

REGIONAL DISTRICT OF BULKLEY-NECHAKO



**RURAL DIRECTORS COMMITTEE
AGENDA**

Thursday, August 20, 2015

<u>PAGE NO.</u>	<u>SUPPLEMENTARY AGENDA</u>	<u>ACTION</u>
	<u>AGENDA- August 20, 2015</u>	Approve
	<u>MINUTES</u>	
2-7	Rural Directors Committee Meeting Minutes - June 11, 2015	Receive
	<u>REPORTS</u>	
8	Hans Berndorff, Financial Administrator – Federal Gas Tax Community Works Fund Repayment Potential	Direction
9-10	Kristi Rensby, Finance/Administration Coordinator - Electoral Area Allocations of Federal Gas Tax Funds – Second Quarter 2015	Receive
	<u>SUPPLEMENTARY</u>	
	<u>NEW BUSINESS</u>	
	<u>ADJOURNMENT</u>	

REGIONAL DISTRICT OF BULKLEY-NECHAKO**RURAL DIRECTORS COMMITTEE MEETING****Thursday, June 11, 2015**

PRESENT: Chair Eileen Benedict

Directors Mark Fisher
Tom Greenaway
Bill Miller
Rob Newell
Mark Parker
Jerry Petersen

Staff Gail Chapman, Chief Administrative Officer
Cheryl Anderson, Manager of Administrative Services
Hans Berndorff, Financial Administrator
Jason Llewellyn, Director of Planning
Corrine Swenson, Manager of Regional Economic Development –
arrived at 3:00 p.m.
Wendy Wainwright, Executive Assistant

Others Taylor Bachrach, Town of Smithers
Darcy Repen, Village of Telkwa

CALL TO ORDER

Chair Benedict called the meeting to order at 2:52 p.m.

**SUPPLEMENTARY
AGENDA & AGENDA**Moved by Director Miller
Seconded by Director GreenawayRDC.2015-5-1

"That the Supplementary Agenda be received and dealt with at this meeting; and further, that the Rural Directors Committee Agenda for June 11, 2015 be approved."

(All/Directors/Majority)

CARRIED UNANIMOUSLY**MINUTES**Rural Directors Committee
Meeting Minutes
-June 11, 2015Moved by Director Petersen
Seconded by Director NewellRDC.2015-5-2

"That the minutes of the Rural Directors Committee meeting of June 11, 2015 be received."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

REPORTS

Fort St. James Secondary
 Mountain Bike Team
-Request for Grant in Aid
-Electoral Area "C"
(Fort St. James Rural)

Moved by Director Greenaway
 Seconded by Director Parker

RDC.2015-5-3

"That the Rural Directors Committee recommend to the Regional District of Bulkley-Nechako Board of Directors that the Fort St. James Secondary Mountain Bike Team be given \$1,000 grant in aid monies from Electoral Area "C" (Fort St. James Rural) for costs associated with Provincial Championships in Powell River, B.C."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Fort St. James Senior Girls
 Soccer-Request for Grant in Aid
-Electoral Area "C"
(Fort St. James Rural)

Moved by Director Greenaway
 Seconded by Director Miller

RDC.2015-5-4

"That the Rural Directors Committee recommend to the Regional District of Bulkley-Nechako Board of Directors that the Fort St. James Secondary Senior Girls Soccer be given \$500 grant in aid monies from Electoral Area "C" (Fort St. James Rural) for costs associated with attending the BC High School Girls Soccer Provincial Championships in Surrey, B.C."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Fraser Lake Elementary
 Secondary School Boys Golf
 Team- Request for Grant in Aid
-Electoral Area "D"
(Fraser Lake Rural)

Moved by Director Parker
 Seconded by Director Fisher

RDC.2015-5-5

"That the Rural Directors Committee recommend to the Regional District of Bulkley-Nechako Board of Directors that the Fraser Lake Elementary Secondary School Boys Golf Team be given \$600 grant in aid monies from Electoral Area "D" (Fraser Lake Rural) for the Boys Golf Provincial Championships in Kelowna, B.C."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

District of Vanderhoof
-Request for Grant in Aid
-Electoral Area "F"
(Vanderhoof Rural)

Moved by Director Petersen
 Seconded by Director Miller

RDC.2015-5-6

"That the Rural Directors Committee recommend to the Regional District of Bulkley-Nechako Board of Directors that the District of Vanderhoof be given \$1,500 grant in aid monies from Electoral Area "F" (Vanderhoof Rural) for costs associated with the Canada Day 2015 Celebrations."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

REPORTS (CONT'D)

Fraser Lake Elementary
Secondary- Request for
Grant in Aid -Electoral Area "D"
(Fraser Lake Rural)

Moved by Director Parker
Seconded by Director Newell

RDC.2015-5-7

"That the Rural Directors Committee recommend to the Regional District of Bulkley-Nechako Board of Directors that the Fraser Lake Secondary School be given \$1,000 grant in aid monies from Electoral Area "D" (Fraser Lake Rural) for costs associated with students travelling to China for the 2015 Beijing Educational Summer Camp."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Houston Public Library
Association – Request for
Grant in Aid-Electoral Area "G"
(Houston Rural)

Moved by Director Newell
Seconded by Director Greenaway

RDC.2015-5-8

"That the Rural Directors Committee recommend to the Regional District of Bulkley-Nechako Board of Directors that the Houston Public Library Association be given \$1,500 grant in aid monies from Electoral Area "G" (Houston Rural) for costs associated with enhancing its DVD collection."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

DEVELOPMENT SERVICES

REFERRALS (All Directors)

Land Referral File No. 6408576
Northern Gateway Pipeline Inc.
Electoral Area "B"

Moved by Director Miller
Seconded by Director Newell

RDC.2015-5-9

"That the comment sheet titled "Regional District of Bulkley-Nechako Comment Sheet on Crown Land Referral 6408576" as amended to include the comment that "it is recommended that the province ensure that pipeline companies obtain all of the necessary approvals and follow all regulations relating to water use, tree cutting, and the use of Crown Land prior to initiating work on Crown Land", be provided to the Province as the Regional District's comments on Crown Land Referral 6408576."

Opposed: Director Petersen CARRIED

(All/Directors/Majority)

Concerns were brought forward regarding the salvaging of timber and use of water by companies while completing exploratory work along with the need for companies to communicate with residents in the area in which the work is being completed.

DEVELOPMENT SERVICES (CONT'D)

REFERRALS (All Directors) (CONT'D)

Land Referral File No. 7409645 Moved by Director Greenaway
Northern Gateway Pipeline Inc. Seconded by Director Newell
Electoral Area "C"

RDC.2015-5-10

"That the comment sheet titled "Regional District of Bulkley-Nechako Comment Sheet on Crown Land Referral 7409645" be provided to the Province as the Regional District's comments on Crown Land Referral 7409645."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Land Referral File No.
6408577, 6408578, 6408579,
6408580, 6408581 & 6408582
Northern Gateway Pipeline Inc.
Electoral Area "G"

Moved by Director Newell
 Seconded by Director Miller

RDC.2015-5-11

"That the comment sheet titled "Regional District of Bulkley-Nechako Comment Sheet on Crown Land Referrals 6408577, 6408578, 6408579, 6408580, 6408581 & 6408582" as amended to include the comment that "it is recommended that the province ensure that pipeline companies obtain all of the necessary approvals and follow all regulations relating to water use, tree cutting, and the use of Crown Land prior to initiating work on Crown Land" be provided to the Province as the Regional District's comments on Crown Land Referrals 6408577, 6408578, 6408579, 6408580, 6408581 & 6408582."

Opposed: Director Petersen CARRIED

(All/Directors/Majority)

Notation of Interest (Trapline
Cabin) File No. 7409697
MFLNRO (Jason Hooft)
Electoral Area "C"

Moved by Director Greenaway
 Seconded by Director Parker

RDC.2015-5-12

"That the comment sheet titled "Regional District of Bulkley-Nechako Comment Sheet on Crown Land Referral 7409697" be provided to the Province as the Regional District's comments on Crown Land Referral 7409697."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Land Referral File No. 0221664 Moved by Director Parker
Maya Sullivan & Lindsay McCully Seconded by Director Greenaway
Electoral Area "D"

RDC.2015-5-13

"That the comment sheet titled "Regional District of Bulkley-Nechako Comment Sheet on Crown Land Referral 0221664" be provided to the Province as the Regional District's comments on Crown Land Referral 0221664."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

6

DEVELOPMENT SERVICES (CONT'D)

REFERRALS (All Directors) (CONT'D)

Land Referral File
No.6400016, Diane Bell
Electoral Area "G"

Moved by Director Newell
Seconded by Director Greenaway

RDC.2015-5-14

"That the comment sheet titled "Regional District of Bulkley-Nechako Comment Sheet on Crown Land Referral 6400016" be provided to the Province as the Regional District's comments on Crown Land Referral 6400016."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

SUPPLEMENTARY AGENDA

REPORT

Chair Benedict spoke of the challenges faced by community halls in regard to the ability to purchase liability and fire insurance and that the cost is often prohibitive. Chair Benedict noted that a community hall in Electoral Area "E" (Francois/Ootsa Lake) is to receive funding for upgrades but a stipulation is they must have insurance but the community hall isn't able to access insurance until it is updated. The funding organization has indicated it is willing to waive the insurance requirement but the funding will not be provided until the project is complete.

Hans Berndorff, Financial Administrator explained that the Municipal Insurance Authority (MIA) can insure societies that provide services for the Regional District. He provided a brief outline of services and the cost to the societies that would qualify under the MIA requirements.

Discussion took place regarding the risks and liabilities associated with community halls that have been provided grant funding but are unable to purchase insurance due to cost. The past and present gas tax agreements were discussed.

Further discussion regarding possible options and the risks and liabilities to societies and the RDBN will take place at a future date.

Community Hall Insurance
Coverage Research

Moved by Director Petersen
Seconded by Director Miller

RDC.2015-5-15

"That the Rural Directors Committee receive the Grant Writer's June 9, 2015 memo titled "Community hall Insurance Coverage Research."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Land Referral File
No.7400119, New North
Construction Ltd.
Electoral Area "C"

Moved by Director Greenaway
Seconded by Director Miller

RDC.2015-5-15

"That the comment sheet titled "Regional District of Bulkley-Nechako Comment Sheet on Crown Land Referral 7400119" be provided to the Province as the Regional District's comments on Crown Land Referral 7400119."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

NEW BUSINESS

Rural Directors
Committee Discussion:
Legacy Funding

Chair Benedict and Director Fisher brought forward the Discussion Item:
Legacy Funding. Further discussion will take place at a future Rural
Directors Committee.

ADJOURNMENT

Moved by Director Miller
Seconded by Director Fisher

RDC.2015-5-14

"That the meeting be adjourned 3:23 p.m."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Eileen Benedict, Chair

Wendy Wainwright, Executive Assistant



Regional District of Bulkley-Nechako Memo – Rural Directors Committee Agenda August 20, 2015

To: Chair Benedict and the Rural Directors Committee
From: Hans Berndorff, Financial Administrator
Date: August 12, 2015
Re: Federal Gas Tax Community Works Fund Repayment Potential

For Federal Gas Tax projects completed prior to April 1, 2014, the RDBN must repay UBCM a percentage of the gas tax contribution on a sliding scale if the infrastructure paid for partly with gas tax is disposed of within 10 years of project completion. For projects completed after April 1, 2014, we must replenish our gas tax reserve for any proceeds of disposition for assets disposed of within 5 years of project completion.

In either situation, although we have a repayment clause in our contract with the funding recipient, there is a risk that, if the recipient goes into bankruptcy or otherwise goes defunct, that the RDBN may have to recover a portion of the gas tax grant amount from rural taxpayers.

After discussion with our lawyers, there are two options for securing the RDBN's interest in infrastructure partly paid for with Gas Tax funds.

1. For real estate, a mortgage could be registered on title;
2. For chattels, such as furnaces or HVAC systems, security could be registered on title under the *Personal Property Security Act*.

There are a few considerations regarding these potential remedies.

1. The RDBN provides funding for a significant number of projects annually. We currently have 81 open projects for Non-Profit organizations totalling \$2.9 million. The cost for legal fees and staff administration of mortgages and security registration could be significant. A materiality threshold of an amount such as \$100,000 might be useful to reduce the number of mortgages needed;
2. When providing funding to a municipality, security in addition to the usual contract should not be required;
3. Some societies may not own the infrastructure in question (e.g.: Legions or Churches may own properties centrally on a Province-wide or Canada-wide basis);
4. There may be a prior lien on the property in favour of another party.

The opportunity to discuss these issues with the Rural Directors Committee would be appreciated.

Recommendation:

Direction



**Regional District of Bulkley-Nechako
Rural Directors Committee Memorandum
August 20, 2015**

To: Chair Benedict and Rural Directors
From: Kristi Rensby, Finance/Administration Coordinator
Date: July 30, 2015
Regarding: Electoral Area Allocations of Federal Gas Tax Funds – Second Quarter 2015

The Electoral Area Allocations of the Federal Gas Tax Funds have been updated for the second quarter of 2015 as per the enclosed spreadsheet.

If you have any questions, I would be pleased to discuss them further with you.

RECOMMENDATION:	(All/Directors/Majority)
That the Rural Directors Committee receive the Finance/Administration Coordinator's July 30 th memorandum titled "Electoral Area Allocations of Federal Gas Tax Funds – Second Quarter 2015".	

Updated to 7/30/2015

Federal Gas Tax Community Works Fund
Year: 2015

Electoral Area	Population	Opening Balance 2015	Interest Earnings	Funds Spent	Funds Committed	Funding Received	YTD Funds Available
A	5,391	1,441,164.45	12,162.45	123,395.95	434,191.73	-	895,739.22
B	2,102	332,748.41	2,808.17	-	255,531.50	-	80,025.08
C	1,429	383,391.10	3,235.56	17,128.06	26,080.00	-	343,418.60
D	1,734	544,813.90	4,597.86	7,085.16	250,000.00	-	292,326.60
E	1,507	239,594.03	2,022.01	37,553.94	133,349.50	-	70,712.60
F	3,702	856,554.53	7,228.74	114,708.96	216,157.00	-	532,917.31
G	975	89,188.10	752.69	-	23,234.00	-	66,706.79
	16,840	3,887,454.52	32,807.49	299,872.07	1,338,543.73	-	2,281,846.21

10