

Committee of Council Agenda

Tuesday, November 5, 2019, 2:00 p.m.

Heritage Room

3rd Floor, City Hall, 2580 Shaughnessy Street, Port Coquitlam, BC

Pages

1. CALL TO ORDER

2. ADOPTION OF THE AGENDA

2.1 Adoption of the Agenda

Recommendation:

That the Tuesday, November 5, 2019, Committee of Council Meeting Agenda be adopted as circulated.

3. CONFIRMATION OF MINUTES

3.1 Minutes of Committee of Council

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Recommendation:

That the minutes of the following Committee of Council Meetings be adopted:

- *September 10, 2019*
- *September 17, 2019*
- *October 8, 2019*
- *October 15, 2019*
- *October 22, 2019.*

4. REPORTS

4.1 2020-2021 Capital Plan

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Recommendation:

That Committee of Council recommend to Council that the following be included in the 2020-2024 Financial Plan Bylaw:

1. *Re-allocation of savings of \$470,000 in each of 2020 and 2021 for debt servicing costs from the CMO debt, to fund the 2020-2021 capital plan; and*
2. *Re-allocation of savings of \$545,355 in 2020 and \$786,000 in 2021 for debt servicing costs from the PCCC debt, to fund the 2020-2021 capital plan; and*
3. *A one-time transfer of \$1,840,000 from the cart reserve to the general capital reserve; and*
4. *A transfer of \$550,000 from the general long term reserve to the general capital reserve; and*
5. *The projects as listed in the November 5, 2019 staff report, "2020-2021 Capital Plan".*

4.2 2020-2021 One-Time Enhancements

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Recommendation:

That Committee of Council recommend to Council that the projects as listed in the November 5, 2019 staff report, "2020-2021 One-Time Enhancements" be included in the 2020-2024 Financial Plan Bylaw.

5. COUNCILLORS' UPDATE

6. MAYOR'S UPDATE

7. CAO UPDATE

8. RESOLUTION TO CLOSE

Recommendation:

That the Committee of Council Meeting of Tuesday, November 5, 2019, be closed to the public pursuant to the following subsections(s) of Section 90(1) of the Community Charter:

Item 5.1

e. the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality;

Item 5.2

i. the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;

l. discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [annual municipal report].

9. ADJOURNMENT

9.1 Adjournment of the Meeting

Recommendation:

That the Tuesday, November 5, 2019, Committee of Council Meeting be adjourned.

10. MEETING NOTES

Present:

Chair – Mayor West
Councillor Darling
Councillor Dupont
Councillor McCurrach
Councillor Penner
Councillor Pollock
Councillor Washington

Absent:

1. CALL TO ORDER

The meeting was called to order at 3:00 p.m.

2. ADOPTION OF THE AGENDA

2.1 Adoption of the Agenda

Moved - Seconded:

That the September 10, 2019, Regular Committee of Council Meeting Agenda be adopted with the following changes:

- *Deletion of Item 4.5 CAO Update; and*
- *Updates to the Items and Section 90 subsections in Item 8.1.*

Carried

3. CONFIRMATION OF MINUTES

3.1 Minutes of Committee of Council

Moved - Seconded:

That the minutes of the following Committee of Council Meetings be adopted:

- *July 16, 2019, Regular Committee of Council Meeting; and*
- *July 23, 2019, Regular Committee of Council Meeting.*

Carried

4. REPORTS

4.1 Rezoning for 1021 Prairie Avenue

Moved - Seconded:

That Committee of Council recommend to Council:

1. *That the zoning of 1021 Prairie Avenue be amended from RS1 (Residential Single Dwelling 1) to RD (Residential Duplex).*
2. *That prior to adoption of the amending bylaw, the following conditions be met to the satisfaction of the Director of Development Services:*
 - (a) *Demolition of the building;*
 - (b) *Submission of a security to ensure tree retention in the amount of \$1,000;*
 - (c) *Completion of design and submission of securities and fees for off-site works and services, including construction of the lane from Finley Street;*
 - (d) *Registration of a legal agreement to provide a 6m x 6m right-of-way for vehicles to turn around on the site; and,*
 - (e) *Registration of a legal agreement to restrict secondary suites.*

Carried

4.2 Development Permit for 1831 Prairie Avenue

Moved - Seconded:

That Committee of Council approve Development Permit DP000389 to regulate a duplex development at 1831 Prairie Avenue.

Carried

4.3 Development Permit for 1833 Prairie Avenue

Moved - Seconded:

That Committee of Council approve Development Permit DP000386 to regulate a duplex development at 1833 Prairie Avenue.

Carried

4.4 Production of Goods Made with Cannabis Extracts

Moved - Seconded:

That Committee of Council recommend to Council that the Zoning Bylaw be amended to allow for the production of goods made with cannabis in an extracted form.

Carried

4.5 CAO Update

This item was deleted from the agenda.

5. COUNCILLORS' UPDATE

Council provided updates on City business.

6. MAYOR'S UPDATE

Mayor West provided an update on City business.

7. CAO UPDATE

CAO provided an update on City business.

8. RESOLUTION TO CLOSE

8.1 Resolution to Close the September 10, 2019, Regular Committee of Council Meeting to the Public

Moved - Seconded:

That the Regular Committee of Council Meeting of September 10, 2019, be closed to the public pursuant to the following subsection(s) of Section 90(1) of the Community Charter:

Item 4.1

k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public;

Item 4.2

- i) *the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.*

Carried

Certified Correct,

Mayor

Corporate Officer

Committee of Council Regular Minutes

Port Coquitlam Community Centre, Laking Room
2nd Floor, 2150 Wilson Avenue, Port Coquitlam, BC
September 17, 2019

Present:

Chair – Mayor West
Councillor Darling
Councillor Dupont
Councillor McCurrach
Councillor Pollock

Absent:

Councillor Penner
Councillor Washington

Meeting Notes:

- Under Section 90 of the Community Charter (see Sec 7), the meeting was closed to the public at 2:01 p.m. and reconvened at 6:09 p.m.

1. CALL TO ORDER

The meeting was called to order at 2:01 p.m.

2. ADOPTION OF THE AGENDA

2.1 Adoption of the Agenda

Moved - Seconded:

That the September 17, 2019, Regular Committee of Council Meeting Agenda be adopted as circulated.

Carried

3. REPORTS

3.1 Development Permit 3646 Westwood

Moved - Seconded:

That Committee of Council approve Development Permit DP000344 to regulate a mixed-use commercial development at 3646 Westwood Street.

Carried

Moved – Seconded:

That Committee of Council recommend to Council:

That the item, Zoning Bylaw Amendment direction for 3500/3600 Westwood Street be added as a late item to the September 17, 2019, Regular Council Meeting Agenda.

Carried

Moved – Seconded:

That Committee of Council recommend to Council:

That pursuant to s.463 of the Local Government Act, that staff be directed to bring forward area-specific amendments to the Zoning Bylaw for the 3500/3600 Westwood Street area to achieve the following intent:

- (1) that permitted uses within properties zoned Community Commercial be restricted to community commercial uses and the maximum height of a building be restricted to one storey, and;*
- (2) that the number of dwelling units permitted for properties zoned Residential Single Family RS1 be restricted to one and the maximum height of a building be restricted to one storey*

unless the following conditions are met:

- a) Provision of vehicle access between the street and the lane with a minimum width of 20m and in direct alignment with Anson Avenue;*
- b) A mix of community commercial and residential uses with a minimum building height of six storeys; and*
- c) If the floor area ratio exceeds 1.5, provision of a contribution in the amount of \$50 per square foot of additional floor area to City reserve funds for community amenities and social housing amenities.*

Carried

3.2 3439 Raleigh Street - Traffic Impact Assessment

Staff presented an information report to Committee.

3.3 2021 Capital Methodology

Moved - Seconded:

That the Committee of Council approve the 2018 cumulative annual LTR contribution amount (approximately \$4.45M general, \$1.0M water, \$754K sanitary) be allocated in 2021 to the respective capital reserves for funding the capital plan, and That the 2021 capital plan be prepared consistent with the 2017-2020 capital plans utilizing the three project categories of neighborhood rehabilitation, other rehabilitation, and new.

Carried

3.4 Seasonal Lighting Enhancement Update

Moved – Seconded:

That the Committee of Council direct staff to proceed with implementing new seasonal lighting installations along the Donald Street Pathway and rental seasonal lighting on Coast Meridian Road between Grant and Salisbury Avenues at a total cost of \$48,500 to be funded from accumulated surplus, and that the financial plan be amended as required.

Carried

3.5 Q1/Q2 2019 Variance Report

Staff presented the Q1/Q2 2019 Variance Report to Committee.

4. COUNCILLORS' UPDATE

Council provided updates on City business.

5. MAYOR'S UPDATE

No update.

6. CAO UPDATE

CAO provided an update on City business.

7. RESOLUTION TO CLOSE

7.1 Resolution to Close the September 17, 2019, Regular Committee of Council Meeting to the Public

Moved - Seconded:

That the Regular Committee of Council Meeting of September 17, 2019, be closed to the public pursuant to the following subsection(s) of Section 90(1) of the Community Charter:

Item 3.1

- e) *the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality.*

Item 3.2

- a) *personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality.*

Item 3.3

- i) *the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.*

Item 4.1

- k) *negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public;*
- l) *discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [annual municipal report].*

Item 4.2

- k) *negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public;*
- l) *discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [annual municipal report].*

Carried

Certified Correct,

Mayor

Corporate Officer

Committee of Council Minutes

Tuesday, October 8, 2019

Council Chambers

3rd Floor City Hall, 2580 Shaughnessy Street, Port Coquitlam, BC

Present: Chair - Mayor West Councillor McCurrach
 Councillor Darling Councillor Penner
 Councillor Dupont Councillor Pollock

Absent: Councillor Washington

1. CALL TO ORDER

The meeting was called to order at 2:00 p.m.

2. ADOPTION OF THE AGENDA

2.1 Adoption of the Agenda

Moved-Seconded:

That the Tuesday, October 8, 2019, Regular Committee of Council Meeting Agenda be adopted as circulated.

In Favour (6): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, and Councillor Pollock

Carried

3. CONFIRMATION OF MINUTES

None.

4. REPORTS

4.1 Rezoning Application - 2156 Salisbury Avenue

Moved-Seconded:

That Committee of Council recommend to Council that:

1. *The zoning of 2156 Salisbury Avenue be amended from RS1 (Residential Single Dwelling 1) to RTh3 (Residential Townhouse 3); and that,*
2. *Prior to adoption of the amending bylaw, the following conditions be met to the satisfaction of the Director of Development Services:*

- a. *Completion of design and submission of fees and securities for off-site works and services, including reconstruction of the lane to connect with the north/south lane to the west;*
- b. *Registration of an access easement allowing for future vehicle access to 2162 Salisbury Avenue;*
- c. *Registration of a legal agreement to require the project to achieve a minimum Built Green® Gold construction standard.*

In Favour (6): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, and Councillor Pollock

Carried

4.2 Rezoning Application - 985 Nicola Avenue

Moved-Seconded:

That Committee of Council recommend that Council:

- *Rescind Second Reading of Zoning Amendment Bylaw No. 4141; and*
- *That Council give Second Reading of Zoning Amendment Bylaw No. 4141 with the following changes:*
 - *Addition of a restriction to the retail space interior floor area to 247 square metres.*

In Favour (4): Mayor West, Councillor Darling, Councillor McCurrach, and Councillor Pollock

Opposed (2): Councillor Dupont, and Councillor Penner

Carried

4.3 Pitt River Road Maintenance

Moved-Seconded:

That the Committee of Council direct staff to proceed with 120 metres of pavement rehabilitation of the westbound lanes on Pitt River Road, west of Reeve Street in 2019 at a total cost of \$66,500 to be funded from the general capital reserve, and that the financial plan be amended as required.

In Favour (6): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, and Councillor Pollock

Carried

4.4 Thompson Park Relocation Opportunities

Moved-Seconded:

That the Committee of Council Meeting of Tuesday, October 8, 2019, be closed to the public at 2:45 p.m. pursuant to the following subsections(s) of Section 90(1) of the Community Charter:

e. the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality.

In Favour (6): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, and Councillor Pollock

Carried

Moved-Seconded:

That the Committee of Council Meeting of Tuesday, October 8, 2019, reconvene at 2:57 p.m.

In Favour (6): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, and Councillor Pollock

Carried

Moved-Seconded:

That Council direct staff to commence the field needs assessment portion of the Parks and Recreation Master plan in Q4 2019 in consultation with the PoCo Sports Alliance and its members at a total cost of \$25,000 to be funded from accumulated surplus, and that the financial plan be amended as required.

In Favour (6): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, and Councillor Pollock

Carried

5. COUNCILLORS' UPDATE

Council provided updates on City business.

6. MAYOR'S UPDATE

Mayor West provided an update on City business.

7. CAO UPDATE

None.

8. RESOLUTION TO CLOSE

Moved-Seconded:

That the Regular Committee of Council Meeting of Tuesday, October 8, 2019, be closed to the public pursuant to the following subsections(s) of Section 90(1) of the Community Charter:

Item 4.1

e. the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality;

Item 4.2

k. negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public;

Item 4.3

a. personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;

Item 4.4

l. discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 (annual municipal report); and

Item 4.5

a. personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality.

In Favour (6): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, and Councillor Pollock

Carried

9. ADJOURNMENT

9.1 Adjournment of the Meeting

Moved-Seconded:

That the Tuesday, October 8, 2019, Regular Committee of Council Meeting be adjourned at 5:24 p.m.

In Favour (6): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, and Councillor Pollock

Carried

Mayor

Corporate Officer

4.4 Traffic Management Review - BC Christian Academy & Ecole Irvine Elementary School

Staff provided an update.

4.5 Sports Alliance Update (verbal report)

Ryan Clark, Executive Director of Port Coquitlam Sports Alliance provided an update.

5. COUNCILLORS' UPDATE

No update.

6. MAYOR'S UPDATE

No update.

7. CAO UPDATE

No update.

8. RESOLUTION TO CLOSE

Moved-Seconded:

That the Committee of Council Meeting of Tuesday, October 15, 2019, be closed to the public pursuant to the following subsections(s) of Section 90(1) of the Community Charter:

Item 4.1

I. discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [annual municipal report].

Item 4.2

c. labour relations or other employee relations.

In Favour (6): Mayor West, Councillor Dupont, Councillor McCurrach, Councillor Penner, Councillor Pollock, and Councillor Washington

Carried

9. ADJOURNMENT

9.1 Adjournment of the Meeting

Moved-Seconded

That the Tuesday, October 15, 2019, Committee of Council Meeting be adjourned.

In Favour (6): Mayor West, Councillor Dupont, Councillor McCurrach, Councillor Penner, Councillor Pollock, and Councillor Washington

Carried

Mayor

Corporate Officer



Committee of Council Minutes

Tuesday, October 22, 2019

Council Chambers

3rd Floor City Hall, 2580 Shaughnessy Street, Port Coquitlam, BC

Present: Chair - Mayor West
Councillor Darling
Councillor Dupont
Councillor McCurrach
Councillor Penner
Councillor Pollock
Councillor Washington

1. CALL TO ORDER

The meeting was called to order at 2:00 p.m.

2. ADOPTION OF THE AGENDA

2.1 Adoption of the Agenda

Moved-Seconded:

That the Tuesday, October 22, 2019, Committee of Council Meeting Agenda be adopted with the following changes:

- *Update to Item 4 Resolution to Close, Section 90 subsections.*

In Favour (7): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, Councillor Pollock, and Councillor Washington

Carried

3. CONFIRMATION OF MINUTES

None.

4. RESOLUTION TO CLOSE

Moved-Seconded:

That the Committee of Council Meeting of Tuesday, October 22, 2019, be closed to the public pursuant to the following subsections(s) of Section 90(1) of the Community

Charter:

Item 4.1

c. labour relations or other employee relations.

Item 4.2

k. negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public.

Item 4.3

f. law enforcement, if the council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment.

*Item 4.4

a. personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality.

In Favour (7): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, Councillor Pollock, and Councillor Washington

Carried

5. ADJOURNMENT

5.1 Adjournment of the Meeting

Moved-Seconded:

That the Tuesday, October 22, 2019, Committee of Council Meeting be adjourned at 8:14 p.m.

In Favour (7): Mayor West, Councillor Darling, Councillor Dupont, Councillor McCurrach, Councillor Penner, Councillor Pollock, and Councillor Washington

Carried

6. Meeting Notes

None.

Mayor

Corporate Officer

RECOMMENDATION:

That Committee of Council recommend to Council that the following be included in the 2020-2024 Financial Plan Bylaw:

1. Re-allocation of savings of \$470,000 in each of 2020 and 2021 for debt servicing costs from the CMO debt, to fund the 2020-2021 capital plan; and
2. Re-allocation of savings of \$545,355 in 2020 and \$786,000 in 2021 for debt servicing costs from the PCCC debt, to fund the 2020-2021 capital plan; and
3. A one-time transfer of \$1,840,000 from the cart reserve to the general capital reserve; and
4. A transfer of \$550,000 from the general long term reserve to the general capital reserve; and
5. The projects as listed in the November 5, 2019 staff report, "2020-2021 Capital Plan"

PREVIOUS COUNCIL/COMMITTEE ACTION

At the October 9th, 2018, meeting Council passed the following resolution:

That staff be directed to proceed with award of the 2019 and 2020 capital projects, as per the recommendation of Finance and Budget Committee at its September 17, 2018, meeting.

At the September 17, 2019, meeting Committee of Council passed the following resolution:

That the Committee of Council approve the 2018 cumulative annual LTR contribution amount (approximately \$4.45M general, \$1.0M water, \$754K sanitary) be allocated in 2021 to the respective capital reserves for funding the capital plan, and

That the 2021 capital plan be prepared consistent with the 2017-2020 capital plans utilizing the three project categories of neighborhood rehabilitation, other rehabilitation, and new.

REPORT SUMMARY

This report outlines and recommends approval of the draft capital plan for the 2020-2021 budget. It also recommends approval of additional funding sources to address a funding gap in 2021 as a result of insufficient funds in the general capital reserve.

BACKGROUND

Since 2017, the City has used a two-year budget process. This process has been very successful in achieving competitive pricing for City projects, as well as ensuring projects are delivered on time. The proposed 2020-2021 capital plan continues this strategy.

While the capital plans in the past few years have started to reduce the backlog of infrastructure renewal by undertaking a higher volume of work, this has only been possible through the draw down of reserve balances and the use of the long term reserve funding on top of the base amount of annual capital funding.

DISCUSSION

Infrastructure is one of the City's top priorities which is reflected in the 2020-2021 capital plan. Building on recent plans, the 2020-2021 plan has a continued focus on renewal of our core infrastructure while new expenditures align with "Getting the Basics Right" and address infrastructure gaps with improvements to parks, sidewalks, intersections, streetlights, lanes, pedestrian safety and traffic calming. The plan also includes specific projects which align with the recommendations of the Downtown Action Plan.

Capital projects have been consolidated and sorted into three main categories:

1. **Neighbourhood Infrastructure Rehabilitation** – This category is intended to fund the replacement or renewal of existing civil infrastructure, including roads, water, sewer, storm, and associated pump stations and culverts;
2. **Other Rehabilitation** – This category is intended to fund all other capital renewal and replacement, prioritized corporately (such as facilities, parks, recreation, software etc.); and
3. **New** – This category is for new assets, and in the long term will include the previously unfunded capital projects.

This format is intended to highlight and draw attention to what the City is doing to maintain existing assets and reduce the city's infrastructure backlog (categories 1 and 2), compared to new initiatives (category 3). Prioritization of categories 1 and 2 is consistent with policies in the City's Official Community Plan.

Proposed amendments to the 2020 capital program are further detailed in Attachment 1, but highlights of the amendments include:

- Design fees for 2021 transportation projects to align with the two-year planning and construction cycle
- Construction of a multi-use path on Prairie Ave - Fremont to Burns
- Design of McAllister Ave improvements and Donald Street path (to align with a 2021 proposed construction year)
- Design of Mary Hill Bypass improvements

2020-2021 Capital Plan

The full 2021 capital program is detailed in Attachment 1, but the highlights of the draft 2021 capital program are as follows:

- Completion of the Port Coquitlam Community Centre
- Final year of funding for the LED street light conversion program
- Rehabilitation of approximately 5 km of road
- Replacement of approximately 2.8km of water, 480m of sanitary and 1.6km of storm infrastructure
- 1.1km of new sidewalk and 2.0km of multi-use paths
- \$1,300,000 for sidewalk and pedestrian safety improvements
- \$300,000 for traffic calming
- \$200,000 for street lights
- \$300,000 for school/park road safety improvements
- \$800,000 for park playground improvements
- \$250,000 for park and trail rehabilitation
- Lane paving program
- Prairie Avenue streetscape improvements
- McAllister Avenue streetscape improvements
- Donald Street pathway extension
- Hardware and software upgrades to support service delivery

There are a number of projects which were not prioritized and are therefore listed as unfunded and are not recommended as part of the 2020-2021 capital. These projects are detailed in Attachment 1.

FINANCIAL IMPLICATIONS

The 2020 proposed amendments would result in a net \$1,342,150 increase to the 2020 capital plan, making the revised total \$24.4 million. The total cost of the proposed 2021 capital plan is \$28.3 million. Attachment 1 provides a listing of the projects and a breakdown of costs between Neighbourhood rehabilitation, Other rehabilitation, New, and the Community Centre.

The 2020-2021 Capital Plan continues to draw down reserve balances. While this has allowed the City to undertake a larger volume of work, the plan has largely depleted most of the capital reserve balances, meaning that at current funding levels, there is a gap of \$4.66 million. One option available if Committee is not comfortable increasing the capital funding available or if Committee does not support all of the recommended projects, would be to reduce the scope of the capital plan by eliminating/amending projects.

To the extent that there is a funding gap, there are several options available to address this gap without having to increase the capital contribution through taxes. These options are as follows:

- 1) Repurpose debt savings, transfer excess cart reserve, use some LTR (recommended)

- 2) Fund the entire gap through LTR
- 3) Fund the gap through a combination of 1) and 2)

Use of other reserves, and/or accumulated surplus was not considered viable to address the gap based on their low balances.

Option 1 – Fund the entire gap through LTR

The primary intent behind the LTR was to set aside funds for future infrastructure replacement needs as the City's infrastructure starts to reach its end of life and require replacement. Long term capital plans are currently underway and it is anticipated that by the end of 2020, staff will have a clearer picture of what needs to be replaced, when it needs to be replaced, and how much it will cost. At that point, a review of the City's LTR practices and policy would be undertaken.

Primary intent notwithstanding, in 2021 the General LTR is anticipated to have a balance of \$8.29 million, so there would be sufficient funds to address the entire \$4.4 million funding gap. It is relevant to note that \$11.9 million of LTR reserve funding was already used to fund the PCCC and a further \$17.81 million has already been used or approved to be used to fund the capital program from 2017 to 2021.

The full amount of the debt savings would translate to a tax decrease of 3.4% in 2020 if not repurposed for some other need. Although this may be a desirable outcome for 2020, considering the record low interest rates in 2019, there is a stronger probability rates and the time of the next refinancing in 2024 and 2029 will be higher as opposed to lower, resulting in a tax increase.

Option 2 – Repurpose Debt Savings, Transfer Excess Cart Reserve, and Use a bit of LTR (recommended)

This option is made up of a number of components:

- Repurposing interest savings on re-financing of Coast Meridian Overpass (CMO) debt: The debt for the CMO reached its 10-year mark and was re-financed in accordance with the terms of borrowing. The initial debt was issued at a rate of 4.13%, whereas the new debt was issued at a rate of 2.25%. The difference in interest rate has resulted in a reduction of annual interest payments from \$1,032,500 to \$562,500 resulting in savings of \$470,000. It is proposed that these savings be temporarily repurposed to cover the capital funding gap in 2020-2021. A decision on how to apply this savings in subsequent years could be made as part of the 2021-2022 budget cycle.
- Repurposing debt servicing savings on issuance of Port Coquitlam Community Centre (PCCC) debt: The budget for the PCCC was approved in 2015 and included borrowing of \$52 million at an estimated rate of 3.75% which was the prevailing interest rate at the time

the budget was set. The actual rate in effect at the time of borrowing (fall of 2019) was 2.24%, resulting in a reduction in the annual debt servicing payments from the initial budget of \$3,043,000 to \$2,257,000, a savings of \$786,000. It is proposed that these savings be temporarily repurposed to cover the funding gap in 2020-2021 in order to accomplish the significant capital work in the plan. A decision on how to apply this savings in subsequent years could be made as part of the 2021-2022 budget cycle

- Transfer of part of the cart reserve balance to general capital: as part of a periodic review of reserve balances, staff have determined that the balance in the cart reserve exceeds what is required for the foreseeable future. Whereas initial estimates suggested carts would only last 7-10 years, it has been determined that the lifespan is likely closer to 14 years. Due to the extended life of the carts, it is proposed that the cart reserve be reduced from \$3,160,115 to \$1,320,115 by transferring \$1,840,000 from the cart reserve to the general capital reserve. It is further proposed that annual contributions to the cart reserve also be reduced from \$203,600 to \$120,000, and this proposal will be included in the draft 2020 operating budget.
- Transfer \$550,000 from the LTR to the general capital reserve: Given the low balances in the other reserves and accumulated surplus, the use of LTR funding would be the most viable source to bridge the remaining \$550,000 gap.


The budget binders provided earlier only spoke to repurposing debt savings and transferring excess cart reserve. As part of staff's review process and in preparation for this report, it was noted that the funding gap was \$550,000 higher than the amount indicated in the binder thereby necessitating additional sources of funding to bridge the gap.

Option 3 – Fund the gap through a combination of options 1 and 2

This option is a hybrid of the first two options whereby a portion of debt savings could be and the remaining difference would be made up through use of the LTR and transfer of the excess cart reserve balance.

2020-2021 Capital Plan

OPTIONS (✓ = Staff Recommendation)

	#	Description
	1	Approve the proposed plan, funding the gap through LTR
	2	Approved the proposed plan, fund the gap through repurposing debt savings, transferring excess Cart Reserve, and making up the difference by using the LTR
	3	Adjust the proposed plan (funding sources and/or projects, accordingly)

ATTACHMENTS

Att#1: 2020-2021 Capital Plan Project Listing

Lead author(s): Farouk Zaba

2020-2021 CAPITAL PLAN PROJECT LISTING

Table 1: 2020 Capital Project Listing

Project	Original	Amendment	Revised
2021 NR Detailed Design			
Coast Meridian - Lincoln to Victoria			
Kingsway Avenue - Detailed Design			
Knappen Avenue – Routley to Pooley			
Langan - Pitt River to Kingsway			
McDonald Place – Rodger to End			
Morrison Street – Campbell to Routley			
Nacht Sanitary Pump Station Electrical Kiosk			
Prairie Avenue Construction			
Rodger Avenue – Knappen to Morrison			
Routley Avenue – Pitt River to Morrison			
Shaughnessy - Lougheed to Centennial			
Sinclair Place – Morrison to End			
Stewart Place – End to Rodger			
Yarmouth Street – End to Nova Scotia			
Total 2020 Neighbourhood Rehab	\$ 12,176,900	\$ 245,000	\$ 12,421,900
2020 Fleet Replacement			
Agresso Upgrade			
Athletic Field Upgrades			
Barrier Fence Replacement			
Burn Building Rehabilitation			
Centralized Irrigation Systems			
Court Resurfacing			
Fortress Park Playground			
Hyde Creek Pool Tile			
Intersection Camera Replacements			
LED Streetlight conversion (cont'd)			
Microsoft Office Update			
Network Equipment Replacements			
Personal Computers			
PoCo Trail Resurfacing			
PoCoMAP 2.0			
Public Safety Building Upgrades			
SCADA System Upgrades			
Settlers Park Playground			
Settlers Pond Aeration			
Solid Waste Carts			
Telephone System Replacements			
Waterslide Stairs Replacement			
Total 2020 Other Rehab	\$ 6,681,500	\$ (195,350)	\$ 6,486,150

Project	Original	Amendment	Revised
2020 Sidewalks and Pedestrian Safety			
2020 Traffic Calming			
2021 Sidewalks and Pedestrian Safety			
2021 Traffic Calming			
Active Transportation Improvements			
Additional Community Garden			
Bus Shelters			
Digital File Storage			
Donald St Path – Wilson Ave to McAllister Ave			
Fire Foam Unit			
Intersection Control – Oxford St at Coquitlam Ave			
Intersection Improvements – Shaughnessy St at Eastern Dr			
Land Acquisition			
Leigh Square Tent			
Lions Park Whimsical Garden			
Mary Hill Bypass Improvements			
McAllister Ave Improvements			
Prairie Ave MUP – Fremont St to Burns Rd			
School & Park Road Safety Improvements			
Self-Contained Breathing Apparatus			
Total 2020 New	\$ 3,165,000	\$1,292,500	\$ 4,457,500
Community Centre	\$ 1,000,100	\$ -	\$ 1,000,100
Total 2020 Capital Program	\$ 23,023,500	\$ 1,342,150	\$ 24,365,650

Table 2: 2021 Capital Project Listing

Project	2021
2022 NR – Detailed Design	
Burns Rd Culvert Replacement – Design	
Coquitlam River Sanitary Siphon – Design	
Maple Creek Drainage Pumpstation – Design	
Mary Hill Sanitary Pumpstation – Design	
Nacht Sanitary Pumpstation Electrical Kiosk	
Trenton Pressure Reducing Valve Water Station – Design	
Brittania Crescent	
Cedar – Prairie to Wright	
Chadwick – St Michael to St Catherine	
Coquitlam – Oxford to York	
Coquitlam – Wellington to Coast Meridian	
Coventry – Suffolk to Westminster	
Fraser – Larch to Cedar	
Glade – Storm and Sanitary Upgrades	
Manning – Storm Sewer Extension	
Mary Hill – Thea to Shaughnessy	

Project	2021
Newberry – Fraser to Laburnum	
Prairie Ave – Coast Meridian to Fremont	
Sandlewood – Laburnum to Barberry	
St Albert – Coast Meridian to St James	
St Catherine – St Albert to Chadwick	
St James – St Albert to Chadwick	
St Michael – Robertson to Chadwick	
Tamarack – Sandlewood to east end	
Toronto – Prairie to south end	
Total Neighbourhood Rehabilitation	\$ 13,605,000
Barrier Fence Replacement (cont'd)	
Centralized Irrigation Systems (cont'd)	
Court Resurfacing (cont'd)	
Fire Department Toughbooks	
Fire Hall #2 Replacement – Feasibility/Scoping	
Fleet Replacement Program	
Gates Park – Field #2 Turf Replacement – Turf Design	
Intersection Camera Replacement (cont'd)	
Laptop and Tablet Replacements	
LED Streetlight Conversion (cont'd)	
Network Infrastructure Replacement	
PC Purchasing	
Park Playground Improvements	
PoCo Trail Resurfacing (cont'd)	
Public Safety Building Upgrades	
SCADA System Upgrades (cont'd)	
Software Purchases	
Solid Waste Carts and Locks	
Total Other Rehabilitation	\$ 3,668,200
2021 Sidewalks and Pedestrian Safety	
2021 Traffic Calming	
Bus Shelters (cont'd)	
Development Gaps	
Donald St Path – Wilson to McAllister	
Heavy Rescue Stabilization Equipment	
Intersection Control – Oxford St at Coquitlam Ave	
Intersection Improvements – Shaughnessy St at Eastern Dr	
Land Acquisition	
Lane Paving Program - Design	
McAllister Ave Improvements	
School & Park Road Safety Improvements	
Streetlights	
Total New	\$ 10,990,000
Total 2021 Capital Program	\$ 28,263,200

Table 3: Unfunded Capital Projects

Project	2021
Blakeburn Washroom	
City Entrance Signage	
Covered Lacrosse Box	
Portable Speed Reader Units	
Total Unfunded Items	\$ 2,100,000

2020-2021 One-Time Enhancements

RECOMMENDATION:

That Committee of Council recommend to Council that the projects as listed in the November 5, 2019 staff report, "2020-2021 One-Time Enhancements" be included in the 2020-2024 Financial Plan Bylaw.

DISCUSSION

One-time enhancements are brought forward in response to Council and staff requests in conjunction with Council priorities and action items. The proposed projects for 2020 and 2021 are intended to address transportation, parks and recreation and community safety needs and to facilitate planning for future development.


FINANCIAL IMPLICATIONS

It is proposed that one-time enhancements be funded through accumulated surplus or the environmental reserve, and would require \$941,000 of funding for 2020 and \$494,000 of funding for 2021.

One-Time Enhancements Project Listing

Project	Funding
Climate change adaptation strategy	Environmental Reserve / Accumulated Surplus
Corporate office microfilm scanning	Accumulated Surplus / Grant
Development cost charge bylaw update	Accumulated Surplus
Extension of land and development facilitator contract	Accumulated Surplus
Integrated stormwater management plan	Environmental Reserve
Master transportation plan	Accumulated Surplus
Parks and Recreation master plan	Accumulated Surplus
Pitt River weir assessment	Environmental Reserve
Subdivision servicing bylaw update	Accumulated Surplus

OPTIONS (✓ = Staff Recommendation)

	#	Description
	1	Approve the proposed list of enhancements
	2	Amend the proposed list of enhancements

Lead author(s): Farouk Zaba