



General Purposes Committee

**Anderson Room, City Hall
6911 No. 3 Road**

**Monday, December 17, 2012
4:00 p.m.**

Pg. # ITEM

MINUTES

GP-5 *Motion to adopt the minutes of the meeting of the General Purposes Committee held on Monday, December 3, 2012.*



ENGINEERING & PUBLIC WORKS DEPARTMENT

1. **OVAL CONVERSION PRIORITY PROJECTS**
(File Ref. No. 06-2052-20-ROO) (REDMS No. 3714505 v.3)

GP-9

See Page **GP-9** for full report

Designated Speakers: Robert Gonzalez & John Irving

STAFF RECOMMENDATION

That the adjustment of the remaining legacy conversion projects and funding as outlined in the staff report titled Oval Conversion Priority Projects, dated November 29, 2012, by the Director Engineering, be approved.



Pg. # ITEM

2. **ALEXANDRA DISTRICT ENERGY UTILITY BYLAW NO. 8641
AMENDMENT BYLAW NO. 8980**

(File Ref. No. 10-6600-01-01) (REDMS No. 3707421 v.3)

GP-17

See Page **GP-17** for full report

Designated Speaker: Alen Postolka

STAFF RECOMMENDATION

That the Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 8980 be introduced and given first, second and third reading.



3. **COMMENTS ON MULTI-MATERIAL BC'S PACKAGING AND
PRINTED PAPER STEWARDSHIP PLAN**

(File Ref. No. 10-6370-00) (REDMS No. 3711386)

GP-25

See Page **GP-25** for full report

Designated Speaker: Suzanne Bycraft

STAFF RECOMMENDATION

That the City's comments on Multi-Material British Columbia's (MMBC) Packaging and Printed Paper Stewardship Plan outlined in Attachment 1 of the staff report dated December 11, 2012 from the Director – Public Works Operations be approved and forwarded to MMBC, the Minister of the Environment and the Greater Vancouver Regional District Board Chair.



FINANCE AND CORPORATE SERVICES DEPARTMENT

4. **APPOINTMENT OF ACTING CORPORATE OFFICER (ACTING
CITY CLERK)**

(File Ref. No. 05-1400-01) (REDMS No. 3694105 v.2)

GP-43

See Page **GP-43** for full report

Designated Speaker: David Weber

STAFF RECOMMENDATION

That Michelle Jansson, Manager, Legislative Services, be appointed as Acting Corporate Officer for the purposes of carrying out the statutory duties prescribed in section 148 of the Community Charter, in the absence of David Weber, Director, City Clerk's Office (Corporate Officer).

☐

5. **METRO VANCOUVER LABOUR RELATIONS SERVICE BYLAW NO. 1182, 2012**

(File Ref. No. 05-1400-01) (REDMS No. 3722223 v.2)

GP-45

See Page **GP-45** for full report

Designated Speaker: Mike Pellant

STAFF RECOMMENDATION

That Richmond City Council consent to the terms and conditions of withdrawal of the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012 and approve the adoption of the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012 by providing consent on behalf of the electors.

☐

ADJOURNMENT

☐



General Purposes Committee

Date: Monday, December 3, 2012

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au
Councillor Derek Dang (entered at 4:56 p.m.)
Councillor Evelina Halsey-Brandt
Councillor Ken Johnston
Councillor Bill McNulty
Councillor Linda McPhail
Councillor Harold Steves

Absent: Councillor Linda Barnes

Call to Order: The Chair called the meeting to order at 4:51 p.m.

MINUTES

It was moved and seconded

That the minutes of the meeting of the General Purposes Committee held on Monday, November 19, 2012, be adopted as circulated.

CARRIED

LAW AND COMMUNITY SAFETY DEPARTMENT

1. **RICHMOND SISTER CITY COMMITTEE – 2011 YEAR IN REVIEW**
(File Ref. No.) (REDMS No. 3651453)

It was moved and seconded

That the Richmond Sister City Committee 2011 Year In Review, attached to the report dated September 12, 2012 from the Director, Intergovernmental Relations and Protocol Unit, be received for information.

CARRIED

General Purposes Committee
Monday, December 3, 2012

Councillor Dang entered the meeting (4:56 p.m.).

COMMUNITY SERVICES DEPARTMENT

2. UBCM AGE-FRIENDLY COMMUNITY PLANNING AND PROJECT GRANT APPLICATION

(File Ref. No.) (REDMS No. 3708063)

It was moved and seconded

That an application for a UBCM 2013 Age Friendly Community Planning and Project Grant be endorsed, the purpose of which is to fund the project titled "Kiwanis Towers: Ready, Set, Plan – A Collaborative Stakeholder Process to Support Health Tenancy in a Seniors Affordable Housing Project".

CARRIED

ENGINEERING AND PUBLIC WORKS DEPARTMENT

3. GOVERNANCE & FINANCING – ALEXANDRA DISTRICT ENERGY UTILITY

(File Ref. No.) (REDMS No. 3442906)

Cecilia Achiam, Interim Director, Sustainability and District Energy, accompanied by John Irving, Director, Engineering, provided background information, noting that Phases I and II of the Alexandra District Energy Utility (ADEU) have been completed.

Councillor Steves left the meeting (4:59 p.m.) and did not return.

Ms. Achiam commented on the financial risks associated with the ADEU investment model, noting that the proposed financial model may help mitigate risks. Also, Ms. Achiam stated that the ADEU is self-financing over the long term, with pay back of the total costs by 2017 – 2018. She advised that the proposed business model for the ADEU would result in a 6.5% internal rate of return over a 30 year period.

Also, Ms. Achiam spoke of the need for a dedicated staff person to manage the growing needs of District Energy Utility, noting that the proposed financial model projections indicate that additional revenue from future phases of the ADEU would help offset salary costs.

General Purposes Committee

Monday, December 3, 2012

Mr. Irving stated that staff are recommending the establishment of a wholly City owned corporation named the Lulu Island Energy Company to own and operate the ADEU. He stated that the proposed model has successfully been utilized by other local governments and analysis indicates that it provides the best combination of flexibility, control, risk management, financing and accountability for the ADEU.

In reply to queries from Committee, Ms. Achiam commented on the various benefits of appointing only City staff as members of the proposed Lulu Island Energy Corporation (LIEC) Board. Also, Ms. Achiam spoke of the structure of the ADEU utility rate, noting that Council set the 2012 ADEU rate in May 2012.

In response to comments made by Committee, Mr. Irving stated that it is suggested that the corporation be named Lulu Island Energy Company in an effort to preserve maximum flexibility for future expansion of district energy utilities in the City. Also, Mr. Irving advised that staff would bring back a report detailing the financing and payback options for Council consideration.

It was moved and seconded

That Council:

- (1) *authorize staff to incorporate a wholly owned local government corporation including:*
 - (a) *naming the corporation Lulu Island Energy Company (pending name availability)(LIEC) with the City of Richmond as the sole share holder to own and operate the Alexandra District Energy Utility (ADEU);*
 - (b) *authorizing the Chief Administrative Officer and the General Manager, Engineering and Public Works to execute legal agreements and documentation related to the incorporation;*
- (2) *authorize staff to explore the merits of external borrowing of up to \$6M to finance phase 3 of the ADEU and report to Council through Committee on the budget impacts to future capital projects;*
- (3) *re-classify the District Energy Manager position from Temporary Full Time (TFT) to Regular Full Time (RFT); and*
- (4) *approve the creation of a Position Control Complement (PCC) for the District Energy Manager position.*

The question on the motion was not called as in reply to a query from Committee, Mr. Irving advised that staff would report back on financial options protocol.

The question on the motion was then called and it was **CARRIED**.

General Purposes Committee
Monday, December 3, 2012

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (5:15 p.m.).

CARRIED

Certified a true and correct copy of the
Minutes of the meeting of the General
Purposes Committee of the Council of the
City of Richmond held on Monday,
December 3, 2012.

Mayor Malcolm D. Brodie
Chair

Hanieh Berg
Committee Clerk



City of Richmond

Report to Committee

To: General Purposes Committee
From: John Irving, P.Eng. MPA
Director, Engineering
Re: Oval Conversion Priority Projects

Date: November 29, 2012
File: 06-2052-20-ROO/Vol
01

Staff Recommendation

That the adjustment of the remaining legacy conversion projects and funding as outlined in the report "Oval Conversion Priority Projects", dated November 29, 2012, prepared by the Director Engineering, be approved.

John Irving, P.Eng. MPA
Director, Engineering
(604-276-4140)

Att.

REPORT CONCURRENCE			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Finance Division	<input checked="" type="checkbox"/>		
ROOC	<input checked="" type="checkbox"/>		
REVIEWED BY SMT SUBCOMMITTEE	INITIALS: 	REVIEWED BY CAO	INITIALS: yes

Staff Report

Origin

At the regular Council meeting of January 23, 2012, Council adopted the following resolution:

“that the adjustment of the remaining legacy conversion projects and funding as outlined in the report “Richmond Olympic Oval- Legacy Conversion Update” dated January 13, 2012, prepared by the Director of Project Development, be approved.”

The purpose of this staff report is to provide a project status and funding update and a review of project priorities and opportunities. Due to staff reporting and City department organizational changes implemented by the CAO, responsibility for management/administration of the Oval Conversion Projects and budget has been reassigned to the City's Engineering Department. Given the completion of several of the approved projects below budget, staff are able to present a further set of conversion priorities to support Oval operations.

At its November 28, 2012 meeting, The Oval Board reviewed and endorsed the content of this staff report for submission to Council.

Analysis

All of the projects approved by Council under the above resolution are complete or underway and are being delivered within the approved Legacy Conversion budgets (accounts 40984 and 40988). This includes the Executive Locker Rooms and Children's Play Space that are under review and are described later in this report. The items recommended in this staff report represent reprioritization of Oval Conversion projects and no additional funding from the City is required.

Council previously authorized that any remaining funds from the base Oval Project budget and the Oval Conversion Project budget be utilized to complete additional projects from the Oval conversion plan.

Table 1 provides a summary of the Council approved projects including a status update. Of the \$24,291,503.83 combined total Legacy Conversion budget approved by Council and roof claim settlement, there is \$1,080,452.21 of funding remaining (achieved primarily through efficiencies and cost savings) as of November 7, 2012.

The remaining funds represent less than 5% of the original budget.

Table 1 – Project Status

PREVIOUSLY APPROVED PROJECTS	STATUS
Partitions & Curtains	Complete
Legacy Suite Upgrades	Complete
Two New Team Rooms	Complete
Sport Surface Protective Covering	Complete
Parking Infrastructure	Complete
Exterior Video Sign	Complete
Batting Cages	Complete
Food Service / Café Space	Complete
Climbing Wall	Complete
Event Seating	Underway
Children Play Space	See Discussion under Analysis
Olympic Experience	Underway
Interior Display Screen	Underway
Scorekeeping & Display (Indoor)	Underway
Theatre-Style Seats	Underway
Executive Locker Rooms	See Discussion under Analysis

As per Council's direction, this surplus is to be utilized to complete additional Conversion projects that enable the Oval to operate in the long term legacy mode.

The major components of the Oval Legacy Conversion Project commenced shortly after the conclusion of the 2010 Winter Olympic and Paralympic Games. With operations staff gaining experience with this new facility and its operating nuances, as well as, through the successful completion of several conversion projects, there is an increased level of understanding of the Oval's needs and priorities.

Oval staff, together with Project Development staff from the City's Engineering Department, has completed a review of Oval conversion needs and priorities in relation to the funding available. Specific tasks within the proposed Final Oval Legacy Conversion Project include a Retail Space, New Fitness Space, Children's Play Space, Locker Room Improvements and Mezzanine Expansion. Each project is summarized in more detail as follows:

Final Oval Legacy Conversion Project

Retail Space

As the Richmond Olympic Oval is a multi-use, multi-sport facility with growing membership and visitation numbers, there is a demand for retail products, which will provide an important additional revenue stream for the Oval as well as an opportunity to promote both the City of Richmond and Richmond Olympic Oval brands for the purpose of generating increased tourism interest.

- Members and visitors have asked for branded Richmond Olympic Oval merchandise (water bottles, towels, mugs, athletic bags, clothing including shirts, hats, jackets etc);
- Opportunity to purchase miscellaneous items required during visit (socks, towels, laces, shampoo, etc); and various sports items (hockey tape, pucks, skate laces, fitness gear, climbing gear, and aerobic gear).
- Branded items from partner organizations such as Hockey Canada and the Canadian Olympic Committee are also in high demand.
- A gift shop ideally complements the visitor's journey through the Olympic Experience by enabling them to take the experience away with them.
- Many visitors will create a demand for pins, clothing, souvenirs and merchandise of all descriptions.
- A retail presence will serve as another important opportunity to promote the City and the Richmond Olympic Oval brand.

The Richmond Olympic Oval Corporation proposes to establish an agreement with a contractor to operate the retail shop, maintain merchandise inventory and provide related services.

It is estimated that \$325,000 will be sufficient to construct the retail space.

New Fitness Space

Increased demand for fitness space and needed improvements, such as client privacy for personal training and noise mitigation, led Staff to investigate alternative spaces in which to offer some fitness services and programs. Fitness (which is the top priority of 75% of Oval members) will be programmed in room 2.035 A/B which will be converted into personal training and group training space. It is currently unoccupied and is located near the Climbing Wall. This space was not developed for lease or other use during construction and requires HVAC, flooring, data and other modifications to ensure our fitness clientele's needs are being met. The estimated cost for this work is \$175,000.

Children's Play Space

This project had been placed on hold in order to research best practices, however in parallel the Oval has developed and implemented a child-minding program. As a result of feedback from Oval members, operational experience, and physical literacy consultant advice, it is intended that the Children's Play Space concept and capital investment be integrated into new children's programs that will be offered in 2013.

A capital budget of \$50,000 has been allocated for children's play equipment accordingly.

Executive Locker Rooms

Executive Locker Rooms were placed on hold in order to allow management more real operational time to evaluate both the demand and business case for investing in Executive Locker Rooms. Specifically, management have determined that improvement to the existing public Locker Rooms is a better option than a separate executive locker room space. The estimated cost to complete improvements to the existing public Locker Rooms is \$100,000.

Mezzanine Expansion

Space in the Oval for user courses and operational programs is at a premium and this challenge is particularly acute on the mezzanine level.

At its November 28, 2012 meeting, the Oval Board reviewed and endorsed a plan to create additional space on the mezzanine level, as shown in **Attachment 2**. This plan includes the fitness room infill, HVAC and electrical improvements, widened walkway and mezzanine widening for a total additional floor area of approximately 4,100 sq ft. This is based on completing all practically possible mezzanine expansions at the southeast corner of the Oval.

In addition to increasing floor space on the mezzanine level, the fitness room on the level below will have greater use due to sound proofing and improved lighting. These improvements address noise and privacy complaints from patrons related to the close proximity of the ice sheets and overhead walkway to the fitness room. This will enable the Oval to run more programs at greater frequency.

The estimated cost of this item is \$1,780,000. This project would be funded from the following sources:

- \$1,200,000 from the Oval Board's previously approved 2012 Mezzanine Infill project that was funded from surplus profits and the Oval's capital reserve,
- \$430,000 of unspent funding from the previously approved (2010) Oval Legacy Conversion project budget and
- \$150,000 from the Oval's capital reserve in 2013.

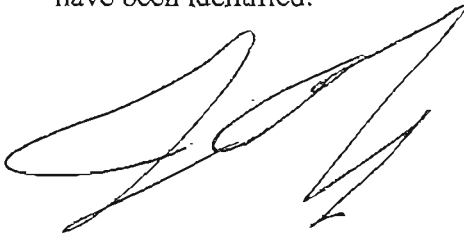
This project was approved by the Oval Board on November 28, 2012. The resulting allocations of the remaining Legacy Conversion funds are summarized in **Attachment 1**.

Financial Impact

All conversion projects as previously approved by Council and as proposed herein will be completed within the approved budget. There is no additional City funding being requested through this report.

Conclusion

Previously approved Oval conversion projects have been successfully completed or are underway. Through value engineering, staff initiatives and program modifications there remains funding available to complete additional conversion projects necessary for Oval operations. Priority projects have been identified.

A handwritten signature in black ink, appearing to read 'JVY', with a large loop at the end.

Jim V. Young, P. Eng.
Acting Sr. Manager, Project Development
(604-247-4610)

JVY:jvy

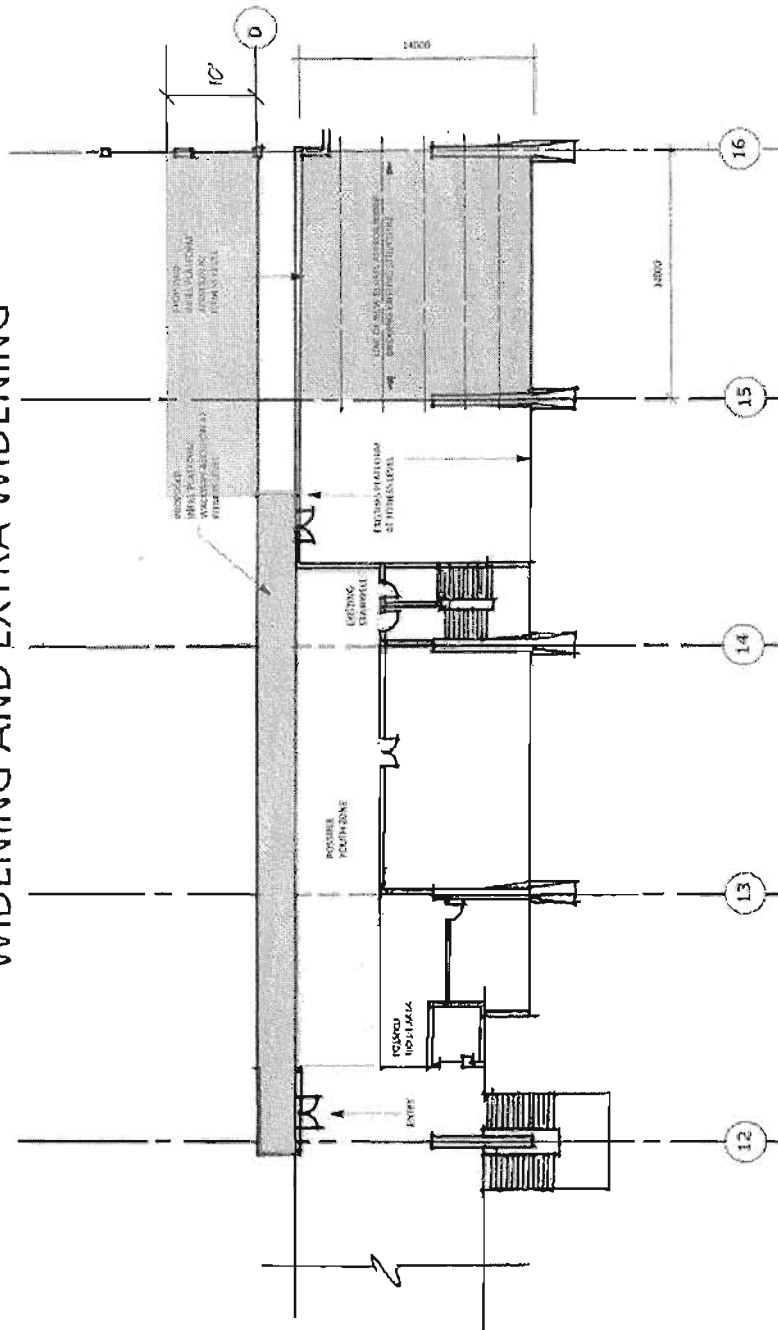
Attachment 1

Estimated Costs Associated with Final Legacy Conversion Project

Project	Estimated Cost
New Fitness Space	\$ 175,000
Children's Play Space	\$ 50,000
Locker Room Improvements	\$ 100,000
Retail Space	\$ 325,000
Mezzanine Expansion	\$ 430,000
Total	\$1,080,000

ATTACHMENT 2--

FITNESS ROOM INFILL WIDEN
WALKWAY LEGACY LOUNGE MEZZANINE
WIDENING AND EXTRA WIDENING





City of Richmond

Report to Committee

To: General Purposes Committee
From: Cecilia Achiam, MCIP, BCSLA
Interim Director, Sustainability and District Energy
Date: November 16, 2012
File: 10-6600-10-01/2012-Vol 01
Re: Alexandra District Energy Utility Bylaw No 8641 Amendment Bylaw No 8980

Staff Recommendation

That the Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 8980 be introduced and given first, second and third reading.

Cecilia Achiam, MCIP, BCSLA
Interim Director, Sustainability and District Energy
(604-276-4122)

Att. 1

REPORT CONCURRENCE			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Finance Division	<input checked="checked" type="checkbox"/>		
REVIEWED BY SMT SUBCOMMITTEE	INITIALS: 	REVIEWED BY CAO	INITIALS:

Staff Report

Origin

In 2010, Council adopted the Alexandra District Energy Utility Bylaw No. 8641 establishing the charges that constitute the rate for the service of delivering the energy for space heating and cooling and domestic hot water within the Alexandra District Energy Utility (ADEU) service area.

In May 2012, Council adopted the Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 8892, which amended the rate structure that encourages energy conservation and efficiency.

The purpose of this report is to recommend the 2013 ADEU service rate.

This initiative aligns with Council Term Goal # 8.1, which states:

“Sustainability – Continued implementation and significant progress towards achieving the City’s Sustainability Framework, and associated targets.”

Background

The ADEU Phases 1 and 2 which will provide energy to at least three developments (Mayfair Place, Remy and Omega) and approximately 850 units have been in operation since July 2012. The ADEU will potentially service up to 3100 residential units and 1.1 million sq. ft. of commercial uses at built out in approximately 10 to 15 years.

The 2012 rate is comprised of:

1. Capacity Charge - monthly charge of \$0.075 per square foot of the building gross floor area, and a monthly charge of \$1.00 per kilowatt of the annual peak heating load supplied by DEU as shown in the energy modeling report required under Section 21.1.(c); and
2. Volumetric Charge - charge of \$3.20 per megawatt hour of energy consumed by the building.

Analysis

The proposed 2013 rate is a 4% increase from the 2012 rate. The factors that need to be considered when setting up the 2013 ADEU rate include:

- The rate should provide end users with annual energy costs that are less than or equal to conventional system energy costs based on the same level of service.
- The ADEU was established on the basis that all capital and operating costs would ultimately be recovered through revenues from user fees. The financial model included recovery of the capital investment over time and built in a rate increase year over year to cover for the fuel cost increases, inflation, etc. to ensure the financial viability of the system.

- Utility cost (electricity and natural gas) increases are outside of the City's control. Nonetheless, these commodity costs directly impact the operation cost of the ADEU. BC Hydro electricity rates have increased by 3.91% in April 2012. With compounding of 2.5% increase of rate rider, the electricity rate effectively increased 7.1% in 2012. Next April, electricity rates are due to increase by an additional 1.44%. The cost of natural gas is estimated to increase 3% (source: US Energy Information Administration).
- Other factors to consider include various price indexes. For example, the consumer price index (CPI) is estimated by the Finance Department at 2%, while municipal price index is estimated at 3%.

As a comparison to conventional energy utility, the proposed 2013 ADEU rate increase is below electricity cost increase based on the 2012 BC Hydro rate increase of 7.1% and 2013 BC Hydro rate increase of 1.44%.

Taking into consideration the above factors, three options are presented for consideration.

Option 1 – No increase to ADEU rate for services (Not recommended).

The rate under the “status quo” option would not change from the 2012 rate.

Table 1: Status Quo

	2012	2013 PROPOSED	% CHANGE 2012/2013
Capacity Charge One - monthly charge per square foot of the building gross floor area	\$0.075	\$0.075	0%
Capacity Charge Two - monthly charge per kilowatt of the annual peak heating load supplied by DEU	\$1.00	\$1.00	0%
Volumetric Charge - charge per megawatt hour of energy consumed by the building	\$3.20	\$3.20	0%

The ADEU is in early days of its operation, and as a result the utility (electricity and natural gas) operation and maintenance costs are still largely based on projections of the original financial model. Variation from the model will affect the performance of the ADEU. For example, the revenue may vary from the projected revenue in the financial model depending on the speed of development and occupancy. Since the modeling of the ADEU has been taken into consideration, modest rate increases similar to projected increase rates for conventional energy. A status quo approach may have a negative impact on the financial performance of the ADEU if it does not follow market trend. For example, it may cause an extension of the payback period, reduction of internal rate of return, etc.

Option 2 – 2% increase to ADEU rate for services (Not recommended).

The rate under this option would increase modestly to follow consumer price index (CPI). While a 2% rate increase will partially cover the estimated fuel (electricity and natural gas) and O&M cost increases, it is below the increase projected in the ADEU financial business model. It will take at least one full heating and one full cooling season to have some information about the connected building's energy consumption. The buildings are being occupied in phases, which also affect the collection of actual building's energy consumption. Because of these uncertainties, this option is also not recommended.

Table 2: 2% Increase

	2012	2013 PROPOSED	% CHANGE 2012/2013
Capacity Charge One - monthly charge per square foot of the building gross floor area	\$0.075	\$0.0765	2.00%
Capacity Charge Two - monthly charge per kilowatt of the annual peak heating load supplied by DEU	\$1.00	\$1.02	2.00%
Volumetric Charge - charge per megawatt hour of energy consumed by the building	\$3.20	\$3.264	2.00%

Option 3 – 4% increase to ADEU rate for services (Recommended).

The 4% rate increase under this option follows the ADEU financial model. This rate will cover estimated increases in fuel (electricity and natural gas) cost and operation and maintenance costs.

The ADEU financial model follows the principle of full cost recovery. As a new utility service, with the limited information about the connected building's energy loads and consumption and only estimated operation and maintenance costs projections, ADEU business cases heavily relies on the developed financial model. Inevitably, there are inherent business and financial risks with the ADEU business model that uses advanced capital financing. One of the ways to mitigate these risks is to follow the financial model as much as possible in the early years of the utility operation and annually adjust the rates as per model. As the utility collects more actual data about the connected building's energy loads and consumption, operation and maintenance costs, the model will be continuously updated and annual rate adjustment may follow more judicious year to year financial indicators to ensure that the financial performance continues to meet its obligations.

Table 3: 4% Increase

	2012	2013 PROPOSED	% CHANGE 2012/2013
Capacity Charge One - monthly charge per square foot of the building gross floor area	\$0.075	\$0.078	4.00%
Capacity Charge Two - monthly charge per kilowatt of the annual peak heating load supplied by DEU	\$1.00	\$1.04	4.00%
Volumetric Charge - charge per megawatt hour of energy consumed by the building	\$3.20	\$3.328	4.00%

The recommended rate outlined in the proposed Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 8980 (**Attachment 1**), represents full cost recovery for the delivery of energy within the ADEU service area.

Financial Impact

None.

Conclusion

The recommended 2013 ADEU rate for services 4% increase (Option 3) supports Council's objective to keep the annual energy costs for ADEU customers at less than or equal to conventional system energy costs based on the same level of service. At the same time, the proposed rate ensures cost recovery to offset the City's capital investment and ongoing operating costs. Staff will continuously monitor energy costs and review the rate to ensure rate fairness for the consumers and cost recovery for the City.



Alen Postolka, P.Eng., CEM, CP
District Energy Manager
(604-276-4283)



**Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw
No. 8980**

The Council of the City of Richmond enacts as follows:

1. **Alexandra District Energy Utility Bylaw No. 8641** is amended by deleting Schedule C in its entirety and substituting Schedule C attached to and forming part of this bylaw.
2. This Bylaw is cited as “**Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 8980**”.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER



SCHEDULE C to BYLAW NO. 8641

Rates and Charges

RATES FOR SERVICES

The following charges will constitute the Rates for Services:

- (a) Capacity charge – a monthly charge of \$0.078 per square foot of gross floor area, and a monthly charge of \$1.04 per kilowatt of the annual peak heating load supplied by DEU as shown in the energy modeling report required under Section 21.1.(c); and
- (b) Volumetric charge – a charge of \$3.328 per megawatt hour of Energy returned from the Heat Exchanger and Meter Set at the Designated Property.



City of Richmond

Report to Committee

To: General Purposes Committee
From: Tom Stewart, AScT.
Director, Public Works Operations

Date: December 11, 2012

File: 10-6370-00/Vol 01

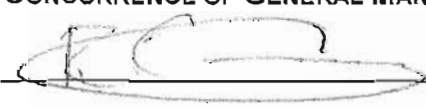



Re: Comments on Multi-Material BC's Packaging and Printed Paper Stewardship Plan

Staff Recommendation

That the City's comments on Multi-Material British Columbia's (MMBC) Packaging and Printed Paper Stewardship Plan outlined in **Attachment 1** of the staff report dated December 11, 2012 from the Director – Public Works Operations be approved and forwarded to MMBC, the Minister of the Environment and the Greater Vancouver Regional District Board Chair.

Tom Stewart, AScT.
Director, Public Works Operations
(604-233-3301)

Att. 4

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
REVIEWED BY SMT SUBCOMMITTEE	INITIALS: 
REVIEWED BY CAO 	INITIALS: 

Staff Report

Origin

This report provides a summary of the stewardship plan submitted by Multi Material British Columbia (MMBC) on behalf of multiple producers of packaging and printed paper (PPP) per the requirements of the B.C. Recycling Regulation under the Environmental Management Act. The purpose of MMBC's stewardship plan is to outline how producers of packaging and printed paper products will manage their products at the end of the product's life. This report proposes that comments on the stewardship plan be submitted as part of the consultation process.

Analysis

Overview of MMBC's Stewardship Plan

Background: The B.C. Government amended the Recycling Regulation in 2011 to include packaging and printed paper (PPP – Schedule 5). Under this regulation, producers of PPP are obligated to have an approved stewardship plan in place, with implementation in May, 2014. The initial deadline for submission of proposed stewardship plans to the BC Ministry of Environment was November 19, 2012.

To meet this obligation, Multi Material British Columbia (MMBC) was established as a not-for-profit stewardship agency to produce the stewardship plan on behalf of a group of producers. MMBC currently represents 215 producers of various commercial sector companies such as food and consumer products, retailers, electronic manufacturers, media and printed paper, etc. It is noteworthy that the total number of producers of packaging and printed paper is not known at this time, nor is the total quantity of waste they generate. Therefore, it cannot be assumed that MMBC represents all producers of PPP at this time.

MMBC is governed by a Board of Directors comprising members appointed by the Retail Council of Canada, Food and Consumer Products of Canada, Canadian Federation of Independent Grocers, Canadian Restaurant and Foodservices Association, Loblaw Companies Limited, Overwaitea Food Group, Tim Hortons and McCain Foods. Since a producer is the supplier of service packaging or the first of the brand owner, the franchisor or the first seller (also known as the first importer) of packaging and printed paper, it is likely there are numerous enterprises/businesses who are unaware they qualify as a producer at this time. These producers may submit their own stewardship plans or join MMBC.

Stewardship Plan Timeline: MMBC produced a draft stewardship plan dated October 23, 2012, and requested input by November 9, 2012 in preparation for their submission on November 19, 2012. Comments on the October 23rd draft were submitted by Metro Vancouver staff on November 9th (**Attachment 2**). Due to the highly compressed timeframe MMBC is working to meet their commitments, comments on their November 19th submission are being accepted until December 14, 2012 for submission of a final stewardship plan to the Ministry of Environment in January. (MMBC had requested a one-year extension on the stewardship plan submission deadline, however, this request was not approved by the Ministry). At a recent meeting with MMBC representatives, staff highlighted the challenge in meeting the December 14th deadline. As such, MMBC verbally agreed to accept comments from Richmond up to December 20th.

Stewardship Plan High Level Overview: MMBC's stewardship plan proposes that they enter into separate and distinct agreements with qualified collectors and processors to deliver recycling services through traditional means (curbside, centralized, depot and streetscape collection) by taking advantage of existing collection systems and/or delivering the services via tendered contracts themselves. Collectors who meet the qualification standards established by MMBC would be paid a market-clearing price upon acceptance of the recycling material by the processor. Collectors cannot charge residents for recycling. The market-clearing price would be based on a flat rate per tonne, per household or combination thereof, and will be established in a manner that rewards and encourages continued efficiency and initiatives to reduce costs where costs exceed the market-clearing price. The market-clearing price is expected to be established in the second quarter of 2013.

In regard to processing, MMBC proposes to contract directly with processors through an expression of interest, call for proposals, etc. and share the market revenue and commodity risk between themselves and the processor/s. MMBC envisions that collectors and processors will establish relationships with one another at their discretion through free-market arrangements.

MMBC proposes to fund the system by their producer members, with the producers embedding the cost into their product and *not* via a fee at the point of sale since they consider the amount for many products would be less than one cent. As a result, the Recycling Regulation does not obligate MMBC to produce third-party audited financial statements, however, MMBC may still choose to do so. Producers that supply types of PPP that are not currently recyclable will pay an additional fee to MMBC for research and development into technical and market capacity barriers to address recycling challenges associated with their products.

Materials Included, Commencement Timeline and Proposed Collection Method: MMBC has identified primary, secondary and tertiary packaging, as well as service packaging and components as part of their plan. Printed paper includes telephone directories, but does not include other types of bound reference books, bound literary books or bound text books. A condensed summary of the items identified in their plan and the proposed method of collection is outlined in the following table.

Timeline	Collection Method	Materials Collected
May, 2014	Curbside collection; Centralized collection; Depots	All materials currently accepted in Richmond's recycling program ¹ , plus: <ul style="list-style-type: none"> • All other rigid plastics • Polycoat cartons and cups • Aseptic containers (tetrapaks) • Aluminium foil • Aerosol cans • Spiral-wound cans (e.g. hot chocolate mix) Any boxboard, paper bags or molded pulp containers could also be collected via organics only if contaminated with food.
	Depots only	<ul style="list-style-type: none"> • Polystyrene foam (Styrofoam) • Film plastic (grocery bags, retail carry out bags, dry cleaning bags, overwrap from items such as toilet tissue, paper towels, etc., bread bags, produce and bulk food bags, cereal box liners.)
After May, 2014	To be determined	New materials will be added as markets are developed.

¹MMBC plan notes that glass may be recovered via depots only and not curbside/centralized collection.

Scope: Under the B.C. Recycling Regulation, the stewardship plan must address PPP from residential premises and municipal property that is not industrial, commercial or institutional property. For the purposes of their stewardship plan, MMBC has identified:

- Single-family dwellings,
- Multi-family dwellings,
- Streetscapes including sidewalks which are municipal property, which adjoin buildings in an urban commercial area and which are used for pedestrian traffic; plazas or town squares which are municipal property and which are available to the public; and parks which are municipal property.

Program Design Details: The summary details are outlined in **Attachment 3** in the areas of collection, processing and financing. Staff have also included comments as it relates to current Richmond services. Key issues of note are summarized below.

Collection:

- MMBC intends to offer curbside collection services (e.g. Richmond's Blue Box collection program) to those local governments currently providing the service. Staff support this approach as it allows for uninterrupted services to residents. Staff would not support that glass be removed from our collection program as suggested in MMBC's draft list of PPP (and collected via depots only) since it has been an integral part of our program for many years and would represent an inconvenience and reduction in the level of service to residents.
- MMBC intends to offer centralized collection services (e.g. Richmond's multi-family 'blue cart' program) to any interested party. This aspect of the plan is unclear in relation to what aspects of multi-family service would qualify as curbside vs. centralized. Staff have significant concerns with this proposed arrangement since this could result in multiple service providers and confusion for multi-family residents. Service levels could also be negatively impacted as a result. Further, the City's current service agreement and collection costs could also be impacted. Staff suggest that MMBC be advised that centralized collection services should also first be offered to local governments, as is proposed with curbside collection.
- Depot collection would be offered to any interested party and this is consistent with how existing product stewardship programs work. The challenge for the City relates to the processing agreement, which suggests that processors collect directly from depots. Collection is currently provided from the City's recycling depot under service contracts and is working effectively. MMBC's proposal to accept film plastic and polystyrene foam (Styrofoam) at recycling depots would likely impact the resource requirements at the City's Recycling Depot.
- Streetscape collection requires clarification as to what items MMBC envisions would be collected, otherwise, is consistent with the City's current programs and future plans.

Collectors would be paid a market-clearing price for providing the above services. The market-clearing price will not be known until approximately the second quarter of 2013.

Without that information, the proposed stewardship plan cannot be reviewed from a financial perspective.

Processing:

- Processing is proposed to be handled directly between MMBC and recycling processors, where each share in the market revenue and commodity risk. Staff note that Richmond and other local governments would no longer receive commodity revenues from the sale of recycled materials. In addition, collectors are only paid the market-clearing price once a processor has accepted the material. This presents concerns in several key areas:
 - Processing is currently embedded/included in existing servicing agreements;
 - Circumstances would arise should a processor not accept collected materials;
 - Collection costs are dependent on knowing where materials will be taken for processing and without that certainty, this has the potential to impact collection costs;
 - The stewardship plan indicates that processors and collectors can enter into 'free-market' arrangements. It is unclear this arrangement is envisioned and how that might impact the City's services;
 - It is in the City's interest to maintain flexibility in relation to processing arrangements in the event we wish to add materials to our programs that are not part of the PPP regulation.
 - There should be further consultation with local governments, collectors and processors in regard to MMBC's proposed strategy for processing to explore the challenges highlighted above.

Financing:

- Producer financing is proposed as a cost of doing business as opposed to a separate or visible fee on PPP products. Staff support this approach as it provides maximum incentive for producers to ensure environmental integrity of their products. Financial transparency should, however, be a key aspect of the stewardship plan. The key financing issue staff notes relates to those producers who are not currently part of MMBC and how the costs and recycling performance measures for their products will be managed and the impacts this might have to existing local government programs. The options available to these producers may be very limited.

General:

Overall, detailed information relating to functional and operational details are missing from the stewardship plan at this stage, including proposed levels of service – likely given wide variations across the region. The City currently offers a high level of service to our residents, therefore, there are uncertainties as to how these may be impacted as a result of MMBC's proposed approach. In addition, the timeline provided for consultation and review of the stewardship plan is inadequate to undertake a proper analysis in order to assess the full potential impacts to the City.

Issues Summary:

A summary of the key issues, which staff propose be provided to MMBC, the Minister of Environment and the Greater Regional District Board Chair, is provided in **Attachment 1**.

Plan Benefits: The primary benefit of MMBC's stewardship plan (and the addition of residential PPP to the B.C. Recycling Regulation overall) is that the principal cost burden shifts away from local government onto producers. Another key strength of the plan is that it provides the opportunity for those already involved in the collection of PPP to continue to play a role. This is important for local government in working toward a seamless transition for residents.

Plan Challenges: In addition to the issues highlighted under the Program Design Details portion of this report, staff note the following more general issues:

- MMBC proposes to add materials for recycling that are currently not accepted in municipal programs due to lack of available markets. While residents will welcome the opportunity to recycle more materials, this could result in a surplus of materials that may not be able to be effectively recycled. A recycling market capacity analysis and more research into development of markets for recycling commodities would make the planning process more robust and allow for greater understanding and planning around those materials which the market can effectively absorb.
- Further to the above point, the plan lacks rigour in stressing/embedding the recycling hierarchy. This may be due to the accelerated timeframe within which MMBC is striving to meet their plan submission commitments.
- A key challenge for MMBC in producing this plan is that they have no way of knowing how much PPP is currently supplied by producers. Producers will be required to report their production to MMBC in order to track recycling performance. At this time, MMBC can only estimate baseline existing PPP recovery at between 50%-57%. Under the Recycling Regulation, the PPP stewardship plan must achieve, or be capable of achieving a 75% recovery rate within a reasonable time.
- Staff are not able to evaluate the financial aspects of this plan without the benefit of knowing the market-clearing price, which is not expected until the second quarter of 2013. Staff understand that producer fees will not be known until potentially the fourth quarter of 2013.
- The timeline for consultation with all stakeholders is not sufficient, nor has the stewardship plan adequately reflected input provided to date.
- The most challenging aspect of this plan will be meeting the timelines for such a significant program implementation, i.e. by May, 2014.

City Actions to Date

A prior staff report dated March 2, 2012 entitled, "BC Stewardship Regulation Relating to Packaging and Printed Paper" provided an overview of the regulation and potential impacts to the City. Council considered this report at their March 26, 2012 meeting, and adopted the resolution contained in **Attachment 4**. This resolution was forwarded to Environment Minister Terry Lake, the Lower Mainland Local Government Association and the Greater Vancouver Regional District Board.

Staff have participated in consultation sessions, which industry is required to undertake as part of developing their stewardship plan. In addition, staff have been involved in providing input to position papers and correspondence developed by Metro Vancouver as part of a UBCM working group as well as correspondence submitted directly to MMBC.

Next Steps

Richmond's comments will be accepted by MMBC until December 20, 2012. Staff recommend that the issues outlined in **Attachment 1** form the City's comments and be submitted to MMBC, the Minister of Environment and the Metro Vancouver Board. MMBC intends to submit a revised plan to the Ministry of Environment in January, 2013.

Financial Impact

None

Conclusion

The PPP category under the B.C. Recycling Regulation has a direct impact to Richmond and other lower mainland municipalities since the materials covered under this regulatory expansion are already being recovered through municipal residential recycling programs. This initiative has generated considerable interest among many local governments, collectors and processors involved in this industry. This is also a very wide-scale initiative due to the extent of materials that fall under the definition of PPP and the fact it applies to the province as a whole. There have been many rapidly evolving developments relating to this issue.

This report provides an overview of the stewardship plan submitted by MMBC on behalf of producers, and recommends that comments be forwarded to MMBC in order to be considered as part of MMBC's final submission to the Ministry of Environment in January.



Suzanne Bycraft
Manager, Fleet & Environmental Programs
(604-233-3338)

City of Richmond
Summary of Comments Regarding MMBC's Packaging and
Printed Paper Stewardship Plan dated November 19, 2012

1. **Market Clearing Price:** The market clearing price is not yet known and will not be available until the second quarter of 2013. Without this information, the proposed plan cannot be effectively reviewed from a financial perspective.
2. **Consultation Timeline:** The accelerated timeline for response does not provide sufficient time for review and for more detailed evaluation among stakeholders. Further, stakeholder input to date has not been adequately addressed or reflected. Additional information relating to functional and operational details is also lacking at this stage.
3. **Levels of Service:** In March of 2012, Richmond Council passed a resolution supporting full stewardship funding for residential recycling programs through local governments. The City believes local governments are best positioned to deliver services to our residents in light of our prior experience and inherent connection to residents. The City must be able to ensure residents can continue to enjoy high and consistent levels of recycling services which are seamless among all industry stewardship programs. There are uncertainties as to how these service levels may be impacted by MMBC's proposed stewardship plan.
 - a) **Curbside collection:** The City supports the concept of first offering the collection opportunity to local governments. There are concerns with the level of discretion that is provided to processors in defining that collectors would not be paid until the processor has accepted the material. The need to ensure the quality of the recycling materials for marketing purposes is understood, however, further information or process is needed to define how the City might be informed of material quality concerns and the avenues available to us to verify or dispute the processor's determination. Above all, we need to ensure no disruption in services to residents.
 - b) **Centralized collection:** We note the distinction that this service would be offered to any interested party, as opposed to first being offered to local governments. This could result in multiple service providers and fragmented levels of service to multi-family residents. The City currently delivers this service and it is integrated within our curbside collection contracts and service routing for efficiency and optimal pricing purposes. The City would like the offer extended first to local governments, as is proposed with curbside collection.

In relation to both centralized and curbside collection, the City would not support the removal of glass from these programs (and instead require residents deliver to depots). Glass has been a part of our programs for many years and its removal would represent an

inconvenience and decrease in the level of service to residents. Additionally, it is unclear at this stage how the plan proposes to address levels of service overall. It is important that the City is able to continue to maintain and enhance high levels of service for our residents.

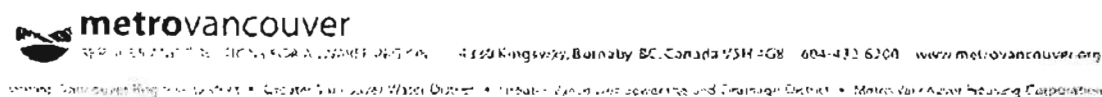
- c) **Depots:** The proposed methodology aligns with the current collection infrastructure, therefore, the City supports this aspect of the plan except the requirement that the processing contractor collects the material from our facility. The City has contracts in place for this service now and it is important we are able to manage when and how collection occurs in order to avoid service disruptions and operational impacts.
 - d) **Streetscapes:** The City supports the general approach outlined, however, would like clarification on what MMBC envisions would be collected as part of streetscapes recycling.
4. ***Processing:*** The City has a number of concerns and/or clarification requirements relating to the processing aspect of the stewardship plan. The key concern relates to separate management of this aspect since the availability and proximity of the processing facility/ies has a direct bearing on collection efficiency and cost. Another key concern relates to ensuring the City maintains flexibility (without restriction from the proposed processing arrangement between MMBC and processors) to add additional services and/or materials to our collection programs (including items that may not fall under the packaging and printed paper stewardship category).

Other concerns include:

- a) The loss of revenues to the City to offset program costs. This concern could be negated depending on the market-clearing price;
 - b) The City's current collection contracts have processing services embedded;
 - c) We are unclear how the free-market relationships among processors and collectors is envisioned and how that may impact our services.
5. ***Financing/Financial Transparency:*** The City supports the concept of embedding the recycling fee as part of the cost of the product, as opposed to a visible fee. We believe this incentivizes producers to maximize the environmental integrity of their products. Financial transparency should, however, be a key aspect of the stewardship plan. Charging those producers whose products are currently not recyclable a higher fee is also a sound approach. As local governments will continue to manage these non-recyclable items through our waste collection programs, we should be appropriately compensated.

Finally, we note that not all producers have signed letters of intent with MMBC. As these producers may opt to manage their products differently, the plan should recognize this fact as we note this could present operational servicing/collection variations for local governments.

Attachment 2



Solid Waste Department
 Tel. 604-451-6039 Fax 604-436-6970

November 9, 2012

File: CR-24-03-EPR-12

Mr. Allen Langdon, Chair
 Multi-Material British Columbia
 209 - 1730 West 2nd Avenue
 Vancouver, BC V6J 1H6

Dear Mr. Langdon:

Re: Draft Packaging and Printed Paper Stewardship Plan (October 23, 2012)

Metro Vancouver staff and staff from member municipalities recognize the critical importance of this Product Stewardship Plan for Packaging and Printed Paper (PPP), and support developing a plan that is viable and sustainable. We congratulate Multi-Material BC (MMBC) on its recent efforts to engage local government and other stakeholders, as well as the development of the Draft PPP Product Stewardship Plan. We support the general direction of the plan, and appreciate the resources assigned to this process to ensure the development and implementation of the plan occurs within the timelines established in the Recycling Regulation. In particular, the strengths of the existing plan include the intention to not disrupt the existing recycling system, the expansion and harmonization of PPP to be collected province-wide in 2014, and the approach to address and phase-in PPP that is currently not recyclable.

Although there has been much progress achieved over the last several weeks, there are several key issues in the proposed plan which must be addressed before Metro Vancouver and member municipalities can consider supporting the plan in its entirety. We do not support the current path that MMBC has selected for the collection of PPP from multi-family residences. The plan has arbitrarily separated collection into buildings that place material at the curb, and buildings which require ingress onto private property. Much of the multi-family collection within Metro Vancouver, either through city collection or contracted haulers, occurs on integrated routes where single-family and multi-family (both curbside and on private property) materials are collected within the same vehicle at the same time.

We do not support the qualification of collectors prior to the qualification of processors. The availability and proximity of qualified processors will have direct impacts on the collectors' ability to determine the acceptability of the market clearing price. The proposed approach shifts an unacceptable amount of risk to local governments, creating uncertainty regarding the location and availability of qualified processors in determining their collection costs. We also recommend that MMBC develop a consultation plan for determining the market clearing price.

More clarity is required regarding how the relationships between collectors and processors are expected to unfold within the context of MMBC's RFP process for post-collection services. Concerns remain regarding the level of certainty that collectors will have in securing stable

Attachment 2 (Cont'd)

Mr. Allen Langdon, MMBC
Draft Packaging and Printed Paper Stewardship Plan (October 23, 2012)
Page 2 of 5

processing services. We believe more work is required to identify possible issues that may arise (e.g., contamination levels), and develop provisions to mitigate them. As well, the Plan needs to specify how MMBC intends to work with local government who opt out of the program to select a service provider to collect PPP, and coordinate service delivery with garbage and organics collection schedules.

To ensure transparency and accountability, we feel it is essential that the plan to commit to publishing audited annual financial reports. Open and accessible financial reporting reinforces the credibility of the Program and in its recycling efforts.

Finally, the attached table includes the principles, issues and concerns that were previously submitted in 2011, and have been recast to read as recommendations for specific sections of the Plan.

While the issues identified above are currently ill-defined in the Plan, Metro Vancouver and member municipalities are committed to continue to engage with MMBC to create a plan which is workable for all parties.

In an effort to ensure that this plan is successful, member municipalities in Metro Vancouver require 60 days, after the release of the 'Submission Draft' to fully vet the Plan through the various business units (e.g., operations, purchasing, legal, etc...) prior to making a final submission. Also please note that local government will require 90 days after the release of the market clearing price to analyse the implications for their operations, report out to their elected officials, and receive direction regarding making a final decision whether to accept it or opt-out. Throughout this process, we recommend that MMBC, perhaps in collaboration with local governments, undertake a public consultation process with residents (as opposed to the prior stakeholder consultation).

We look forward to working with both the Ministry of Environment and MMBC on the further development of the Plan. We trust that comments made during the subsequent consultation period on the 'Submission Draft' will carry the same weight as those made up to November 9th, on the 'Consultation Draft'. In addition to this submission, individual municipalities may also send their own comments. Please contact me at 604-436-6825 to discuss the ongoing development of this Plan.

Yours truly,



Andrew Doi
Environmental Planner

Attachment: MMBC Detailed Submission on Draft PPP Plan

cc: Ms. C. Meegan Armstrong, Section Head, Ministry of Environment

6727435

Attachment

Recycling Regulation: Section 5	MMBC PPP Plan (Oct. 23/12)	Recommendations to address outstanding issues from Metro Vancouver and Member Municipality Submission (November 7, 2011)
5 (1) (a) (i) a 75% recovery rate	5.1 Recovery Target (p. 17): Detailed data on the generation of PPP will be compiled after Producers begin to report. Until this data is available, the program will use the composite 75% recovery rate.	Each Type Of Packaging And Printed Paper Achieve Minimum Targets: <ul style="list-style-type: none"> Once generation data is available, no later than Year 4, targets for reusability and recyclability should be set by the type of packaging and material type.
5 (1) (b) Producer has undertaken satisfactory stakeholder consultation... and will provide opportunity for stakeholder input in the implementation and operation	6 Consultation pp. 23-25: Consultation period on the 'Consultation Draft' was from Oct. 23 to Nov. 9, 2012. Consultation on the 'Submission Draft' will occur from Nov. 12 to Dec. 14, 2012.	Consultation Process For Product Stewardship Plans: <ul style="list-style-type: none"> The 17 day period for comments on the 'Consultation Draft' is not sufficient time for local government to express their concerns and provide input in the development of the Plan.
5 (1) (c) (i) Producer collecting and paying the costs of collecting and managing products	4.5 Post-Collection (p. 11): Processors will be tasked to find the "best" markets for materials... and the agreements will incorporate mechanisms to share market revenue and commodity risk	Enhance Recycling And Stabilize Commodity Markets: <ul style="list-style-type: none"> Recovery targets should be set for individual packaging types and materials. This promotes resiliency to swings in commodity markets.
	4.5 Post-Collection (p. 11): Processors will be tasked to find the "best" markets for materials... and the agreements will incorporate mechanisms to share market revenue and commodity risk	Increase Local Processing Of Recyclables: <ul style="list-style-type: none"> The program should adopt practices which stimulate local demand for recycled commodities.
	4.10 Program Financing (pp. 14-15): Producers that supply recyclable PPP will pay the following fees: <ul style="list-style-type: none"> Equitable share of MMBC administration; Equitable share of education and communication; and Contribution to the costs to manage recyclable PPP Producers that supply PPP that is not currently recyclable are responsible for the above fees, plus: <ul style="list-style-type: none"> Contribution to Research and Development to resolve technical and market barriers to recycling. 	Each Type Of Packaging Pays Its Way: <ul style="list-style-type: none"> Program financing and producer fees section of the plan should be clarified to ensure that each product type/material type pays its own expenses, with no cross-subsidization from other product types/material types.

Recycling Regulation: Section 5	MMBC PPP Plan (Oct. 23/12)	Recommendations to address outstanding issues from Metro Vancouver and Member Municipality Submission (November 7, 2011)
5 (1) (c) (iii) Reasonable and free consumer access to collection	<p>4.4 Collection of Packaging and Printed Paper from Residents and Streetscapes (pp. 7-9): MMBC will engage collectors for:</p> <ul style="list-style-type: none"> • Curbside collection of PPP (Single- and Multi-Family) • Multi-Family collection of PPP from private property • Depot collection • Streetscape collection 	<p>Maintain Or Improve Service Levels:</p> <ul style="list-style-type: none"> • Service levels must be maintained or improved in all cases. At a high level, the plan proposes to maintain or improve service levels. Further details are needed to ensure that equivalent service levels are maintained regarding: <ul style="list-style-type: none"> o Frequency of pick-up o Response to missed pick-ups o Cleanliness
5 (1) (e) (w) Consumers aware of: (A) the producer's product stewardship program; (B) the location of collection facilities; (C) how to manage products in safe manner	<p>4.8 Communications (p. 13): MMBC will establish a strategic communication and promotion and education plan which will comprise three phases:</p> <ul style="list-style-type: none"> • Pre-launch • Launch • Post-launch (Year 2) 	<p>Education And Outreach:</p> <ul style="list-style-type: none"> • Education and outreach for PPP must be delivered within the integrated waste reduction activities in each local government. • Communication must be coordinated with consistent messaging to ensure residents know how to place discards/materials in the correct containers.
5 (1) (c) (v) Assessing the performance of the producer's product stewardship plan	<p>5.5 Reporting (p. 22): MMBC will report annually on the following indicators:</p> <ul style="list-style-type: none"> • Tonnes of PPP collected • Kilograms of PPP collected, per capita • Recovery rate (collected/Generated) 	<p>Performance Measures:</p> <ul style="list-style-type: none"> • In addition to these indicators, the program should include the Recycling Rate (amount of material 'recycled' expressed against the amount of material supplied). • Indicators should be expressed for each packaging type/material type (similar to the report produced by Encorp Pacific).
	<p>5.4 Pollution Prevention Hierarchy (pp. 21-22): The plan will adhere to the pollution prevention hierarchy</p>	<p>Waste Reduction Hierarchy:</p> <ul style="list-style-type: none"> • Include an indicator on the reduction in mass per unit of PPP. • Report on the quantity of materials that were reused, recycled, incinerated, and residual management. <p>Legal Responsibility For EPR Materials:</p> <ul style="list-style-type: none"> • In consultation with local government, the plan should identify a method of determining how to compensate local government for managing EPR materials in the garbage, and a commitment to research options to measure performance and address street litter and illegal dumping.

Attachment 2 (Cont'd)

Recycling Regulation: Section 5	MMBC PPP Plan (Oct. 23/12)	Recommendations to address outstanding issues from Metro Vancouver and Member Municipality Submission (November 7, 2011)
5 (1) (c) (vi) A dispute resolution procedure	4.7 Dispute Resolution (p. 12). Dispute resolution processes will be tailored to the nature of disputes as well as the likely parties.	<ul style="list-style-type: none"> Clarify whether the dispute resolution process also applies between collectors and processors, in addition to between MMBC and collectors and MMBC and processors. There exists possible conflicts between collectors and processors regarding contamination, queuing times, etc....
5 (1) (c) (vii) Eliminating or reducing the environmental impacts of a product throughout the product's life-cycle	5.3 Product Life Cycle Management (p. 19). Producers that are members of MMBC will contribute to eliminating or reducing the environmental impacts of a product... before it reaches a consumer.	<p>Encourage Packaging Reduction.</p> <ul style="list-style-type: none"> Develop financial incentives and performance measures for producers to avoid/reduce the packaging required by their product (e.g., differential eco-fees, measure the product to packaging ratio).
5 (1) (c) (viii) Management of the product in adherence to the order of preference in the pollution prevention hierarchy	5.4 Pollution Prevention Hierarchy (pp. 21-22): The plan will adhere to the pollution prevention hierarchy	<p>Design For Reuse And Recycling.</p> <ul style="list-style-type: none"> Ensure that packaging discards are managed at the highest levels of the pollution prevention hierarchy. Develop prohibitions against the use of PPP that is not recyclable.

Attachment 3

MMBC Stewardship Plan – Program Design Details Summary

Activity	Type	Plan Methodology	Payment Methodology	Richmond Comments
Collection	Curbside	<ul style="list-style-type: none"> MMBC will offer first to the local government currently providing the service. If local government accepts, MMBC will offer a higher market-clearing price for education, promotion and front-line support. If local government declines, MMBC will contract a service provider through competitive bidding and provide education, promotion and front-line support through their own means. 	<p>A higher market-clearing price for local government only which includes the incentive for education, etc. (upon acceptance by the processor);</p> <p>If refused, a lower market clearing price to private haulers for collection only.</p>	<ul style="list-style-type: none"> Aligns with current services delivered by the City via contracted services, except the suggestion that glass may be accepted at depots and not in curbside collection programs. Provides the processor with broad discretion about acceptance of the product and could present challenges if they do not accept. Richmond can choose to accept or decline MMBC's offer. Allows the City to maintain control over curbside services for potential expansion to other materials that are not covered under the PPP regulation.
	Centralized	<ul style="list-style-type: none"> MMBC will offer to any interested party. If local government accepts, MMBC will offer a higher market-clearing price for education, promotion and front-line support. If a private company accepts the offer, MMBC will provide education, promotion and front-line support through their own means. 	<p>A higher market-clearing price for local government only which includes the incentive for education, etc. (upon acceptance by the processor);</p> <p>If refused, a lower market clearing price to private haulers for collection only.</p>	<ul style="list-style-type: none"> The City currently provides this service and it is embedded in our existing service agreement and collection routing for optimal pricing and economies of scale. It is not clear if MMBC intends to offer this to multiple service providers, in which case this could impact resident services levels and Richmond's current service agreement and pricing. As with curbside collection, this service should first be offered to the local government currently providing the service. Provides the processor with broad discretion about acceptance of the product and could present challenges if they do not accept.
	Depots	<ul style="list-style-type: none"> MMBC will offer to any interested party that is able to comply with the collector qualification standards If local government accepts, MMBC will offer a higher market-clearing price for education, promotion and front-line support. If a private company accepts the offer, MMBC will provide education, promotion and front-line support through their own means. 	<p>A higher market-clearing price for local government only which includes the incentive for education, etc. (upon acceptance by the processor);</p> <p>If refused, a lower market clearing price to private haulers for collection only.</p>	<ul style="list-style-type: none"> This option provides for multiple service providers and is consistent with existing conditions. Aligns with current services delivered by the City via contracted and in-house services, except in relation to processing – see "Processing". The range of materials collected would be broader than existing, which could impact resource requirements. Provides the processor with broad discretion about acceptance of the product and could present challenges if they do not accept. Richmond can choose to accept or decline MMBC's offer.

Activity	Type	Plan Methodology	Payment Methodology	Richmond Comments
	Street-scapes	<ul style="list-style-type: none"> MMBC will offer first to the local government currently providing the service. If local government accepts, MMBC will offer a higher market-clearing price for education, promotion and front-line support. If local government declines, MMBC may select a service provider and provide education and promotion through its own means, subject to reaching agreement with the local government on management of the garbage component of the streetscape system. 	<p>Market-clearing price upon acceptance by the processor, plus incentive for education, promotion and front-line support (if local government)</p>	<ul style="list-style-type: none"> Clarity is required as to what items MMBC proposes would be collected via streetscape collection vs. curbside/centralized/depots. The City currently provides in-house litter collection and is expanding public spaces and event recycling programs. Full resource requirements associated with a broad-scale program are not yet known. The City would be best positioned to accept the streetscapes recycling collection offer from MMBC.
Processing GP - 40	All activities described above	<ul style="list-style-type: none"> MMBC will contract directly for receiving PPP from collection vehicles, picking up PPP from depots, consolidation and transfer where required, handling and sorting PPP, preparing commodity revenue, appropriately managing the residual materials and reporting the quantities of material received and marketed and other metrics to MMBC as required. MMBC will issue a Request for Expressions of Interest to PPP processors. MMBC will issue a Request for Proposals to processors that are able to manage the defined list of PPP. Processors and collectors are able to establish relationships through arrangements made in the free-market. 	<p>MMBC has an agreement directly with processors which incorporates mechanisms to share market revenue and commodity risk.</p>	<ul style="list-style-type: none"> Richmond's servicing agreements (residential curbside/centralized and depot collection) currently include/embed processing services as well as recycling material collection from our Recycling Depot. These items would have to be removed, requiring re-negotiation of existing contracts. This approach lacks clarity for collectors to know the location where they are delivering recycling materials to for processing. This is a key factor in determining collection costs since the delivery distance and drop off times are key factors in determining collection costs. This could impact the City's costs (as a collector). The City no longer receives revenues from the sale of recycling commodities nor is subject to commodity risk. It is not clear how the relationship between processors and collectors would work and how that might impact the City. By not having a direct relationship with the processor, the City would lose the flexibility to add other items not covered under the PPP regulation. As a minimum, existing contractual relationships should be maintained with maximum flexibility maintained for local governments.

Activity	Type	Plan Methodology	Payment Methodology	Richmond Comments
<i>Financing</i>	All activities described above	<ul style="list-style-type: none"> Producers whose products are currently recyclable and choose to be members of MMBC pay administration, promotion and material management fees. Producers whose products are not currently recyclable pay the above plus research and development to resolve technical and market capacity barriers including sorting, processing and end market technical challenges, processing capacity, end market capacity and demand. Producers are expected to embed the cost as part of the product and not charge a visible fee or a fee at the point of sale of the product, i.e. less than one cent. 	MMBC and related costs are funded via fees paid by member producers.	<ul style="list-style-type: none"> The approach of charging PPP producers whose products are not currently recyclable a higher fee for research and development serves to encourage recyclable product development. However, local government will be continuing to collect this non-recyclable PPP product as part of garbage and/or organics programs. Local governments should be compensated for this. Staff support the recycling fee being embedded in the cost of the product as a separate/visible fee can appear to be a 'tax' to consumers and provides less incentive for producers to effectively reduce the environmental impact of their products. There are many producers who are not currently part of MMBC, therefore, it is not clear how financing and recycling performance measures for their products will be captured.

Attachment 4
March 26, 2012 Council Meeting Minutes Excerpt

“That:

- (a) Whereas recycling rates for residential homes in Metro Vancouver is approximately 48%;***
- (b) Whereas in Metro Vancouver, the municipal blue box curbside service is the most established and successful aspect of the waste stream in terms of diversion;***
- (c) Whereas recyclable materials represent a potential revenue stream for municipalities;***
- (d) Whereas public policy priorities to drive zero waste should focus on diverting more waste from multi-family dwellings, and the commercial and industrial sectors;***
- (e) Whereas the Province has amended the Recycling Regulation to include extended producer responsibility for paper and packaging by 2014;***
- (f) Whereas municipalities have the most knowledge about the recycling system in their communities;***
- (g) Whereas the new stewardship program doesn’t require municipal blue box curbside service and could impact publicly controlled residential collection of paper and packaging; and***

“That:

- (a) Whereas recycling rates for residential homes in Metro Vancouver is approximately 48%;***
- (b) Whereas in Metro Vancouver, the municipal blue box curbside service is the most established and successful aspect of the waste stream in terms of diversion;***
- (c) Whereas recyclable materials represent a potential revenue stream for municipalities;***



City of Richmond

Report to Committee

To: General Purposes Committee

Date: November 27, 2012

From: David Weber
Director, City Clerk's Office

File: 05-1400-01/2012-Vol
01

Re: Appointment of Acting Corporate Officer (Acting City Clerk)

Staff Recommendation

That Michelle Jansson, Manager, Legislative Services, be appointed as Acting Corporate Officer for the purposes of carrying out the statutory duties prescribed in section 148 of the Community Charter, in the absence of David Weber, Director, City Clerk's Office (Corporate Officer).

David Weber
Director, City Clerk's Office
(604-276-4098)

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
REVIEWED BY SMT SUBCOMMITTEE	INITIALS:
REVIEWED BY CAO 	INITIALS:

Staff Report

In order to ensure appropriate continuity of City business, maintain customer service and provide coverage for all Council meetings and Public Hearings, the appointment of an Acting Corporate Officer must be considered in order to carry out the various statutory duties in the absence of the Corporate Officer / Director, City Clerk's Office.

The appointment of an Acting Corporate Officer would also allow for the efficient execution of agreements, contracts and land title documents, the acceptance of notices served on the municipality as required by statute, the certification of bylaws and other City records, the certification of meeting minutes and the attendance of alternates at such meetings, in particular, at Public Hearings.

Michelle Jansson began working in the City Clerk's Office on November 5, 2012 as the Manager, Legislative Services, replacing the previous incumbent who recently retired. The Manager, Legislative Services has traditionally served as Acting Corporate Officer.

Financial Impact

None.

Conclusion

The appointment of an Acting Corporate Officer will enhance the efficiency and effectiveness of the City Clerk's Office and will ensure that appropriate continuity of City business is maintained in the absence of the Corporate Officer (Director, City Clerk's Office). As has been the case in the past, the Manager, Legislative Services in the City Clerk's Office holds this Acting position in the absence of the Corporate Officer, therefore Michelle Jansson is recommended for appointment.

A handwritten signature in black ink, appearing to read "David Weber". The signature is stylized with a large, sweeping initial "D" and a cursive "Weber".

David Weber
Director, City Clerk's Office
(604-276-4098)



City of Richmond

Report to Committee

To: General Purposes Committee

Date: December 10, 2012

From: Mike Pellant
Director, Human Resources

File: 05-1400-01/2012-Vol
01

Re: Metro Vancouver Labour Relations Service Bylaw No. 1182, 2012

Staff Recommendation

That Richmond City Council consent to the terms and conditions of withdrawal of the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012 and approve the adoption of the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012 by providing consent on behalf of the electors.

Mike Pellant
Director, Human Resources
(604-276-4092)

Att.

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
REVIEWED BY SMT SUBCOMMITTEE	INITIALS:
REVIEWED BY CAO 	INITIALS:

Staff Report

Origin

The Labour Relations Function has been going through changes due to the withdrawal of a number of Municipalities over the period from 2008 onwards. The issue of local autonomy had been a focus of attention since the withdrawal by the City of Richmond in 2001, but became more acute with withdrawal notices from Burnaby, Vancouver, Delta, West Vancouver and North Vancouver District.

By 2011 there had been a review of the Labour Relations Function by an external labour relations expert and with the assistance of a consultant, a further review conducted by senior staff in the Municipalities. These reviews led to the recommendation for a new approach to the delivery of LR Services – the Autonomy Model.

On January 13, 2012 the GVRD Labour Relations Conversion and Amendment Bylaw No. 1156 was passed by the Board. This interim Bylaw extinguished GVRD Supplementary Letters Patent which included the Labour Relations Bureau, which had been the political board of directors for the LR Function. The Bylaw removed the administrative and executive functions from the Bureau which previously allowed them to set regional mandates and approve other Municipalities' Collective Agreements.

The interim Bylaw will expire on December 31, 2012, and the Metro Vancouver Board has now passed a new bylaw (Labour Relations Service Bylaw No. 1182, 2012) which has been sent to all the Municipalities for approval. The new Bylaw includes a revised funding formula that establishes how each Employer – Municipality or related Board will pay for LR services if they opt to utilize those services (see attached Appendix). Before the Bylaw can be finally adopted however, sections 800.2(1)(d) and 800.2(3) of the *Local Government Act* require all participating municipalities to provide consent to the terms and conditions of future withdrawal from the bylaw and also provide approval to the bylaw pursuant to section 801 of the Act.

Analysis

The *Labour Relations Service Bylaw No. 1182, 2012* establishes the "Autonomy Model" for Metro Vancouver and participating areas for years 2013 and beyond.

The "Autonomy Model" is based on a philosophy of "Principle of Common Interest and Trust" among member Municipalities. The expectations on member Municipalities are to develop an awareness of each other's circumstances and issues, strive to achieve a broad consensus on common bargaining issues, and obtain access to Base Services which include research, information and administrative services. Payment for these services will be on the basis of population size with annual adjustments as endorsed by RAAC and approved by the Metro Vancouver Board.

This new Bylaw recognizes that each Municipality is autonomous and is able to decide their own direction on any labour relations matter. The Bylaw provides no authority to Metro Vancouver in any form over local municipal bargaining, compensation, job evaluation, or any other aspect of labour relations, nor does membership in the service carry with it any implication that Metro Vancouver staff or elected officials will have any uninvited involvement in local bargaining, compensation, or job

evaluation. It thus satisfies the wish of Richmond and others who desire full autonomy.

The Bylaw also permits Metro Vancouver to provide collective bargaining, job evaluation, compensation, and other services to Municipalities who desire these services and allows for voluntary alliances between willing Municipalities who wish to establish common policy or bargaining strategies or a tighter bargaining structure. Membership participation in the willing group of employers may or may not change for each round of bargaining. Richmond will avail itself of the Basic Services providing research and strategic discussions on labour relations issues, compensation, benefits, economic trends and labour negotiations; collective bargaining and job evaluation services are not required by Richmond as internal resources are presently used.

The provision of collective bargaining and/or job evaluation services are based on the number of collective agreements, the number of unionized employees and the number of job evaluation requests processed by the Function over a 5 year period. The withdrawal from these services is covered by the bylaw: after January 1, 2014 the participating area may withdraw from Base, Collective Bargaining or Job Evaluation services by providing notice and such withdrawal will become effective 24 months after date of notice. As indicated in attached Schedule A, Richmond would continue to utilize Base Services, but not avail itself of either Collective Bargaining or Job Evaluation services. Future acquisition of unused services is available by notification to Metro Vancouver's Labour Relations Department; future cost for such requests would then become effective based on the aforementioned parameters of collective agreement and unionized employee numbers, etc.


The costing model allocates the costs of Base Services to the Municipalities and the cost of collective bargaining and job evaluation services to those Municipalities that have opted to use the LR Function to deliver those services. It also uses the same formulas to establish costs for related Boards and Commissions that opt to use the LR Function for collective bargaining and job evaluation.

Financial Impact

Support of the "Autonomy Model" will increase the City of Richmond levy to \$81,438 for 2013 over the amount for the 2010 adjusted requisition (\$58,098). This is an increase of \$23,340 of which \$14,388 is for the costs of collective bargaining and job evaluation services utilized by the Richmond Public Library. The increased amount will be recovered through the municipal tax requisition that is included in the property tax notice and collected by the City of Richmond on behalf of Metro Vancouver.

Conclusion

That City Council consent to the terms and conditions of withdrawal of the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012 and approve the adoption of the Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012 by providing consent on behalf of the electors.

Mike Pellant 
Director, Human Resources
(604-276-4092)

MP:mp



metrovancouver

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Office of the Chair
Tel. 604 432-6215 Fax 604 451-6614

File: CR-07-01

DEC 05 2012

Mayor Malcolm Brodie and Council
City of Richmond
6911 No. 3 Road
Richmond, BC V6Y 2C1

Dear Mayor Brodie and Council:

Re: Labour Relations Service Bylaw No. 1182, 2012

The Metro Vancouver Board of Directors introduced and gave three readings to the *Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012* at its November 30, 2012 meeting. The purpose of the *Bylaw* is to provide for the provision of labour relations services to participating members. Attached is a detailed financial schedule providing the proposed 2013 cost allocation model for participants. The *Bylaw* and its terms were approved unanimously by the Regional Administrators Advisory Committee.

Before the *Bylaw* can be finally adopted the following terms must be agreed to:

1. provide participating area consent to the terms and conditions of withdrawal pursuant to sections 800.2(1)(d) and 800.2(3) of the *Local Government Act*; and,
2. provide participating area approval to the bylaw pursuant to section 801 of the *Act*.

Section 801(2)(c) of the *Act* applies to participating area approval and therefore a council may give participating area approval by consenting on behalf of the electors to the adoption of the bylaw (s. 801.4).

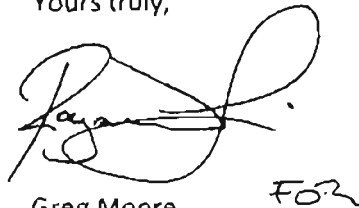
A council may pass two resolutions addressing each of the requirements set out above or may roll both into a single resolution. A sample resolution is set out below for your convenience:

"The Council of _____ consents to the terms and conditions of withdrawal of the *Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012* and approves the adoption of the *Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012* by providing consent on behalf of the electors."

We respectfully request that you include this item on the agenda of your next council meeting. Following receipt of all members' consents the *Bylaw* must be forwarded to the Inspector of Municipalities for approval before it is sent back to the GVRD Board for final adoption at its first meeting of 2013. Your approval by **January 11, 2013**, would be greatly appreciated in order to meet these timelines.

All Council consents should be forwarded to Paulette Vetleson, Corporate Secretary, at Paulette.Vetleson@metrovancover.org or via facsimile to 604-451-6686.

Yours truly,

A handwritten signature in black ink, appearing to read 'Greg Moore', with a large, stylized flourish extending from the end of the signature.

Greg Moore
Chair, Metro Vancouver Board

GM/PV/lb

cc: CAOs/City Managers, Metro Vancouver members
Municipal Clerks, Metro Vancouver members

Attachments:

1. Labour Relations Service Bylaw No. 1182, 2012
2. 2013 Cost Allocation model

GREATER VANCOUVER REGIONAL DISTRICT

LABOUR RELATIONS SERVICE BYLAW NO. 1182, 2012

A bylaw to establish the Labour Relations Service of the Greater Vancouver Regional District

WHEREAS:

- A. Subject to the limitations and conditions set out in the *Local Government Act* 1996 R.S.B.C. c. 323, a regional district may, pursuant to section 796(1) of the *Act*, operate any service that the board considers necessary or desirable for all or part of the regional district;
- B. In order to operate a service, the board of a regional district must first adopt an establishing bylaw for the service as provided for by section 800(1) of the *Local Government Act*;
- C. The board of the Greater Vancouver Regional District (the "**Board**") considers it desirable to provide labour relations services to its member municipalities and Tsawwassen First Nation;
- D. As required by subsections 800.2(1)(d) and 800.2(3) of the *Local Government Act*, each participant has approved the terms and conditions for withdrawal from the services established by this Bylaw; and
- E. In accordance with sections 801(2)(c) and 801.4 of the *Local Government Act*, each participating area has approved this service establishing Bylaw.

NOW THEREFORE the Board in open meeting assembled enacts as follows:

1. CITATION

- 1.1. This bylaw may be officially cited for all purposes as the "Greater Vancouver Regional District Labour Relations Service Bylaw No. 1182, 2012".

2. DEFINITIONS

- "**Collective Bargaining Service Recipient**" means the Regional District and those Participating Areas and Schedule "A" Entities that have retained the Regional District to provide Collective Bargaining Services;
- "**Job Evaluation Service Recipient**" means the Regional District and those Participating Areas and Schedule "A" Entities that have retained the Regional District to provide Collective Bargaining Services;
- "**Population**" means, for each Participating Area, the population of that Participating Area as recorded in the most recent British Columbia population statistics available from BC Stats within the Ministry of Labour and Citizens' Services, or its successor;
- "**Unionized Employees**" means, for each Collective Bargaining Service Recipient, the number of full time equivalent unionized employees that were employed by the Collective Bargaining Service Recipient on the date of its most recent calculation of full time equivalent unionized employees; and

"Schedule "A" Entity" means each public body listed in Schedule "A" of this Bylaw.

3. DEFINITION OF PARTICIPATING AREA

- 3.1. The Greater Vancouver Regional District ("Regional District"), the Tsawwassen First Nation and each member municipality of the Regional District, excluding Electoral Area "A", is a participating area for the purposes of the Base Services (each a **"Participating Area"**).

4. SERVICE AREA

- 4.1. The service area for the Labour Relations Services is the area within the boundaries of all of the Participating Areas (the **"Service Area"**).

5. SCOPE OF SERVICES

- 5.1. The Regional District will undertake and carry out for all Participating Areas the following services (the **"Base Services"**):
- a) Assisting and facilitating strategic discussions amongst Participating Areas on labour relations issues including compensation, benefits, economic trends and labour negotiations; and
 - b) Researching, collecting data and distributing information to Participating Areas on labour relations issues including compensation, benefits, economic trends and labour negotiations.
- 5.2. If a Participating Area has retained the Regional District to provide Base Services it may also retain the Regional District to provide collective bargaining and labour negotiation services (**"Collective Bargaining Services"**).
- 5.3. If a Participating Area has retained the Regional District to provide Base Services it may also retain the Regional District to provide compensation, job evaluation and related research (**"Job Evaluation Services"**).
- 5.4. The Regional District may provide Collective Bargaining Services or Job Evaluation Services to any Schedule "A" Entity by entering into a contract for service containing the same terms regarding apportionment and withdrawal as are applicable to Participating Areas.
- 5.5. On a fee for services basis the Regional District may provide Collective Bargaining Services or Job Evaluation Services to other public bodies. For the purposes of this section, other public bodies include school boards, health boards, library boards, police boards, museum boards, parks and recreation commission, community associations and other municipalities outside the Regional District other than Schedule "A" Entities.

6. COST RECOVERY

6.1. As provided in section 803 of the *Local Government Act*, the annual costs for providing the Base Services, Collective Bargaining Services and Job Evaluation Services (collectively, the "**Labour Relations Services**") shall be recovered by one or more of the following:

- (a) property value taxes imposed in accordance with Division 4.3 of the *Local Government Act*,
- (b) parcel taxes imposed in accordance with Division 4.3 of Part 24 of the *Local Government Act*,
- (c) fees and charges imposed under section 363 of the *Local Government Act*,
- (d) revenues raised by other means authorized by the *Local Government Act* or another Act; or
- (e) revenues received by way of agreement, enterprise, gift, grant or otherwise.

7. COST APPORTIONMENT

7.1. The total annual costs of the Labour Relations Services, after deducting from the total annual cost of providing the Labour Relations Services the revenues, if any, raised or received under subsections 5.5, shall be apportioned on the basis of whether they will be incurred for Base Service, Collective Bargaining Services or Job Evaluation Services.

7.2. The Regional District's total budgeted cost of providing the Base Services shall be apportioned among all Participating Areas on the basis of the proportion that each Participating Area's Population bears to the total Population of all Participating Areas.

7.3. For the purposes of calculating the Regional District's apportionment pursuant to section 7.2, the Regional District's population is deemed to be equal to the average population of the City of Burnaby, the City of Richmond, the City of Surrey and the City of Vancouver.

7.4. The Regional District's total budgeted cost of providing the Collective Bargaining Services, after deducting anticipated revenues raised or received under subsection 5.5, will be apportioned as follows among the Collective Bargaining Service Recipients:

- (a) One half apportioned on the basis of the proportion that the total number of each such Collective Bargaining Service Recipient's Unionized Employees bears to the total number Unionized Employees of all such Collective Bargaining Service Recipients; and
- (b) One half apportioned on the basis of the proportion that the total number of collective agreements entered into by each such Collective Bargaining Service Recipient bears to the total number of collective agreements of all such Collective Bargaining Service Recipients.

- 7.5. The Regional District's total budgeted cost of providing the Job Evaluation Services, after deducting anticipated revenues raised or received under subsection 5.5, will be apportioned among the Job Evaluation Service Recipients on the basis of the proportion that each Job Evaluation Service Recipient's average annual number of requests for Job Evaluation Services for the most recent five year period bears to the total average annual number of requests for Job Evaluation Services for the most recent five years period requested by all such Job Evaluation Service Recipients.

8. WITHDRAWAL FROM BASE SERVICES AND ADDITIONAL SERVICES

- 8.1. After January 1, 2014 a Participating Area may withdraw from Base Services by providing notice in writing to the Regional District's Corporate Secretary and such withdrawal shall become effective 24 months after the date that notice was provided to the Regional District's Corporate Secretary.
- 8.2. After January 1, 2014 a Collective Bargaining Service Recipient may withdraw from the Collective Bargaining Services by providing notice of such intention in writing to the Regional District's Corporate Secretary and such withdrawal shall become effective 24 months after the date that notice was provided to the Regional District's Corporate Secretary.
- 8.3. After January 1, 2014 a Job Evaluation Service Recipient may withdraw from the Job Evaluation Services by providing notice of such intention in writing to the Regional District's Corporate Secretary and such withdrawal shall become effective 24 months after the date that notice was provided to the Regional District's Corporate Secretary.

9. MAXIMUM REQUISITION

- 9.1. The annual maximum amount that may be requisitioned for the Labour Relations Services is the amount equivalent to \$0.03425 for each \$1,000.00 of net taxable value of land and improvements included in the service area.

READ A FIRST TIME this 30th day of November, 2012.

READ A SECOND TIME this 30th day of November, 2012.

READ A THIRD TIME this 30th day of November, 2012.

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this _____ day of _____, 2012.

RECONSIDERED, PASSED AND FINALLY ADOPTED by an affirmative vote this _____ day of _____, 2012.

Paulette A. Vetteson
Secretary

Greg Moore
Chair

Schedule "A"

Burnaby Public Library
Coquitlam Public Library
Delta Police Board
New Westminster Police Board
New Westminster Public Library
North Vancouver City Public Library
North Vancouver District Public Library
Port Moody Police Board
Richmond Public Library
Surrey Public Library
Vancouver Public Library
Vancouver Police Board
West Vancouver Police Board
West Vancouver Library Board

PROPOSED COST MODEL - LABOUR RELATIONS FUNCTION

Cost Allocation Method ^{3,4,5,6,7}	Population	# of EE's & CA's	% of Reviews
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	2010 Adjusted Requisition ¹	Base Contribution 2013	Collective Bargaining 2013	JE Services 2013	Sub Total By ER 2013	Total By Muni 2013	Difference In \$ from 2010
Burnaby²	\$302,456	\$77,851			\$77,851	\$77,851	-\$224,605
Burnaby Pub. Lib.							
Coquitlam	\$137,970	\$43,354	\$33,918	\$73,041	\$150,313	\$158,519	\$20,548
Coquitlam Pub. Lib.			\$6,674	\$1,532	\$8,206		
Delta	\$132,360	\$33,959	\$31,787	\$29,625	\$95,371	\$127,073	-\$5,287
Delta Pol. Board			\$17,400	\$14,302	\$31,702		
Langley City	\$28,940	\$8,881	\$12,946	\$6,640	\$28,447	\$28,447	-\$493
Langley Twp.	\$133,123	\$35,877	\$26,655	\$71,508	\$134,041	\$134,041	\$917
Lions Bay	\$3,148	\$478	\$5,304		\$5,782	\$5,782	\$2,634
Maple Ridge	\$67,300	\$26,260	\$21,104	\$39,330	\$86,694	\$86,694	\$19,395
New Westminster	\$62,165	\$23,030	\$30,960	\$33,711	\$87,701	\$102,386	\$40,221
New West Police Bd.			\$8,654		\$8,654		
New West Pub. Lib.			\$6,031		\$6,031		
North Vancouver City	\$72,345	\$17,331	\$19,833	\$42,905	\$80,069	\$105,524	\$33,180
NVC Pub. Lib.			\$6,026	\$12,769	\$18,796		
North Vancouver Dist.	\$127,370	\$30,086	\$27,352	\$33,200	\$90,638	\$130,880	\$3,510
NVD Pub. Lib.			\$6,760	\$17,877	\$24,637		
Northlands Golf			\$5,616		\$5,616		
NVRC - 60/40 ⁸			\$11,541	\$5,108	\$16,649		
Pitt Meadows	\$17,224	\$6,227	\$11,942	\$4,086	\$22,256	\$22,256	\$5,032
Port Coquitlam	\$11,642	\$19,558	\$19,047	\$7,151	\$45,755	\$45,755	\$34,113
Port Moody	\$36,628	\$11,701	\$15,871		\$27,572	\$39,920	\$3,292
Port Moody Pol. Bd.			\$12,347		\$12,347		
Richmond	\$58,098	\$67,051			\$67,051	\$81,438	\$23,340
Richmond Pub. Lib.			\$7,748	\$6,640	\$14,388		
Surrey	\$84,344	\$160,556		\$0	\$160,556	\$160,556	\$76,213
Surrey Public Lib.							
Vancouver	\$1,060,573	\$220,882			\$220,882	\$328,282	-\$732,292
Van., Pub. Lib.							
Van. Police Board			\$67,559	\$39,840	\$107,400		
West Vancouver	\$118,310	\$14,961	\$30,527	\$26,560	\$72,048	\$97,284	-\$21,026
West Van. Pol. Bd.			\$13,261	\$511	\$13,771		
West Van Lib. Bd.			\$6,357	\$5,108	\$11,465		
White Rock	\$24,664	\$6,552	\$13,273	\$18,388	\$38,213	\$38,213	\$13,549
Metro Vancouver	\$187,108	\$131,585	\$41,831	\$37,286	\$210,702	\$210,702	\$23,594
Others⁹	\$7,200	\$11,344			\$11,344	\$11,344	\$4,144
TOTALS	\$2,672,969	\$947,503	\$518,326	\$527,119	\$1,992,947	\$1,992,947	

Notes:

- For purposes of the above the 2010 requisition has not been adjusted down based on other revenue in the budget which included money from surplus and other sources. These requisitions are higher than those actually assessed.
- For 2010 it is assumed that Burnaby was in for the full year even though they withdrew in the last quarter
- The 2013 budget figure for the 'Municipal Levy' was used for cost allocations.
- Base Services are Admin., Research, 50% of Central Services, and 10% of each of Collective Barg. and JE.
- JE (Compensation) budget reduced by moving 0.5 FTE cost of Administrator to Research.
- Both CB and JE have been allocated 25% of the Central Service costs.
- Each of the 4 programs have been credited with 25% of the other revenues in the 2013 Budget - \$82,930 total.
- Costs for North Vancouver Recreation Commission (NVRC) are split 60%/40% between the District and City of North Vancouver.
- Others include Anmore, Belcarra, Bowen Island, Electoral areas and the Tsawwassen First Nation.