



## **SPECIAL CITY COUNCIL MEETING**

### **MINUTES**

**Wednesday, January 25, 2023**

**Meeting held electronically and open to public attendance**

**Council Chamber, City Hall**

#### **PRESENT:**

Mayor Patrick Johnstone  
Councillor Ruby Campbell\*  
Councillor Daniel Fontaine  
Councillor Tasha Henderson  
Councillor Jaimie McEvoy  
Councillor Paul Minhas  
Councillor Nadine Nakagawa

#### **STAFF PRESENT:**

Ms. Lisa Zwarn	Auxiliary City Clerk
Mr. Kwaku Agyare-Manu	Senior Manager, Engineering Services
Ms. Leya Behra	Manager, Climate Action
Mr. Rod Carle	General Manager, Electrical Operations
Ms. Renee Chadwick	Manager, Special Projects and Community Partnerships
Mr. Steven Faltas	Business Process Manager, Electrical Operations
Mr. Dean Gibson	Director of Parks and Recreation
Ms. Lisa Kemp	Program Coordinator, Parks and Recreation
Ms. Lisa Leblanc	Director of Engineering Services
Ms. Lorraine Lyle	Manager, Financial Services
Mr. Craig MacFarlane	Manager of Legal Services
Mr. Patrick Shannon	Manager Purchasing
Mr. Gary So	Senior Financial Services Analyst
Mr. Alex Tam	Financial Analyst
Ms. Harji Varn	Chief Financial Officer and Director of Finance
Ms. Eva Yip	Acting Director of Human Resources
Ms. Carilyn Cook	Acting Assistant City Clerk

\*Denotes electronic attendance.

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## 1. **CALL TO ORDER AND LAND ACKNOWLEDGEMENT**

Mayor Johnstone opened the meeting at 9:16 a.m. and recognized with respect that New Westminster is on the unceded and unsurrendered land of the Halkomelem speaking peoples. He acknowledged that colonialism has made invisible their histories and connections to the land. He recognized that, as a City, we are learning and building relationships with the people whose lands we are on.

MOVED AND SECONDED

**THAT** On-table Item 2.3 AMI Advanced Metering Infrastructure from the January 23, 2023 meeting be added to the agenda.

**Carried.**

All members present voted in favour of the motion.

## 2. **SPECIAL BUDGET WORKSHOP**

### 2.1 **City Reserves**

Gary So, Senior Financial Services Analyst, shared a PowerPoint presentation which outlined City Reserves.

In response to questions from Council members, Harji Varn, Chief Financial Officer and Director of Finance, and Mr. So provided the following comments:

- Five percent leans towards more risk for the City and being unable to address issues that come up; therefore, staff lean towards 10 percent in order to be prepared to address issues such as aging infrastructure;
- The \$458M for asset replacement was based on 2019 data and it was projected to 2027. This needs to be adjusted to inflation and Engineering will complete the work on this risk;
- Community amenities provides funding for affordable housing and may also be used for libraries, fire halls, and other things that address the growth of the city;
- A strategy needs to be determined for the equipment reserve; therefore, staff will come back to Council to discuss replacement timelines and future forecasting;
- The carbon credits would unlock a lot of opportunities if the City embarks on an electric vehicle (EV) fleet and civic EV infrastructure;

- The estimate contained on the climate action line item is conservative, and it is anticipated that the City will continue to unlock carbon credits through the Province's strategy to get the region and the community to net zero;
- The increase in general fund provisions comes mainly from the annual surplus in general fund operations;
- The five-year plan includes the operating budget and a stable rate was set with the previous Council of at least a 4 to 5 percent property tax increase each year based on deliverables and the asset evaluation;
- The general fund is important as it will allow the City to continue servicing the community through a crisis such as the pandemic;
- The financial plan is challenging and right now it is holding staffing at a certain level which may not match population growth principles;
- With respect to property taxes, the principal behind a one-time tax relief would be to address a temporary measure, and a permanent property tax increase would be to permanently increase expenditures; however, the goal is to not come to Council for a permanent property tax increase;
- Regarding construction of municipal works, the \$8.7M for 2021 came from the proceeds of surplus land sales,
- When the casino was built in 2006, a \$5M payment was made to the City from which the interest has been used to pay for small expenses; however, the \$5M remains locked in but could be used upon motion from Council;
- Now that the Climate Action Reserve Fund is established, the funds will be transferred from the general fund, and,
- Staff will make recommendations to Council regarding use of the Climate Action Reserve Fund as part of the capital planning process.

In discussion, Council members noted:

- The numbers are sobering as the City is undertaking a number of capital projects and there are serious issues with older infrastructure;
- In the future it would be beneficial to see comparisons to other cities in Metro Vancouver and how their reserve funds are doing so that Council can see how the City is placed in the region;
- Although not discussed, non-statutory reserves are Council mandates and it is important to have a long-term vision and set those reserves accordingly;
- The Climate Action Reserve Fund should be used to advance work the City is already doing; and,
- Asset management is something that many cities across Canada are doing and over the last few years the City has spoken about asset upgrades which come with a financial impact.

## 2.2 Low Carbon Fuel Credits (Circulated Separately)

Leya Behra, Manager, Climate Action, shared a PowerPoint presentation outlining Low Carbon Fuel Credits.

In response to questions from Council members, Ms. Behra, Harji Varn, Chief Financial Officer and Director of Finance, Alex Tam, Financial Analyst, and Craig MacFarlane, Manager of Legal Services, provided the following comments:

- All sales of carbon credits must be approved by the Ministry of Environment and Climate Change who ensures that the pricing in the market provides value to the credits;
- Investment opportunities would be in the following areas, (1) natural assets e.g. tree planting, bio-diversity, (2) green infrastructure; (3) infrastructure and facilities e.g. LEED certification for the t̄m̄əsew̄txw Aquatic and Community Centre; and finally (4) public incentives e.g. financial incentive programs to assist in the purchasing or installing of items such as heat pumps;
- Staff would bring suggestions of equity-focused programs, meant to fill gaps in existing programs, to Council for review;
- When an organization or municipality removes the carbon they are emitting into the atmosphere, or avoids emitting it in the first place, they may earn carbon offsets which can be sold or purchased;
- Carbon credits are for emitters who must reduce their carbon emissions based on their emission intensity as determined by the Province;
- The Province can use the carbon offset initiative to facilitate project funding for organizations;
- An example of earning offset credits is district heating as seen with the Village of Valemount selling its geo-thermal plant credits to the Trans Mountain Pipeline;
- No examples have been seen in Canada of high-density cities like New Westminster incentivizing people to move into high density areas in order to receive carbon offsets;
- Now that staff have a better understanding of the carbon credit market, staff are starting to explore offset projects to determine what is eligible and what the process would be;
- This is new ground and staff continue to learn about climate disclosure, climate offsets, and the financial value of these initiatives;
- New Westminster is in a unique position in that the City's electric utility supplies electricity to the SkyTrain and was fortunate to be able to back date credits to 2014;

- More cities are entering the carbon credit market through investing in clean fueling stations;
- The City of Victoria is earning climate credits through its compressed natural gas fueling station for the City's fleet, and other cities have renewable natural gas plants;
- The Province has a list of approved fuel suppliers that receive low-carbon fuel credits;
- Staff will now transition from planning to the implementation of policies; and
- Staff will bring forward ideas for consideration for Council.

In discussion, Council members noted:

- Budget priorities are set by Council and staff works to ensure that these priorities are included in the budget;
- It may be beneficial if staff seek guidance on broad line items prior to coming back to Council;
- It would be good to know how the City could incentivize people to move into higher density areas;
- The emphasis on the fact that money generated for climate cannot be used for business as usual and the acknowledgement that not all work will be equal, is appreciated;
- Reference to the DEIAR framework is needed as some initiatives may not meet equity standards as those most affected by the climate crises often cannot partake in these initiatives;
- The City's approach to initiatives such as electrical bill rebates should be targeted to those that need it the most;
- Research shows that zoning is the biggest tool cities have to reduce GHG emissions of their citizens by densification. This is often forgotten;
- It is good to hear Council's robust support for the City's long-term commitment to transit-oriented development; however, researching the value of it would be challenging and complicated and New Westminster does not have the resources to do so;
- Carbon Credits were an unexpected revenue source and it is appreciated that staff were able to leverage this for the City. We need to make sure we get the best value for these credits;
- It is hard to measure the return on investment for things such as active transportation and zoning;
- Consideration needs to be given to people who the effects of climate change will impact first; and,

- We need to quantify the research that has been done and turn it into carbon offsets. The City should be bold and encourage other cities to follow our lead.

**Procedural note:** At this point in the meeting, Council recessed for three minute break.

### **2.3 Grants & Contributions**

Gary So, Senior Financial Services Analyst, shared a PowerPoint presentation regarding Grants and Contributions.

In response to questions from Council members, Harji Varn, Director of Finance and Chief Financial Officer, provided the following comments:

- The last slide estimates funding strategies for the capital plan. The plan is brought forward a multi-year capital budget after funding is secured and, once approved by Council, staff move on to the procurement stage;
- Approximately \$3M in grants were received for the childcare that will be located in the new təməsewtx<sup>w</sup> Aquatic and Community Centre; however, none were received for the aquatic centre; and,
- Historically, the value of carbon credits has trended upwards and staff are confident that this trend will continue.

In discussion Council noted that it would be helpful to know if ongoing grants are increasing or remain stable as it may determine motions from Council going to the UBCM to request additional funding;

### **2.4 Civic Observances, Celebrations, Activations and Community Partnerships (Circulated Separately)**

Renee Chadwick, Manager, Special Projects and Community Partnerships, and Lisa Kemp, Program Coordinator, shared a PowerPoint presentation regarding Civic Observances, Celebrations, Activations and Community Partnerships.

**Procedural note:** At 11:56 a.m. Mayor Johnstone left the meeting and Councillor McEvoy assumed the Chair.

In response to questions from Council members, Dean Gibson, Director of Parks and Recreation, Lisa Leblanc, Director of Engineering, Ms. Chadwick, and Ms. Kemp provided the following comments:

- Staff are currently working on the creation of the 2023 calendar of events and July and August are completely booked;

- Summertime is the most popular time for events and some organizations will plan an event on a Sunday or a weeknight which are generally underutilized times;
- Winter is a challenging time to hold outdoor events as the City does not have a lot of covered outdoor spaces;
- All events noted on the PowerPoint slide are outside with some requiring street closures;
- Indigenous community partners include the Spirit of the Children Society who work with the City on Canada Day and Indigenous celebrations, and the Buffalo Heart Medicine Healing Society who recently provided an activity at an event;
- Some of the festivals include indigenous artists and musicians, and staff continue to foster and develop these relationships;
- Staff seek feedback regarding events, including requesting feedback from BIA businesses;
- There is a large list of things that staff would like to do to refine and advance the work; however, the City has one full-time event coordinator, which is supplemented on event days, with shared park resources and auxiliaries;
- Block parties are not included in this portfolio. They are managed by the Engineering Department; and,
- Engineering staff will report back to Council the cost of and number of Street Occupancy Permits generally purchased for block parties.

In discussion, Council members noted:

- The Front Street parkade may be a good location to host outdoor events during the winter;
- It would be nice to see more use of the less active spaces in the city such as laneways and to have a scope to facilitate community re-engagement after the pandemic;
- The cost of street parties could be covered through the Vancouver Foundations Neighbourhood Small Grants Program; and,
- There are additional barriers to putting on events other than the cost of a Street Occupancy Permits and, as the goal is to make holding small events easier, this is something the City needs to think about in the future.

MOVED AND SECONDED

**THAT** staff, via email, report back to Council on the financial and operating implications of providing up to one street occupancy permit per year for the purpose of holding a street party.

**Carried.**

All member present voted in favour of the motion.

## **2.5 ON TABLE AMI Advanced Metering Infrastructure**

Rod Carle, General Manager, Electrical Operations, and Steve Faltas, Business Process Manager, Electrical Operations, shared a PowerPoint presentation regarding advanced metering infrastructure.

MOVED AND SECONDED

**THAT** in order to have enough time to allow for a fulsome discussion on AMI Advanced Metering Infrastructure, this item be addressed during another upcoming Special Regular Meeting of Council. .

**Carried.**

All member present voted in favour of the motion.

### **3. END OF THE MEETING**

The meeting ended at 12:41 p.m.

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Patrick Johnstone

MAYOR

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Lisa Spitale

ACTING CORPORATE OFFICER