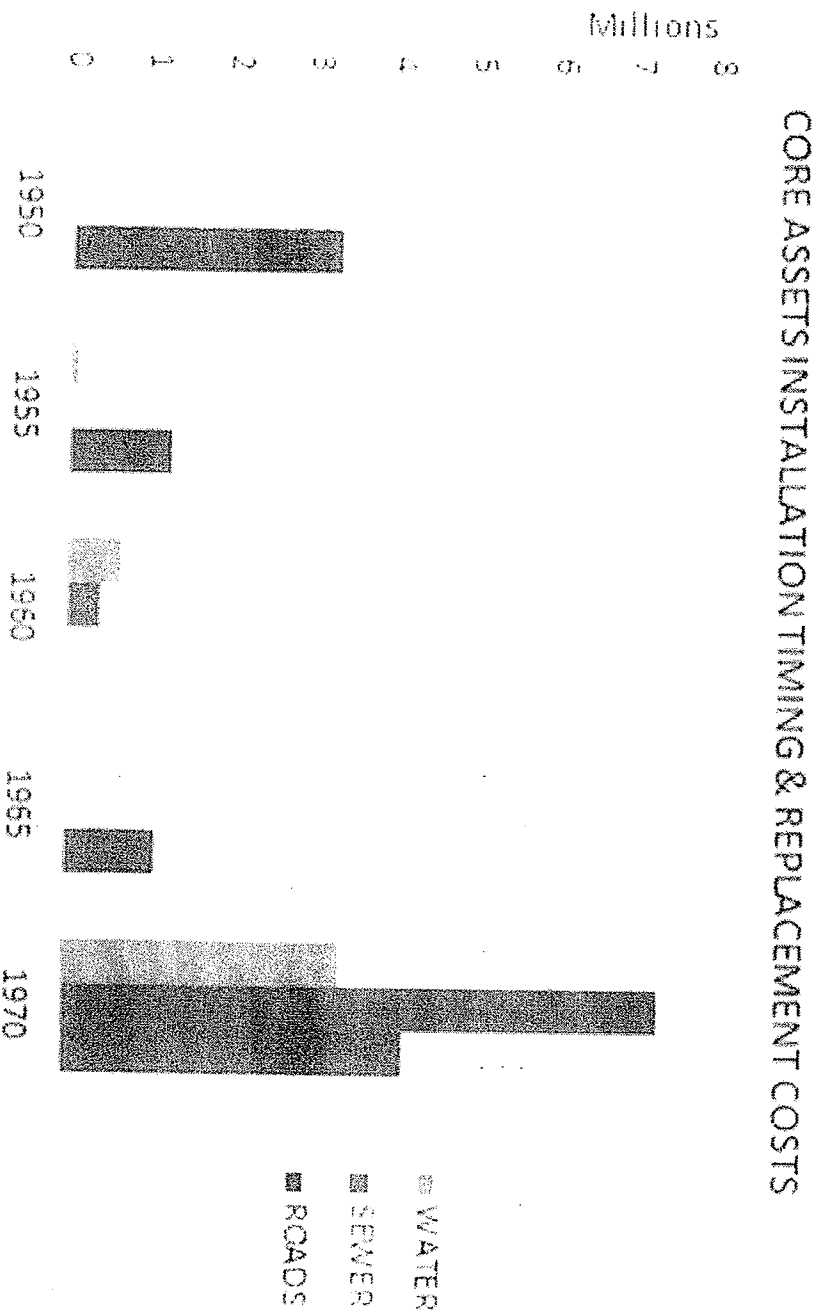
CORE ASSETS

INSTALLATION TIMING AND 2008 REPLACEMENT COSTS



CORE ASSETS

INSTALLATION TIMING AND 2008 REPLACEMENT COSTS



ANNUAL FUNDING CAPACITY

(REVENUE SOURCES AS PER THE VILLAGE'S 2015-2019 FINANCIAL PLAN (BYLAW 578))

<u>REVENUE SOURCES</u>						
<u>GRANTS</u>	23% of Village revenue		<u>Yearly average</u>			267704
<u>PROPERTY TAX</u>	46% of Village revenue		<u>Yearly average</u>			636778
<u>UTILITIES</u>	18% of Village revenue		<u>Yearly average</u>			209228
<u>WATER services</u>	<u>net revenue</u>	11600	11950	12360	12970	13300
						<u>Yearly average</u>
						12436
<u>SEWER services</u>	<u>net revenue</u>	3730	10060	10580	11300	10640
						<u>Yearly average</u>
						9262
TOTAL OF ABOVE SOURCES						
						<u>Yearly average</u>
						926180

FUNDING CAPACITY VS. NEEDS

(REVENUE SOURCES AS PER THE VILLAGE'S 2015-2019 FINANCIAL
PLAN (BYLAW 578))

Annual funding available for all uses by the Village is limited to:

.93 million (note: funding sources include taxation, grants, and net water
and sewer revenue)

The 2008 replacement costs covering water, sewer, and roads
assets totals:


21.6 million

FUNDING CAPACITY CHALLENGES

PROJECTED REPLACEMENT COSTS VS. FUNDING AVAILABLE 2015-2019

\$926,180
total funding available annually for all uses not just asset management

EXTENT TO WHICH COSTS WILL GROW OVER THE YEARS IF REPLACEMENT/RENEWAL IS DELAYED. THIS INCREASE WILL BE IN ADDITION TO ONGOING MAINTENANCE COSTS.



Potential Increase in 21.68 Million 2008 REPLACEMENT COST	<u>Cost in 2020</u>	<u>Cost in 2025</u>	<u>Cost in 2030</u>	<u>Cost in 2035</u>
At 2% Construction Cost Inflation	27.5	30.4	33.5	37.0
At 2.5 % Construction Cost Inflation	29.2	33.0	37.3	42.2
At 3% Construction Cost Inflation	30.9	35.8	41.5	48.2

THESE ARE DECISIONS AND PLANS TO BE MADE ASSET NEEDS, LOS AND FINANCIAL REALITY

1. limited funds need to be distributed based on key needs and desired level of service (LOS)
2. it will be necessary to distinguish between *required* vs. *nice to have* LOS
3. public works expertise will need to weigh in a plan to maximize level of service while minimizing costs and identify the needs of the most critical assets
4. finance must develop a long term financial plan to ensure actions taken and targeted LOS will be affordable and sustainable
5. water and sewer rates will need to be addressed
6. key projects need to be identified
7. community will need to be consulted re: LOS & prioritization plan
8. need a plan for dealing with non core assets

DRAFT RESOLUTION – COMMUNITY UNITY TRAIL

For introduction and discussion at March 15, 2016 Regular Council meeting

WHEREAS the Villages of Tahsis and Zeballos have endeavored for a number of years to link the two communities through a trail accessible by four wheel drive quad ATVs; and

WHEREAS the interest in the trail has gained momentum recently resulting in a series of meetings to plan the development of the trail; and

WHEREAS the project, tentatively named the “Community Unity Trail” has grown to include Mowachaht/Muchalaht First Nation, Ehattesaht First Nation and the Village of Gold River making it a truly regional and inclusive project; and

WHEREAS the project has the potential to drive tourism and economic development in the region with direct benefits to Tahsis;

BE IT RESOLVED THAT:

Village of Tahsis endorses this project and pledges to provide staff and other in kind support to the project; and

BE IT FURTHER RESOLVED THAT:

Mayor Schooner be appointed as the Village’s representative on the Community Unity Trail executive committee and Councillor Taylor be appointed as the Village’s alternate representative and staff resources be assigned as needed.