



1
**REGIONAL DISTRICT OF BULKLEY-NECHAKO
SUPPLEMENTARY AGENDA**

Thursday, April 20, 2017

<u>PAGE NO.</u>	<u>ADMINISTRATION REPORTS</u>	<u>ACTION</u>
3-28	Roxanne Shepherd, Chief Financial Officer - 2016 Audited Financial Statements	Recommendation (Page 3)
29-31	Roxanne Shepherd, Chief Financial Officer - Approval of Terms and Conditions of Infrastructure Planning Grant #P175388	Recommendation (Page 29)
32	Corrine Swenson, Manager of Regional Economic Development – SWOT Administration Services Contract	Recommendation (Page 32)

ELECTORAL AREA PLANNING *(All Directors)*

Development Permit Application Replacement Report

33-49	Development Permit Application No. A-01-16 West End Ventures Inc. Electoral Area “A” (Replace pages 164-182 in the regular Board agenda)	Recommendation (Page 36)
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APC Minutes

50-52	Electoral Area “A” Advisory Planning Commission April 10, 2017 meeting minutes	Receive
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Public Hearing Report

53-54	Rezoning File No. A-01-17 Public Hearing Report for Bylaw No. 1794 Held April 10, 2017 (See pages 219-226 in the regular Board agenda)	Receive
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Correspondence

55	Ministry of Agriculture RE: ALR Application No.1193 (Hennig) Electoral Area “A” (See pages 127-142 in the regular Board agenda)	Receive
56	Ministry of Transportation, RE: Temporary Use Permit No. A-02-17 (Steti) Electoral Area “A” (See pages 156-163 in the regular Board agenda)	Receive

<u>PAGE NO.</u>	<u>Correspondence (Cont'd)</u>	<u>ACTION</u>
57	Bernadette Miners RE: Temporary Use Permit No. A-02-17 (Steti) Electoral Area "A" (See pages 156-163 in the regular Board agenda)	Receive
58	Doug Veenstra RE: Temporary Use Permit No. A-02-17 (Steti) Electoral Area "A" (See pages 156-163 in the regular Board agenda)	Receive
59	Derek Botchford RE: Temporary Use Permit No. A-02-17 (Steti) Electoral Area "A" (See pages 156-163 in the regular Board agenda)	Receive
60	Steffen Apperloo RE: Temporary Use Permit No. A-02-17 (Steti) Electoral Area "A" (See pages 156-163 in the regular Board agenda)	Receive
61	Town of Smithers RE: Rezoning Application No. A-04-17 (Cardinal) Electoral Area "A" (See pages 183-189 in the regular Board agenda)	Receive
<u>BUILDING INSPECTION (All Directors)</u>		
<u>Correspondence</u>		
62-79	BC Building & Safety Standards RE: BC Energy Step Code Implementation Guide	Receive
<u>NEW BUSINESS</u>		
<u>ADJOURNMENT</u>		



Regional District of Bulkley-Nechako Memo – Supplemental Board Agenda April 20, 2017

To: Chair Miller and the Board of Directors
From: Roxanne Shepherd, Chief Financial Officer
Date: April 12, 2017
Re: 2016 Audited Financial Statements

Attached for the Board’s review and approval is a DRAFT copy of the audited financial statements for the year ended December 31, 2016. The audit report from Price Waterhouse Coopers is included with the statements.

Also attached for review and approval is a copy of the 2016 Audit Findings Report to the Board of Directors, which explains the results of the 2016 audit.

The Auditors will be attending the Board meeting to report on the results of the audit and to answer any questions from Directors.

I would be pleased to answer any questions.

Recommendation:	(all/directors/majority)
<ol style="list-style-type: none"> 1. That the memorandum from the Chief Financial Officer, dated April 12, 2017 regarding the 2016 audited financial statements be received; 2. That the audited Financial Statements for the year ended December 31, 2016 be approved for signature; and, 3. That the 2016 Audit Findings Reports be approved for signature. 	

REGIONAL DISTRICT OF BULKLEY-NECHAKO

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2016

DRAFT



INDEPENDENT AUDITORS' REPORT

To the Directors of Regional District of Bulkley-Nechako

We have audited the accompanying financial statements of the Regional District of Bulkley-Nechako, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statements of financial activities, change in financial assets, and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Regional District of Bulkley-Nechako as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards. As required by the Local Government Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

April 20, 2017
Prince George, BC

Chartered Professional Accountants

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*PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

6

REGIONAL DISTRICT OF BULKLEY-NECHAKO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash and temporary investments (Note 2)	\$ 9,613,911	\$ 9,357,028
Accounts receivable	284,921	456,877
Grants receivable	92,813	88,377
Debt Reserve Fund - Municipal Finance Authority (Note 3)	125,472	121,941
Debentures recoverable from municipalities (Note 4)	4,301,364	4,641,176
	14,418,481	14,665,399
LIABILITIES		
Accounts payable and accrued liabilities (Note 5, 10 and 12)	3,365,593	3,494,919
Deferred revenue (Note 6)	3,872,593	4,152,132
Debt Reserve Fund - Municipal Finance Authority (Note 3)	95,647	95,973
Debentures issued for municipalities (Note 4)	4,301,364	4,641,176
Debentures issued for the Regional District (Note 9)	2,353,480	2,302,304
	13,988,677	14,686,504
NET FINANCIAL ASSETS	429,804	(21,105)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 3)	14,583,909	14,700,382
Prepaid expenses	53,850	61,850
	14,637,759	14,762,232
ACCUMULATED SURPLUS (Note 15)	\$ 15,067,563	\$ 14,741,127

CONTINGENCIES (Note 10)

Approved by the Board:

_____ Chairperson

_____ Financial Administrator

REGIONAL DISTRICT OF BULKLEY-NECHAKO
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended December 31, 2016

	2016		2015
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Note 13)		
REVENUE			
Property tax requisition			
Municipal	\$ 3,525,138	\$ 3,525,141	\$ 3,430,933
Electoral area	5,467,234	5,459,747	5,316,987
	<u>8,992,372</u>	<u>8,984,888</u>	<u>8,747,920</u>
Grants-in-lieu of taxes	898,678	943,625	907,364
Fees and permits	611,107	603,854	732,564
Federal grants - conditional	938,699	1,168,534	602,953
Municipal debt payments (Note 3)	581,691	494,858	592,680
Provincial grants - unconditional	185,000	182,823	191,886
Provincial grants - conditional	750,000	-	70,350
Sundry	23,635	88,427	175,322
Emergency expenditure recoveries	300,000	24,688	141,548
Interest	17,500	132,672	140,470
Other grants - conditional	312,428	143,775	131,466
Municipal cost sharing	108,340	108,340	94,542
Administration recoveries	51,942	52,446	42,392
Debt sinking fund actuarial earnings (Note 8)	-	45,541	38,343
Donations	171,246	56,429	1,841
	<u>13,942,636</u>	<u>13,029,900</u>	<u>12,611,641</u>
EXPENSES (Schedule 1)			
Environmental services	5,047,755	3,896,675	3,955,208
Government - general, rural and local commission	3,116,861	2,853,294	2,362,389
Recreation and culture	2,010,163	1,940,617	1,825,406
Fire protection and emergency response	1,982,920	1,446,987	1,575,712
Building inspection, building numbering, Planning and development services	1,073,768	912,179	829,087
Municipal debt payments (Note 3)	581,691	494,858	592,680
Economic development	1,053,103	575,429	622,607
Sewer and water	184,568	110,090	112,192
Street lighting and transportation	1,708,477	473,335	104,790
	<u>16,759,306</u>	<u>12,703,464</u>	<u>11,980,071</u>
ANNUAL SURPLUS (DEFICIT)	(2,816,668)	326,436	631,570
ACCUMULATED SURPLUS - BEGINNING OF YEAR	<u>14,741,127</u>	<u>14,741,127</u>	<u>14,109,557</u>
ACCUMULATED SURPLUS - END OF YEAR (Note 15)	<u>\$ 11,924,459</u>	<u>\$ 15,067,563</u>	<u>\$ 14,741,127</u>

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
CONSOLIDATED STATEMENT OF CHANGE IN FINANCIAL ASSETS

For the year ended December 31, 2016

	<u>2016</u>		<u>2015</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
ANNUAL (DEFICIT) SURPLUS	\$ (2,816,668)	\$ 326,436	\$ 631,570
Acquisition of tangible capital assets	-	(846,212)	(2,693,839)
Loss (gain) on sale of tangible capital assets	-	6,457	(10,845)
Proceeds on sale of tangible capital assets	-	29,275	35,844
Amortization of tangible capital assets	1,003,300	926,953	900,901
	(1,813,368)	442,909	(1,136,369)
Net use of (addition to) prepaid expenses	-	8,000	(931)
CHANGE IN NET FINANCIAL ASSETS	(1,813,368)	450,909	(1,137,300)
NET FINANCIAL ASSETS AT BEGINNING OF THE YEAR	(21,105)	(21,105)	1,116,195
NET FINANCIAL ASSETS AT END OF THE YEAR	\$ (1,834,473)	\$ 429,804	\$ (21,105)

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended December 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Annual surplus (deficit)	\$ 326,436	\$ 631,570
Add: Non-cash items		
Amortization of tangible capital assets	926,953	900,901
Loss (gain) on sale of tangible capital assets	6,457	(10,845)
Changes in non-cash working capital:		
Accounts receivable	171,956	(140,957)
Grants receivable	(4,436)	3,093
Accounts payable and accrued liabilities	(129,326)	387,248
Deferred revenue	(279,539)	256,590
Prepaid expenses	8,000	(931)
	1,026,501	2,026,867
FINANCING ACTIVITIES		
Actuarial earnings on debt sinking fund	(45,541)	(38,343)
Debt Reserve Fund - Municipal Finance Authority	(3,857)	(645)
Debt proceeds	533,973	1,547,000
Debt repayments	(437,256)	(211,258)
	47,319	1,296,754
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(846,212)	(2,693,839)
Proceeds on disposal of tangible capital assets	29,275	35,844
	(816,937)	(2,657,995)
INCREASE DURING THE YEAR	256,883	665,426
CASH AND TEMPORARY INVESTMENTS AT BEGINNING OF THE YEAR	9,357,028	8,691,602
CASH AND TEMPORARY INVESTMENTS AT END OF THE YEAR (Note 2)	\$ 9,613,911	\$ 9,357,028

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2016

The Regional District of Bulkley-Nechako ("the Regional District") was incorporated as a regional district on February 1, 1966 under the Municipal Act (replaced by the Local Government Act) of British Columbia. The Regional District provides a political and administrative framework for region-wide, inter-municipal and sub-regional services and acts as the local government for electoral areas.

1. SIGNIFICANT ACCOUNTING POLICIES

The Regional District uses Canadian public sector accounting standards ("PSAS") as recommended by the Public Sector Accounting Board ("PSAB"), of the Chartered Professional Accountants of Canada.

Basis of Presentation

The consolidated financial statements include the combined results and activities of the Regional District's Operating, Capital and Reserve Funds. Inter-fund transactions and balances have been eliminated for the preparation of the consolidated financial statements. The purpose of each fund is as follows:

Operating Funds - These funds include the General, Water, and Sewer operations of the Regional District. Operating funds are used to record the costs associated with providing Regional District services.

Capital Funds - These funds include the General, Water, and Sewer Capital Funds. These funds track the acquisition costs of various tangible capital assets and the funding of these assets including related long-term debt.

Reserve Funds - These funds are established by bylaw, under the Local Government Act of British Columbia, by the Board of Directors for specified purposes. The assets and interest, in these funds, thereon must be used only for the purpose for which the fund was established and if the amount in a Reserve Fund is greater than required, the Board of Directors may, by bylaw, transfer all or a portion of the balance to another Reserve Fund.

Budget figures disclosed throughout the financial statements have been extracted from the 2016 final budget, adopted in March 24, 2016 and are unaudited.

Subsequent amendments to the budget bylaw are not reflected in the budget figures.

Basis of Accounting

Restricted Fund accounting is used.

Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, excluding interest costs.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also recorded as revenue.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS
For the year ended December 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES, continued

Amortization

The Regional District amortizes tangible capital assets on a straight line basis over the estimated useful life of the asset.

Buildings	40-50 years
Water and waste systems	50 years
Heavy vehicles	10-20 years
Passenger vehicles	6-10 years
Other equipment	5-10 years

Full annual amortization is charged in the year of acquisition and non in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Revenue Recognition

Tax revenue from local government requisitions are recognized in the year levied, provided that the effective date of tax has passed and the related bylaws have been approved by the Board of Directors.

Government transfers (grants) are the transfer of monetary assets or tangible capital assets from senior levels of government that are not the result of an exchange transaction, not expected to be repaid in the future, and not expected to generate a financial return to the transferor.

Grants without eligibility criteria or stipulations (unconditional) are recognized as revenue when the grant is authorized.

Grants with eligibility criteria or stipulations (conditional) are recognized as revenue when the grant is authorized and all eligibility criteria are met.

Grants with or without eligibility criteria but with stipulations (conditional) are recognized as revenue when the grant is authorized and all eligibility criteria are met, except to the extent that the grant gives rise to an obligation.

Grants received from the Federal Gas Tax Agreement are contributed to a federal gas tax reserve and recorded as revenue in the year amounts are expended on qualifying projects.

Revenue from sales or services is recognized at the point of sale or when service is provided.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS
For the year ended December 31, 2016

1. **SIGNIFICANT ACCOUNTING POLICIES, continued**

Measurement Uncertainty

The preparation of the Consolidated Financial Statements in accordance with Canadian PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the year. These estimates and assumptions are based on management's judgement and the best information available at the time of preparation and may differ significantly from actual results. Estimates are reviewed periodically or as new information becomes available, by management, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Significant estimates include the determination of the useful life of tangible capital assets, valuation of the landfill closure and post-closure obligation, and provisions for contingencies.

Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Financial Instruments

Measurement of financial instruments

The District initially measures its financial assets and financial liabilities at fair value. The District subsequently measures all its financial assets and financial liabilities at cost.

Financial assets measured at cost include cash, accounts receivable, cash deposits included in the debt reserve fund – Municipal Finance Authority, and debentures recoverable from municipalities. Financial assets measured at fair value include temporary investments.

Financial liabilities measured at cost include accounts payable and accrued liabilities, debentures issued for municipalities, debentures issued for the Regional district, and financial liabilities included in the debt reserve fund –Municipal Finance Authority.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The District recognizes its transaction costs in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS

For the year ended December 31, 2016

2. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments include cash on hand, demand deposits and short-term highly liquid investments that are readily convertible to know amounts of cash. Temporary investments have a maturity of one year or less, are carried at market value which approximates cost. Interest rates for temporary investments range from 1.4% to 2.35%. Cash and temporary investments are allocated as follows:

	<u>2016</u>	<u>2015</u>
Cash	\$ 469,797	\$ 422,238
Temporary investements	<u>9,144,114</u>	<u>8,934,790</u>
	<u>\$ 9,613,911</u>	<u>\$ 9,357,028</u>

3. DEBT RESERVE FUND – MUNICIPAL FINANCE AUTHORITY

The Regional District issues debt instruments through the Municipal Finance Authority of British Columbia ("MFA"), and as a condition of borrowing, one percent of the debenture proceeds is withheld as a debt reserve fund. The Regional District also executes demand notes in connection with each debenture whereby the Regional District could be required to pay certain amounts to MFA in excess of the debt borrowed. The demand notes are contingent in nature, and it is unlikely that they will be called; therefore, a liability has not been reported in the consolidated financial statements (see note 10).

The Regional District reports the Debt Reserve Fund balances for both debts issued on its behalf, and on behalf of member municipalities, as a financial asset. Because all Debt Reserve Fund refunds received on behalf of Municipal borrowing are repayable to those Municipalities, the Municipal portion of the Debt Reserve Fund balances are also reported as a financial liability.

4. DEBT RECOVERABLE FROM MUNICIPALITIES

When a member Municipality within the Regional District wishes to issue debenture debt through the Municipal Finance Authority of British Columbia ("MFA"), the borrowing is done through the Regional District. The Regional District is therefore responsible for repayment of the debt to MFA. When payments (interest and sinking fund or principal) are made on this debt, the Regional District pays MFA and is in turn reimbursed by the Municipality.

The Regional District therefore reports the net outstanding debt borrowed on behalf of Municipalities as both a financial liability and a financial asset.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS

For the year ended December 31, 2016

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2016</u>	<u>2015</u>
Trade payables	\$ 406,958	\$ 543,420
Vacation accrual	215,232	327,559
Sick leave accrual (Note 10)	245,218	224,667
Retirement accrual (Note 10)	155,541	197,105
Accrued debenture interest	17,241	16,205
Landfill closure cost accrual (Note 12)	<u>2,325,403</u>	<u>2,185,943</u>
	<u>\$ 3,365,593</u>	<u>\$ 3,494,919</u>

6. DEFERRED REVENUE

	<u>2016</u>	<u>2015</u>
Federal Gas Tax reserve	\$ 3,852,652	\$ 4,136,684
Provincial	1,989	1,989
Other	<u>17,952</u>	<u>13,459</u>
	<u>\$ 3,872,593</u>	<u>\$ 4,152,132</u>

7. CREDIT FACILITY

The Regional District has available on an authorized operating line of credit to a maximum of \$400,000. This facility bears interest at prime rate (December 31, 2016 2.7%) and is secured by the current borrowing resolution. The facility remained unused at year end.

8. SINKING FUND ACTUARIAL EARNINGS

The majority of issues of debt instruments through the Municipal Finance Authority of B.C. are sinking fund debentures. The Authority uses a 4-5% internal rate of return when it sets the annual sinking fund payments required. The actuarial earnings on Debt Sinking Funds reported on the Consolidated Statement of Financial Position are computed at this 4-5% rate of return.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS

For the year ended December 31, 2016

9. DEBENTURES ISSUED FOR THE REGIONAL DISTRICT

The Regional District's long-term debt is in the form of debentures issued by the Municipal Finance Authority of British Columbia ("MFA"). These are all sinking fund debentures, stated and repayable in Canadian funds as shown below:

Service borrowing was incurred for:	Originally Borrowed		Year of Maturity	Current Rate of Interest	Net Debt Outstanding	
	Year	Amount			2016	2015
Environmental Services	2008	677,000	2018	4.65%	157,428	231,631
Environmental Services	2010	729,517	2020	3.73%	326,483	400,410
Bums Lake Arena	1999	200,000	2019	6.20%	43,085	56,222
Fort Fraser Sewer	2001	30,000	2016	5.93%	-	2,753
Fort Fraser Fire Protection	2004	147,140	2019	5.30%	38,604	50,267
Luck Bay Fire Protection	2006	125,000	2028	1.75%	74,602	80,576
Luck Bay Fire Protection	2010	10,000	2030	3.73%	7,773	8,181
Environmental Services	2015	1,547,000	2020	1.42%	1,171,532	1,472,264
Baker Airport	2016	167,625	2021	1.44%	167,625	-
Topley Rural Fire Protection	2016	366,348	2041	2.10%	366,348	-
		<u>\$ 3,999,630</u>			<u>\$ 2,353,480</u>	<u>\$ 2,302,304</u>

Scheduled principal, interest, total debt payments, and actuarial earnings projected on the sinking funds over the next 5 years are:

	Principal Payments	Interest Payments	Total Payments	Actuarial Earnings
2017	449,774	106,213	555,987	51,537
2018	454,136	86,111	540,247	59,500
2019	402,163	62,056	464,219	40,708
2020	319,974	41,358	361,332	29,587
2021	182,207	12,369	194,576	4,494

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS
For the year ended December 31, 2016

10. CONTINGENCIES

Municipal Finance Authority Demand Notes

The Regional District is contingently liable to the Municipal Finance Authority of British Columbia ("MFA") in excess of the amounts borrowed under the terms of demand notes issued to MFA.

Member municipalities have signed offsetting demand notes to the Regional District for borrowing made on their behalf. The amounts are as follows:

	2016	2015
Demand Notes Outstanding:		
Borrowing on behalf of member municipalities	\$ 202,242	\$ 206,156
Borrowing for Regional District purposes	95,975	92,270
	\$ 298,217	\$ 298,426

Employee Sick Leave

The Regional District is contingently liable to pay its employees sick leave. The total value of the accumulated sick time is \$453,613 at December 31, 2016 (2015 - \$415,005). As at year-end an amount of \$245,218 (2015 - \$224,687) has been accrued as an estimate of the liability.

Employee Retiring Allowance

The Regional District is contingently liable to pay employees one week salary for every year of employment to a maximum of 13 weeks upon normal retirement from the Regional District. The total value of this retiring allowance is \$176,195 at December 31, 2016 (2015 - \$218,412). As at year-end an amount of \$155,540 (2015 - \$197,106) has been accrued as an estimate of the liability.

11. MUNICIPAL PENSION PLAN

The municipality and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 189,000 active members and approximately 85,000 retired members. Active members include approximately 36 contributors for The Regional District of Bulkley-Nechako.

The most recent actuarial valuation as at December 31, 2015 indicated a \$2,224 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2018 with results available in 2019. Employers participating in the Plan record their pension expenses as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrues assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocation the obligation, assets and cost to the individual employers participating in the Plan.

The Regional District of Bulkley-Nechako paid \$263,071 (2015 - \$227,714) for employer contributions to the Plan in fiscal 2016.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS

For the year ended December 31, 2016

12. UNFUNDED LIABILITY FOR LANDFILL CLOSURE COSTS

Accounts payable and accruals include \$ 2.33 million of liabilities at December 31, 2016 (\$2.19 million at December 31, 2015) which the Public Sector Accounting and Auditing Board stipulates be recognized in the financial statements but which are not included in the Regional District's budgets but are recorded as accounting adjustments at the end of the year. These amounts represent management's best estimate of the future closure and post-closure costs of both active and inactive landfill sites in the Regional District. In management's opinion the closure cost liability and expense could change within a range of +/- 10% (minimum of 2.1 million to a max of 2.56 million). As at December 31, 2016 the required length of time for post closure core is 25 years. However, it is expected to increase to 30 years as the Ministry of Environment is proposing changes to landfill legislation that could come into effect in the near future. The Knockholt site is expected to last until the year 2076 and the Clearview site was built with a 100 year expected life span lasting until the year 2106. Additional costs will be recognized in future years during the life of active landfill sites in proportion to the waste capacity used up in each year. A reserve created to fund closure and post-closure monitoring costs held a balance of \$360,650 as at December 31, 2016 (2015 - \$423,302).

13. FEDERAL GAS TAX AGREEMENTS

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by funding agreement between the Regional District and the Union of British Columbia Municipalities. Gas Tax funding may be used towards qualifying expenditures as specified in the funding agreement. The Regional District maintains the amounts in a statutory reserve.

	<u>2016</u>	<u>2015</u>
Opening balance	<u>\$ 4,136,684</u>	<u>\$ 3,887,455</u>
Add: Amounts received in the year	880,880	852,181
Interest earned	<u>61,059</u>	<u>62,365</u>
	<u>941,939</u>	<u>914,546</u>
Less: Amounts spent in the year	<u>(1,225,971)</u>	<u>(665,317)</u>
Closing balance	<u>\$ 3,852,652</u>	<u>\$ 4,136,684</u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

14. BUDGET

The Financial Plan adopted by the Board of Directors was prepared on a modified accrual basis while the consolidated financial statements are prepared on a full accrual basis as required by Canadian Public Sector Accounting Standards. The Financial Plan anticipated the use of surpluses accumulated in prior years to supplement current year revenues. In addition, the Financial Plan expensed tangible capital asset expenditures, debt re-payments and reserve transfers. The budget figures included in these Financial Statements represent the Financial Plan adopted by the Board of Directors with adjustments as follows:

	<u>2016</u>
Budgeted deficit per statement of financial activities	<u>\$ (2,816,662)</u>
Less: Capital expenditures	(1,242,693)
Debt principal payments	(816,474)
Contributions to reserves	(1,633,075)
Prior year net deficitis	<u>(194)</u>
	<u>(3,692,436)</u>
Add: Prior years net surplus	2,333,751
Withdrawal from capital reserves	1,716,091
Transfer from equity in tangible capital assets	1,003,300
Debenture issue	<u>1,455,956</u>
	<u>6,509,098</u>
Surplus in the Financial Plan	<u>\$ -</u>

15. FUND ALLOCATION

The accumulated surplus at the end of the year is comprised of the following Funds:

	<u>2016</u>	<u>2015</u>
Operating	\$ 1,338,459	\$ 3,518,558
Reserves	3,187,593	2,888,805
Capital	(4,096,248)	(6,428,468)
Non-Financial Assets	<u>14,637,759</u>	<u>14,762,232</u>
	<u>\$ 15,067,563</u>	<u>\$ 14,741,127</u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO
NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS

For the year ended December 31, 2016

16. FINANCIAL INSTRUMENTS

The Regional District's financial instruments are comprised of cash, temporary investments, accounts receivable, debt reserve funds –Municipal Finance Authority, debentures recoverable from municipalities, accounts payable and accrued liabilities, debentures issued for municipalities, and debentures issued for the Regional District.

Liquidity risk

Liquidity risk is the risk that the Regional District will encounter difficulty in meeting obligations associated with financial liabilities. The Regional District is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, debentures issued for municipalities and debentures issued for the Regional District. The Regional District manages this risk by holding a sufficient amount of funds in highly liquid investments, and closely monitoring cash flows.

Credit risk

Credit risk is the risk that the Regional District will incur financial losses if a debtor fails to make payments when due. The Regional District is exposed to credit risk on its debenture recoverable from municipalities and accounts receivable. Risk in respect to the debentures recoverable from municipalities is managed primarily by the policies put in place by the Municipal Finance Authority of British Columbia ("MFA"). The maximum exposure to credit risk in respect to accounts receivable is limited to the carrying amount of accounts receivable, which is managed by credit policies such as limiting the amount of credit extended and obtaining security deposits where appropriate.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Regional District is mainly exposed to interest rate risk.

Interest Rate Risk

Interest rate risk is the risk that the Regional District's debt servicing costs and the value of certain investments will fluctuate due to changes in interest rates. In respect of debt servicing costs, the risk is minimal as all of the Regional District's long-term debentures are fixed rate, and is usually refinanced every five to ten years as that is when most underlying debentures issued by the MFA mature. Investments subject to interest rate risk include guaranteed investment certificates (Note 2). The amount of risk is minimal due to the short terms of the investments.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
SCHEDULE OF CONSOLIDATED EXPENSES BY OBJECT

For the year ended December 31, 2016

	2016		2015
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Staff remuneration and benefits	\$ 3,959,033	\$ 3,653,901	\$ 3,339,928
Purchased services and supplies	5,450,147	3,618,178	3,606,514
Payments to societies	3,723,530	2,361,307	1,921,278
Payments to municipalities	700,521	689,021	704,651
Municipal debt payments	581,691	494,858	592,680
Directors' remuneration	372,253	319,261	318,113
Insurance and permits	164,881	161,433	129,669
Electoral area grants-in-aid	339,200	130,009	130,815
Interest on debentures	122,926	101,717	91,945
Directors' travel and expenses	148,620	88,498	87,071
Staff travel, upgrading and conferences	99,390	88,364	86,235
Memberships and dues	38,341	36,540	35,515
Elections, referenda and studies	31,023	16,597	5,120
Interest	11,000	9,691	11,328
Bad debts	-	4,136	15,316
Volunteer benefits	3,450	3,000	2,991
First Nations dialogue	10,000	-	-
Amortization	1,003,300	926,953	900,901
	<u>\$ 16,759,306</u>	<u>\$ 12,703,464</u>	<u>\$ 11,980,070</u>

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
SCHEDULE OF CONTINUITY OF RESERVE FUNDS

For the year ended December 31, 2016

	<u>2016</u>	<u>2015</u>
BALANCE AT BEGINNING OF THE YEAR	\$ 7,025,489	\$ 6,991,462
Contribution to funds	1,633,575	1,541,879
Interest earned on funds	108,406	116,033
Withdrawals from funds	<u>(1,727,225)</u>	<u>(1,623,885)</u>
BALANCE AT END OF THE YEAR	7,040,245	7,025,489
Less: Federal Gas Tax recorded as deferred revenue (Note 13)	<u>3,852,652</u>	<u>4,136,684</u>
	<u>\$ 3,187,593</u>	<u>\$ 2,888,805</u>
REPRESENTED BY THE FOLLOWING RESERVE FUNDS		
911 Capital	\$ 448,637	\$ 392,500
911 Vehicle	1,748	867
Administrative Equipment	31,445	48,073
Administration/Planning Vehicle	71,780	60,265
Building	61,630	45,866
Building Inspection Vehicle	3,169	55,359
Bulkley Valley Pool	835,702	530,241
Burns Lake Arena	3,683	97,522
Burns Lake Rural Fire Protection	48	48
Election	45,965	37,859
Emergency Prep	42,086	36,527
Environmental Services vehicle	80,371	61,359
Federal Gas Tax	3,852,652	4,136,684
Fort Fraser Sewer	131,976	114,183
Fort Fraser Rural Fire Protection	82,493	77,809
Fort Fraser Water	459,228	393,031
Fort St. James Rural Fire Protection	70,182	59,243
Glacier Gulch Water Diversion	2,225	2,192
Houston Rural Fire Protection	13,949	12,505
Insurance	11,610	2,161
Lakes District Airport	7,380	117,692
Landfill Capital	473,217	461,752
Luck Bay Rural Fire Protection	9,199	6,093
Planning Plotter	38,557	36,017
Smithers Rural Fire Protection	118,074	106,428
Southside Rural Fire Protection	71,566	66,547
Telkwa Rural Fire Protection	32,093	25,678
Vanderhoof Rural Fire Protection	35,904	35,374
Weed Control vehicle	<u>5,698</u>	<u>5,614</u>
	7,040,245	7,025,489
Less: Federal Gas Tax reserve recorded as deferred revenue (Note 13)	<u>3,852,652</u>	<u>4,136,684</u>
	<u>\$ 3,187,593</u>	<u>\$ 2,888,805</u>

See notes to the consolidated financial statements.

Regional District of Bulkley-Nechako
CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
 For the year ended December 31, 2016

	Land	Building	Equipment / Vehicles	Engineered Structures			Transfer Stations	2016 Total	2015 Total
				Water	Sewer	Landfills			
COST									
Opening Balance	\$ 281,291	\$ 6,541,980	\$ 5,723,330	\$ 1,109,808	\$ 718,502	\$ 4,030,486	\$ 4,956,503	\$ 23,041,880	\$ 20,455,735
Add: Additions	33,304	256,808	431,085	-	-	118,251	5,954	848,212	2,693,839
Less: Disposals	-	-	117,241	-	-	-	-	117,241	107,694
Less: Write-downs	-	-	-	-	-	-	-	-	-
Closing Balance	<u>294,595</u>	<u>6,798,788</u>	<u>6,037,164</u>	<u>1,109,808</u>	<u>718,502</u>	<u>4,148,717</u>	<u>4,962,457</u>	<u>23,770,891</u>	<u>23,041,880</u>
ACCUMULATED AMORTIZATION									
Opening Balance	-	2,217,034	2,281,506	678,740	348,624	1,379,395	1,458,199	5,341,468	7,523,292
Add: Amortization	-	144,839	501,346	28,047	15,186	129,162	106,281	928,953	800,801
Less: Acc. Amortization on Disposals	-	-	81,508	-	-	-	-	81,509	82,685
Closing Balance	-	<u>2,361,873</u>	<u>2,681,345</u>	<u>704,787</u>	<u>363,820</u>	<u>1,508,557</u>	<u>1,564,480</u>	<u>6,188,942</u>	<u>8,341,498</u>
Net Book Value for year ended									
December 31, 2016	<u>\$ 294,595</u>	<u>\$ 4,436,915</u>	<u>\$ 3,355,819</u>	<u>\$ 405,021</u>	<u>\$ 354,682</u>	<u>\$ 2,641,160</u>	<u>\$ 3,097,977</u>	<u>\$ 14,581,949</u>	
Net Book Value for year ended									
December 31, 2015	<u>\$ 281,291</u>	<u>\$ 4,324,948</u>	<u>\$ 3,461,624</u>	<u>\$ 433,058</u>	<u>\$ 369,878</u>	<u>\$ 2,651,071</u>	<u>\$ 3,198,304</u>		<u>\$ 14,700,382</u>

See notes to the consolidated financial statements.

Regional District of Bulkley-Nechako

*2016 Audit Findings
Report to the Board of
Directors*

*Prepared as of
April 20, 2017*



April 20, 2017

Members of the Board of Directors
Regional District of Bulkley-Nechako
37 3rd Avenue
PO Box 820
Burns Lake BC
V0J 1E0

Dear Members of the Board of Directors:

We have been engaged to audit the financial statements of Regional District of Bulkley-Nechako for the year ending December 31, 2016.

We prepared the accompanying report to assist you in your review of the financial statements. It includes a discussion on the significant accounting and financial reporting matters dealt with during the audit process as well as communications required by Canadian generally accepted auditing standards for audit.

We would like to express our sincere thanks to the management and staff of the organization who have assisted us in carrying out our work. If you have any questions or concerns prior to the board meeting, please do not hesitate to contact me in advance.

Yours very truly,



Norm Hildebrandt
Partner
Assurance

c.c.: Roxanne Shepherd, Chief Financial Officer

Significant Deficiencies in Internal Control

A deficiency in internal control exists when a control is designed, implemented or operated in such a way that it is unable to prevent, or detect and correct, misstatements in the financial statements on a timely basis, or when a control necessary to prevent, or detect and correct, misstatements in the financial statements on a timely basis is missing.

A significant deficiency in internal control is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

To identify and assess the risks of material misstatement in the financial statements, we are required to obtain an understanding of internal control relevant to the audit. This understanding is used for the limited purpose of designing appropriate audit procedures. It is not used for the purpose of expressing an opinion on the effectiveness of internal control and, as a result, we do not express any such opinion. The limited purpose also means that there can be no assurance that all significant deficiencies in internal control, or any other control deficiencies, will be identified during our audit.

We did not identify any control deficiencies that, in our judgment, would be considered significant deficiencies.

Fraud and Illegal Acts

No fraud involving management, or contractors with a significant role in internal control or that would cause a material misstatement of the financial statements and no illegal acts came to our attention as a result of our audit procedures. We wish to reconfirm that the Board of Director is not aware of any known, suspected or alleged incidents of fraud or illegal acts not previously discussed with us.

Significant Unusual Transactions

We are not aware of any significant or unusual transactions entered into by Regional District of Bulkley-Nechako that you should be informed about.

Difficulties Encountered During the Audit

We encountered no significant difficulties during our audit that should be brought to the attention of the audit committee.

Significant Accounting Principles

Management is responsible for the appropriate selection and application of accounting policies. Our role is to review the appropriateness and application as part of our audit. The accounting policies used by Regional District of Bulkley-Nechako are described in Note 1, Significant Accounting Policies, in the financial statements.

There were no new accounting policies adopted or changes to the application of accounting policies of Regional District of Bulkley-Nechako during the year.

We did not identify any alternative accounting policies that would have been more appropriate in the circumstances.

We did not identify any significant accounting policies in controversial or emerging areas.

Significant Financial Statement Disclosures

We did not identify any financial statement disclosures that are particularly significant, sensitive or require significant judgments, that we believe should be specifically drawn to your attention.

Subsequent Events

No subsequent events which would impact the financial statements other than those disclosed have come to our attention.

We would like to reconfirm that the Board of Director is not aware of any other subsequent events that might affect the financial statements.

Accounting Estimates

Management is responsible for the accounting estimates included in financial statements. Estimates and the related judgments and assumptions are based on management's knowledge of the business and past experience about current and future events.

Our responsibility as auditors is to obtain sufficient appropriate evidence to provide reasonable assurance that management's accounting estimates are reasonable within the context of the financial statements as a whole. An audit includes performing appropriate procedures to verify the:

- Calculation of accounting estimates;
- Analyzing of key factors such as underlying management assumptions;
- Materiality of estimates individually and in the aggregate in relation to the financial statements as a whole;
- Estimate's sensitivity to variation and deviation from historical patterns;
- Estimate's consistency with the entity's business plans; and
- Other audit evidence.

The following significant estimates/judgments are contained in the financial statements:

- Value of inventory;
- Accrued liabilities;
- Deferred revenue;
- Book value of capital assets.

Based on audit work performed, we are satisfied with estimates made by management.

Disagreements with Management

We are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significant to the entity's financial statements or auditor's report. Disagreements may arise over:

- Selection or application of accounting principles;
- Assumptions and related judgments for accounting estimates;
- Financial statement disclosures;
- Scope of the audit; or
- Wording of the auditor's report.

We are pleased to inform you that we had no disagreements with management during the course of our audit.

Consultation with Other Accountants (Second Opinions)

Management may consult with other accountants about auditing and accounting matters to obtain a "second opinion". When an entity requests that another accountant provide a written report or oral advice on the application of accounting principles to a specific transaction or the type of opinion that may be rendered on the entity's financial statements, we are required to ensure that the accountant has ensured that the reporting accountant has knowledge of all facts and circumstances and has conducted the engagement in accordance with Canadian generally accepted auditing standards on the Reports on the Application of Accounting Principles.

We are not aware of any consultations that have taken place with other accountants.

Issues Discussed

The auditor generally discusses among other matters, the application of accounting principles and auditing standards, and fees, etc. with management during the initial or recurring appointment of the auditor. There were no major issues discussed during our audit with regards to our retention that were not in the normal course of business.

Materiality

Misstatements are considered to be material if they could reasonably be expected to influence the economic decisions of users of the financial statements.

We have set materiality of \$379,000.

We'll report unadjusted and adjusted items over \$37,900 to the Board of Directors on completion of the audit.

Uncorrected Misstatements

We accumulated uncorrected misstatements that we identified during our audit and communicated them to management. We then requested that management correct these misstatements. No uncorrected misstatements for the current period have been detected.

Other Audit Matters of Governance Interest

We did not identify any other matters to bring to your attention at this time and would be pleased to discuss with you further any matters mentioned above, at your convenience.

This communication is prepared solely for the information of those charged with governance of Regional District of Bulkley-Nechako to carry out and discharge their responsibilities and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

To ensure there is a clear understanding and record of the matters discussed, we ask that a representative of the board of directors their acknowledgement in the space provided below.

Should any member of the board of directors wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact us at any time.

Yours very truly,

Acknowledgement of Representative of the Board of Directors' Members:

We have read and reviewed the above disclosures and understand and agree with the comments therein:

Signature: _____

Date: _____



Regional District of Bulkley-Nechako Memo – Supplementary Board Agenda April 20, 2017

To: Chair Miller and the Board of Directors
From: Roxanne Shepherd, Chief Financial Officer
Date: April 12, 2017
Re: Approval of Terms and Conditions of Infrastructure Planning Grant #P175388

In January 2017, the Regional District submitted an application for an Infrastructure Planning Grant for Regional District Asset Management. We have been notified that the application was successful. Provincial funding will include 100% of the first \$5,000 and 50% of the next \$10,000. The project is expected to cost \$15,000-\$20,000. The finance budget includes \$10,000 for the Regional District portion of this project.

The project goal is to continue working towards a complete Asset Management Plan for the organization. This includes developing an Asset Management Policy and Asset Management Strategy. It also includes conducting a condition assessment on the Administrative Office to determine useful life, replacement cost, and options and cost estimates for recommended repairs.

The terms and conditions of the grant are attached and must be returned to the Province by May 12, 2017.

I would be pleased to answer any questions.

R. Shepherd

Recommendation:

(all/directors/majority)

1. That the memorandum from the Financial Administrator, dated April 12, 2017 regarding be received.
2. Consider approving the Terms and Conditions of Infrastructure Planning Grant Project #P175388 for signature.

Terms and Conditions

Attached to the *Local Government Grants Act* (Act) infrastructure planning grant for the **Bulkley-Nechako Regional District**.

Eligible costs:

The grant is payable towards the eligible costs of the **General Government Asset Management Planning project**. Eligible costs are as defined in the Act and its accompanying regulations.

Provincial contribution:

In accordance with the Act, grant payments shall not exceed the lesser of the amount of the grant, **\$10,000**, or the amount as calculated in accordance with the following formula:

$$\text{Grant Amount} = (A+B), \text{ where}$$

A=100% of the first \$5,000 of the costs to the **Bulkley-Nechako Regional District**; and

B= 50% of the next \$10,000 of the costs to the **Bulkley-Nechako Regional District**.

Eligible costs do not include administration or administrative overhead, interest or carrying charges.

Expiry Date:

The Province of British Columbia's commitment will expire on **March 31, 2019**.

Deadline Extension:

Should unforeseen circumstances delay the completion of the project, consideration may be given to an extension of one year if a written request is received one month prior to the expiry date.

Payment of Claims:

1. The project number assigned to this grant is **P175388**. This project number should be quoted on all claims or correspondence related to this project.
2. To claim payment of the grant, the following documentation must be forwarded before the expiry date to the Director of the Infrastructure and Engineering Branch, Ministry of Community, Sport and Cultural Development, PO Box 9838 Stn Prov Govt (4th Floor-800 Johnson Street) Victoria, BC V8W 9T1 or by email to infra@gov.bc.ca:
 - a) A copy of the study (see program guide for details);
 - b) A claim form with original signatures;
 - c) Copies of the invoices for all work undertaken to complete the report; this should include details of all times and charges;
 - d) A schedule detailing the cost (time and charges) for in-house resources used to prepare the report;
 - e) Signed Terms & Conditions; and
 - f) Signed Certificate Form.
3. The Province reserves the right to reduce or deny payments if the amounts claimed are unreasonable or ineligible.
4. The Province will not pay a claim after the expiry date.

Other:

Change in scope requests will only be considered where any substitute study would fulfil the objectives for which the grant was approved.

Release of Information:

With discretion, the Ministry of Community, Sport and Cultural Development may wish to publish, release or otherwise disseminate information related to the study or plan, including the final report. The **Bulkley-Nechako Regional District** will be notified prior to doing so.

Consideration for Future Grants:

The **Bulkley-Nechako Regional District** is advised that the allocation of any future study or capital grants will be subject to additional evaluation criteria developed by the Ministry of Community, Sport and Cultural Development in consultation with the Ministries of Health; Environment; and Energy and Mines. The criteria will require applicants for future grants to identify that:

1. They have considered one or more of the following matters in the plan or capital project:
 - comprehensive water use efficiency planning;
 - integration of water supply and wastewater infrastructure needs;
 - liquid waste management plans;
 - asset management;
 - energy efficiency;
 - low impact development;
 - sustainable green infrastructure;
 - use of public-private partnerships;
 - smart growth.

2. The plan or capital project, where appropriate and cost effective, incorporates one or more of these matters.

Where a future capital grant or planning grant program evaluates projects according to a matrix based on the protection of human health and the environment, preference will be given to those applications that address the criteria listed above.

Please indicate your acceptance of these terms and conditions by signing and mailing one copy of this Terms and Conditions to the mailing address below and emailing a second copy to the email address below:

Ministry of Community, Sport and Cultural Development
Local Government Infrastructure and Finance Branch
PO Box 9838, STN PROV GOVT
Victoria, BC V8W 9T1

Email: infra@gov.bc.ca

Attention: Regan Purdy, Infrastructure and Engineering

On behalf of the **Bulkley-Nechako Regional District**, I accept the afore-mentioned Terms and Conditions.

Signature

Name

Title

Date



**Regional District of Bulkley-Nechako
SUPPLEMENTARY
Board of Directors Memorandum
April 20, 2017**

To: Chair Miller and the Board of Directors
 From: Corrine Swenson, Manager of Regional Economic Development
 Date: April 19, 2017
 Regarding: SWOT Administration Services Contract

The RDBN received three proposals to an RFP issued for the Strategic Workforce Opportunities Team (SWOT) Administration Services. RDBN Staff and three members of the SWOT are reviewing the proposals and will be recommending the successful contractor on Monday, April 24. On Tuesday, April 25 the successful candidate will be selected by the RDBN, taking into account the recommendation from the SWOT.

Proposals were received from:

- MDB Insight
- M.R. Concepts
- Spruce Business Consulting

The RFP was issued based on grant funding received from the Province and is included in the 2017 Regional Economic Development Budget. Due to a quick start date of May 1, 2017 for this contract, it is necessary to seek approval from the Board of Directors to enter into a contract with the successful proponent upon satisfactory review of the proposals (as per process listed above). The contract will be to a maximum of \$70,000.

RECOMMENDATION:	(All/Directors/Majority)
<p>That the RDBN Board of Directors authorizes entering into an agreement for SWOT Administration Services with the successful proponent to a maximum of \$70,000.</p>	



**Planning Department Report
Development Permit Application
File No. A-01-16
April 19, 2017**

APPLICATION SUMMARY

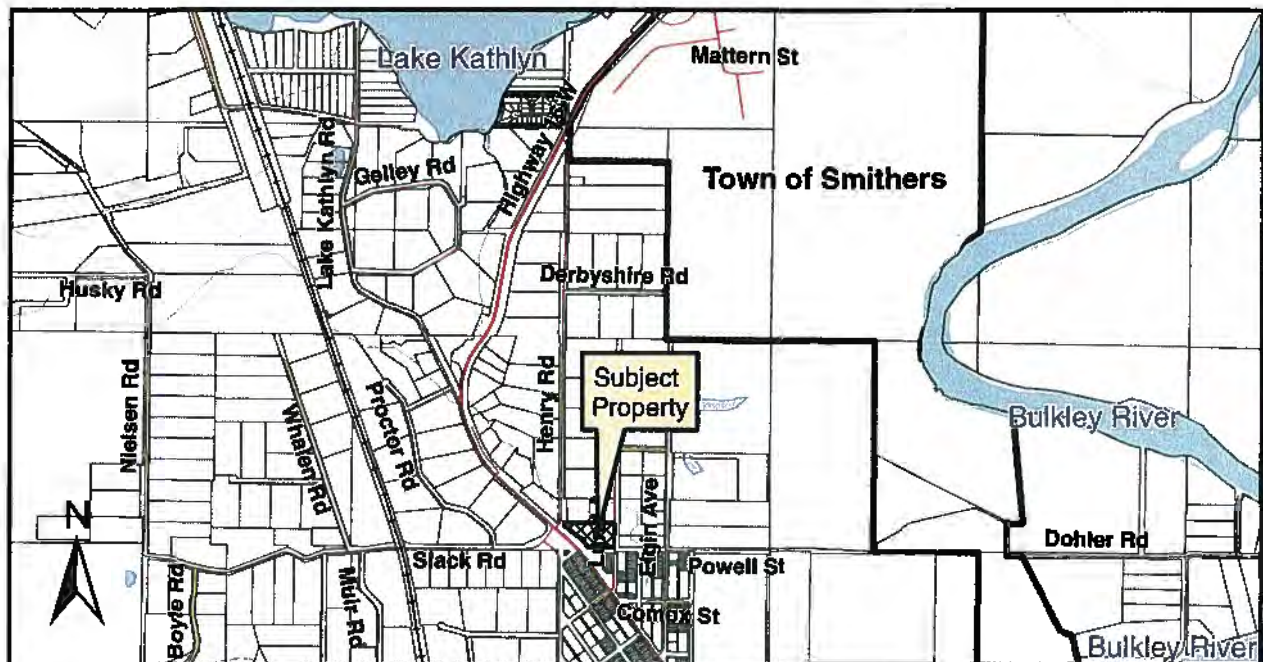
Name of Owner: West-End Ventures Inc.

Name of Agent: Colin Brintjes

Electoral Area: A

Subject Property: Lot 3, Section 2, Township 1A, Range 5, Coast District, Plan 4733. The property is 1.35 ha (3.34 acres) in size

Location: The subject property is located along Highway 16 at 3844 Henry Rd, approximately 600 metres northwest of the Town of Smithers.



O.C.P. Designation: Commercial (C) in the Smithers Telkwa Rural Official Community Plan Bylaw No. 1704, 2014

Zoning: Light Industrial – Contracting (M1B) Zone in Regional District of Bulkley-Nechako Zoning Bylaw No. 700, 1993

Development Permit Area: Highway Corridor Development Permit Area

THE HIGHWAY CORRIDOR DEVELOPMENT PERMIT AREA

In 2016 the property was rezoned from the General Commercial (C1) Zone to the newly created Light Industrial – Contracting Service (M1B) Zone. The purpose of the rezoning was to allow the property to be used for contracting; motor vehicle rentals; and warehousing. Given concerns regarding the impact of the industrial development on the area the subject property was designated as a Highway Corridor Development Permit Area.

The subject property cannot be developed until the Regional District Board approves the proposed development plans by issuing a Development Permit. The Board may refuse to issue the development permit if the proposed development does not meet the Highway Corridor Development Permit guidelines (attached).

The purpose of the Highway Commercial Development Permit is to do the following.

- (1) To provide for the appropriate form and character of commercial and industrial development given the high visibility of these areas and their exposure to Highway 16.
- (2) To facilitate the compatibility of site design and site function with the rural setting and adjacent land uses.
- (3) To identify and implement the appropriate degree of landscaping and screening with special attention to the impacts on adjacent residential development and Highway 16.
- (4) To accomplish the above in a manner that protects the natural environment, and retains land in its natural state as much as possible, and otherwise enhancing and facilitating natural processes and habitat where possible.



PLANNING DEPARTMENT COMMENTS

In staff's opinion the proposed development plans, attached as Schedules A through H to Development Permit No. DP A-01-16, adequately meet the Highway Corridor Development Permit Area guidelines. Therefore, it is recommended that Development Permit No. DP A-01-16 be issued.

Staff have the following comments relating to the noted guideline.

Guideline 5 Parking should be focused to the rear and side of buildings away from Highway 16.

The public parking is provided at the front of the building; however, the building and site are adequately landscaped and the parking area is not unattractive.

Guideline 6 The surface of the public parking areas and vehicle maneuvering aisles should be paved or otherwise surfaced to ensure dust is not generated.

Staff would prefer that the public parking area was paved; however, staff are hopeful that the proposed crushed gravel does not generate dust. If there are issues with this surface future phases of development may be an opportunity to address the issue.

Guideline 11 Landscaped areas should contain trees and shrubs, and other features adequate to create interest and not appear barren or empty, and otherwise enhance the natural environment.

Guideline 12 All areas of a property should be developed with landscaping, parking areas, or building and should not appear to be unfinished. The exception is that treed areas in their natural state may be retained, and areas reserved for future phases of development may be left un-landscaped provided that they are not in an unsightly state.

The proposed landscaping is basic; however, in staff's opinion it meets the minimum requirements established in guidelines 11 and 12.

STAFF RECOMMENDATION

Staff's previous recommendation was that the permit not be approved; however, the following changes were made to the development plan.

- A brick paver sidewalk was added connecting the public parking area to the building entrance.
- Landscaping and grassed areas were added around the building.
- Treated landscape ties will separate the lawn from the gravel parking area.
- Treated landscape ties separate the planting area along the Highway from the lawn.
- The garbage container was relocated to a more feasible location.

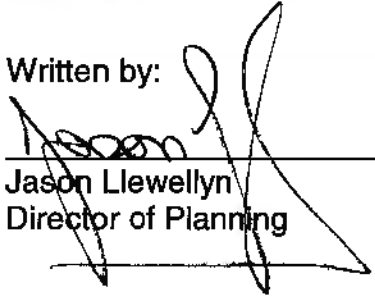
Staff are recommending that the applicant be required to provide \$7,200 as security to ensure that landscaping is completed as proposed. The security should be in the form of cash, or an irrevocable letter of credit with an automatic extension clause.

Recommendation

That Development Permit A-01-16 be approved and that staff not issue the permit until the required landscaping security has been received in a form satisfactory to the Director of Planning.

Electoral Area Planning – All Directors/Majority

Written by:



Jason Llewellyn
Director of Planning



31

**REGIONAL DISTRICT OF BULKLEY-NECHAKO
DEVELOPMENT PERMIT NO. A-01-16**

ISSUED TO: WILSON, ALEXANDRA JANE and
WILSON, FREDERICK PAUL
PO BOX 820
SMITHERS BC V0J 2N0

BRUINTJES, MURIEL MARGARET and
BRUINTJES, COLIN THEODORE
PO BOX 820
SMITHERS BC V0J 2N0

WITH RESPECT TO THE FOLLOWING LANDS: Lot 3, Section 2, Township 1A, Range 5, Coast District, Plan 4733.

1. The lands shall be developed in substantial accordance with the terms and provisions of this permit and the plans and specifications attached hereto as Schedules A through H, which form part of this permit.
2. This permit is not a building permit nor does it relieve the owner or occupier from compliance with all other bylaws of the Regional District of Bulkley-Nechako applicable thereto, except as specifically varied or supplemented by this permit.
3. If a Building Permit for the development that is the subject of this permit has not been issued, and the construction substantially commenced within 2 years after the date of this permit's issuance, this permit shall lapse.
4. As a condition of the issuance of this permit, the Regional District of Bulkley-Nechako has required security in the amount of \$7,200 in the form of an irrevocable letter of credit with an automatic extension clause, or cash, to guarantee the performance of the terms of the permit.

AUTHORIZING RESOLUTION NO. _____ passed by the Regional Board on the
__ day of _____, 2017.

PERMIT ISSUED on the __ day of _____, 2017.

Corporate Administrator



38

PO BOX 820 SMITHERS BC V0J 2N0

April 10, 2017

Development Permit Section 7 (Re: A-01-17)

7.1.3 Guidelines

General

- 1) In consultation with surrounding residents for over two years we have designed our project to include local concerns such as height and appearance of fencing and location of buildings. Our neighbours currently enjoy walking to the west of our property and will be able to continue walking there along our 6 metre wide buffer along HWY 16. Crime prevention starts with encouraging neighbours to move freely through the neighbourhood.
- 2) In developing our project we changed our design of flat roofed commercial steel buildings with no covered entrance to peak roofed wood constructed residential looking structures with covered entrances. This will blend in with surrounding residential properties.
- 3) There are no natural features or mature trees on this site.

Parking

- 4) There are no vehicle queuing concerns anticipated with the three zoning uses on this site. At the request of the ministry of highways we did a commercial truck turning radius from the Henry Road intersection and it was passed. See attached drawing.
- 5) We are requesting that parking be permitted at the front of Building 1 so that the general public does not enter the commercial/industrial work area to the rear of the building. This will be a safe separation and we will provide a 2 metre high wooden fencing screen between parked vehicles and HWY 16. A brick paver sidewalk will be provided along the north side of the public parking area continuing along to the front of the building to give pedestrian access for customers.
- 6) The vehicle parking and maneuvering aisles will be capped with 1.5 "washed crushed rock that provides a hard, clean and natural draining surface. This product along with low speed signage (10 kmh max) will ensure that dust is not generated. See attached picture of heli company parking lot at airport where it is a preferred material.
- 7) During winter months snow will be cleared from the parking and maneuvering areas and stockpiled in a reserved area at the east end of the site. See site plan. Sanding of the same areas will be provided by a contractor for the safe movement of the general public.



WEST-END VENTURES INC.

39

PO BOX 820 SMITHERS BC V0J 2N0

Development Permit Section 7 (Re: A-01-17)

7.1.3 Guidelines cont.**Lighting**

- 8) In consultation with the surrounding residents it was decided not to install lamp standards and create unwanted light pollution. Instead we are installing vertical LED area light fixtures such as the GE EWS3 which will be attached to the exterior of the building at about the 3.5 metre height.
- 9) This will provide enough light for crime prevention on site but not create undesirable light for neighbours and HWY 16 vehicular traffic. The Henry Road- HWY 16 intersection at our entrance already has street lighting and turn lanes in both directions and gives customers the ability to see our location at night if required.

Landscaping

- 10) A 6 metre green space buffer is being provided along full length of HWY 16 frontage. As per ministry of transportation & highways recommendations we are installing a 1 metre high cosmetic property delineation fence to mark the property line bordering HWY 16. This fence will be constructed of 4"X 4" treated wood uprights and crossbars. See attached photo.
- 11) A landscape area will be created in phase 1 west of the proposed building inside the 6 metre buffer area. A combination of deciduous and evergreen trees mixed with shrubs will be planted. Ground cover on top of this area will be bark mulch/nuggets with fabric underneath to prevent weed growth. The border will be constructed of 4"X5" treated landscape ties to prevent mulch/lawn creep.
- 12) Phase 1 will incorporate a 6 metre lawn buffer (full property length) with a shrub/garden to the west of building 1. The approved sewage treatment system calls for grass to be planted on this area. 1.5" washed crushed rock will be used inside the fenced compound behind building 1. The vehicle parking/maneuvering areas will be separated using 6"X6" treated landscape ties. This will delineate the two areas and give reference for vehicular traffic. The remaining area for phase 2 & 3 to the south will remain as 4" - 6" grass/lawn and will be cut and maintained to this height.

Screening

- 13) Work area will be located behind Building 1. The 2 metre privacy fence will screen view from HWY 16 and residents.
- 14) Garbage container will be located behind Building 1 and behind 2 metre privacy fencing and will be positioned to best accommodate the garbage truck. Our rural garbage contractor operates a standard size pickup truck and maneuvering will not be an issue.



WEST-END VENTURES INC.

40
PO BOX 820 SMITHERS BC V0J 2N0

Development Permit Section 7 (Re: A-01-17)

7.1.3 Guidelines cont.

Signage

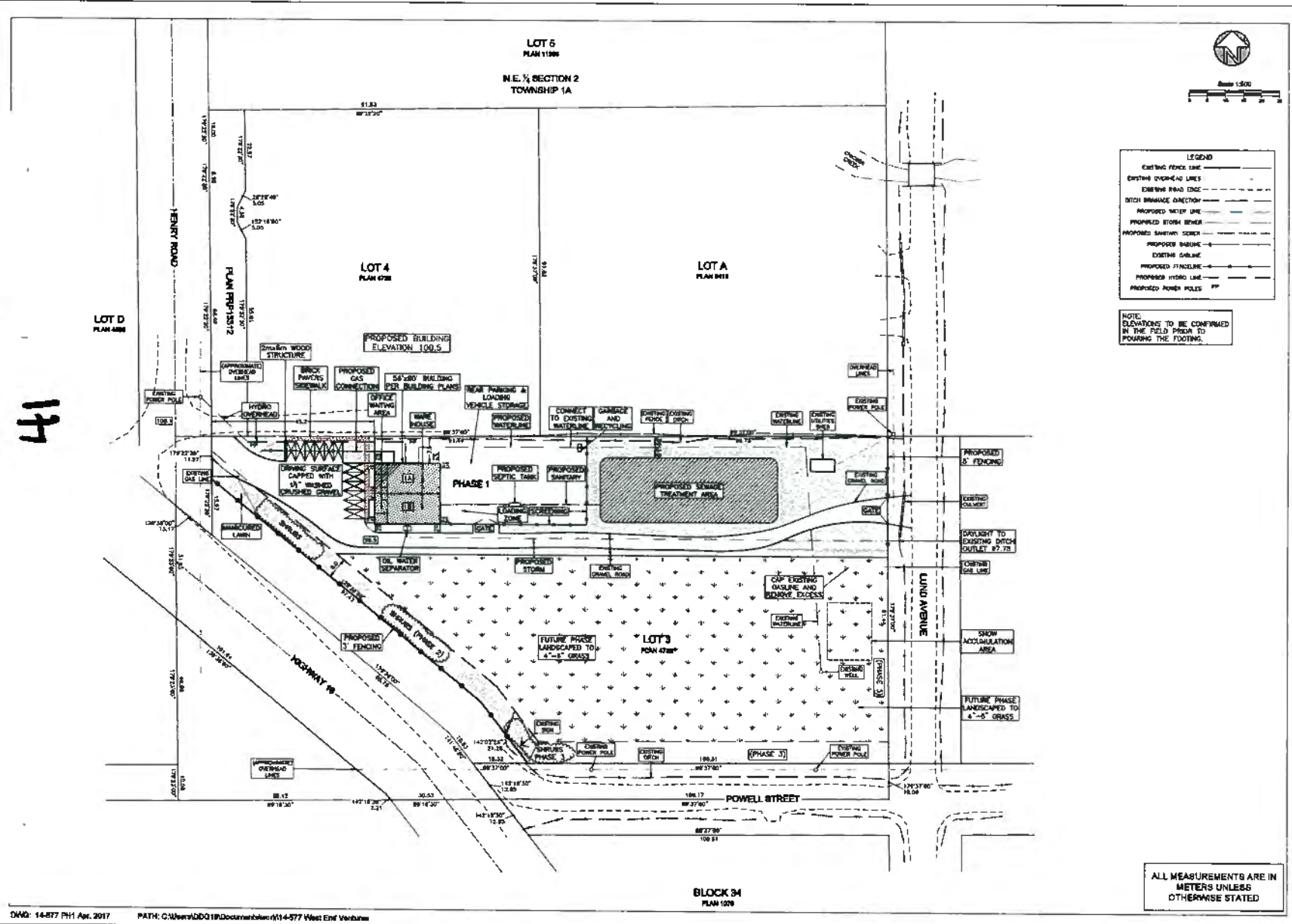
15) Signs are designed to be symmetrical and colour matched to building 1.

16) Signage is scaled to building and will be lit with gooseneck fixtures. See attached sign PDF.

Fred Wilson

West-End Ventures Inc.

41



LEGEND

- Existing Fence Line
- Existing Overhead Lines
- Existing Road Edge
- Ditch Drainage Direction
- Proposed Utility Line
- Proposed Storm Sewer
- Proposed Sewer Overlay
- Proposed Gasline
- Existing Gasline
- Proposed Fireline
- Proposed Hydro Line
- Proposed Power Poles

NOTE: ELEVATIONS TO BE CONFIRMED IN THE FIELD PRIOR TO POURING THE FOOTING.

Delwisch Design Group
 Box 30, 7-5167 Tallow Road
 Smithers BC, V0J 2N0
 Phone: (250) 647-6110
 Fax: INFO@DELWISCH.COM
 WWW.DELWISCH.COM

WEST END VENTURES
 3644 HENRY ROAD
 SMITHERS BC
 V0J 2N0

ISSUED FOR DISCUSSION

OUTLINE OF
 SITE PLAN AND
 PROPOSED BUILDING
 PHASE 1

LOT 3 SECTION 2
 TOWNSHIP 1A, RANGE 5
 CD PLAN 4733

DRAWN	PV
ISSUED	APRIL 12, 2017
SCALE	AS SHOWN
PROJECT	14-577
PAGE	2
REVISION	C

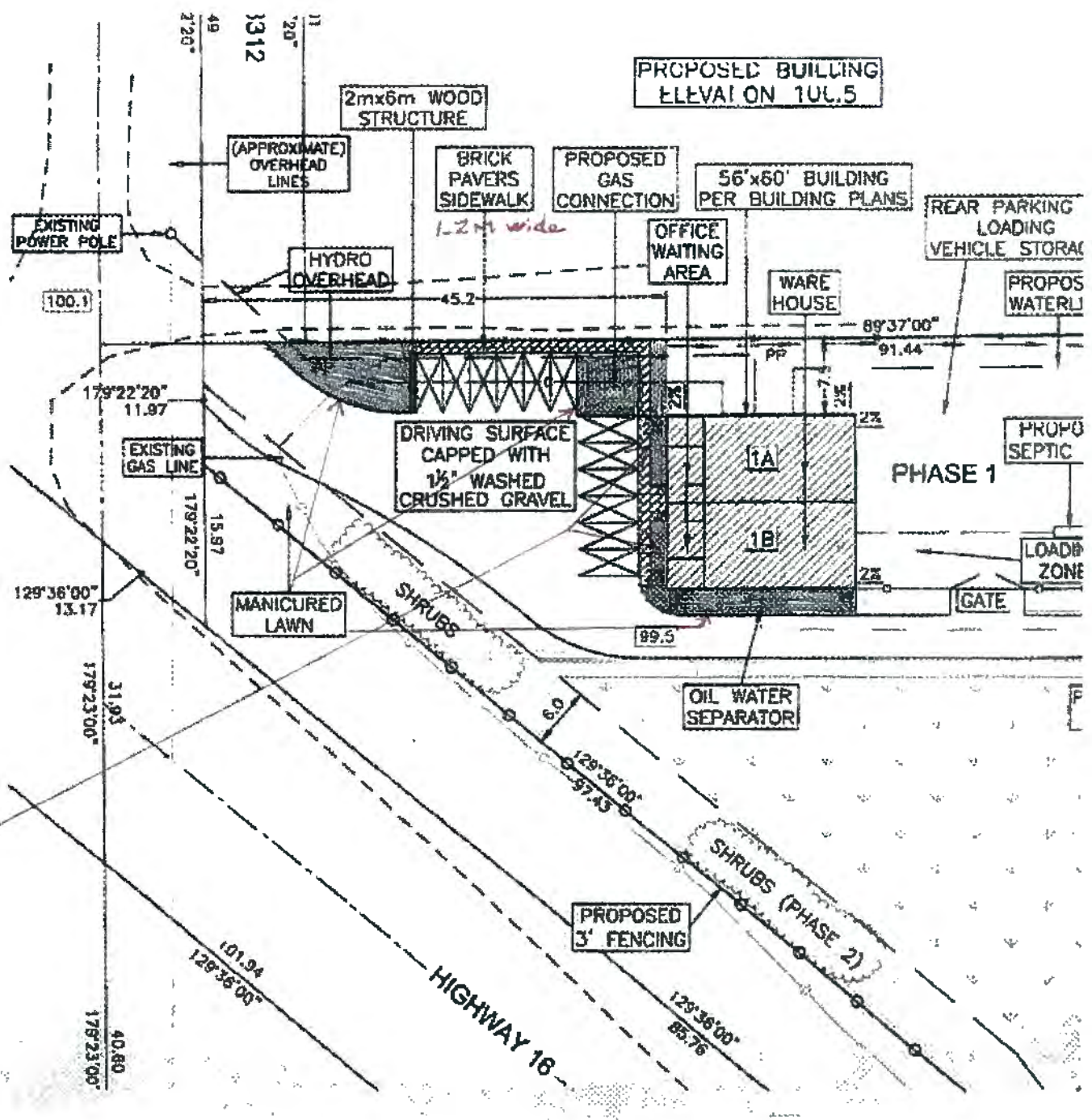
ALL MEASUREMENTS ARE IN METERS UNLESS OTHERWISE STATED

Printed: April 13, 2017

BLOCK 34
 PLAN 1029

42

Area between sidewalk and front of building will 4"-10" round river rock placed on weed control fabric with large clay pots inset into river rock. Seasonal flowering plants with a mix of dwarf cathedral or globe cedars will be in the pots.



10/12/2017

SCHEDULE D to DEVELOPMENT "EKMI No. A-01-1-1/

43



Box 36, 7-3 167 Tallow Road
 Smithers BC, V0J 2N0
 Phone: (250) 847-6110
 Email: info@delwisch.com
 WWW.DELWISCH.COM

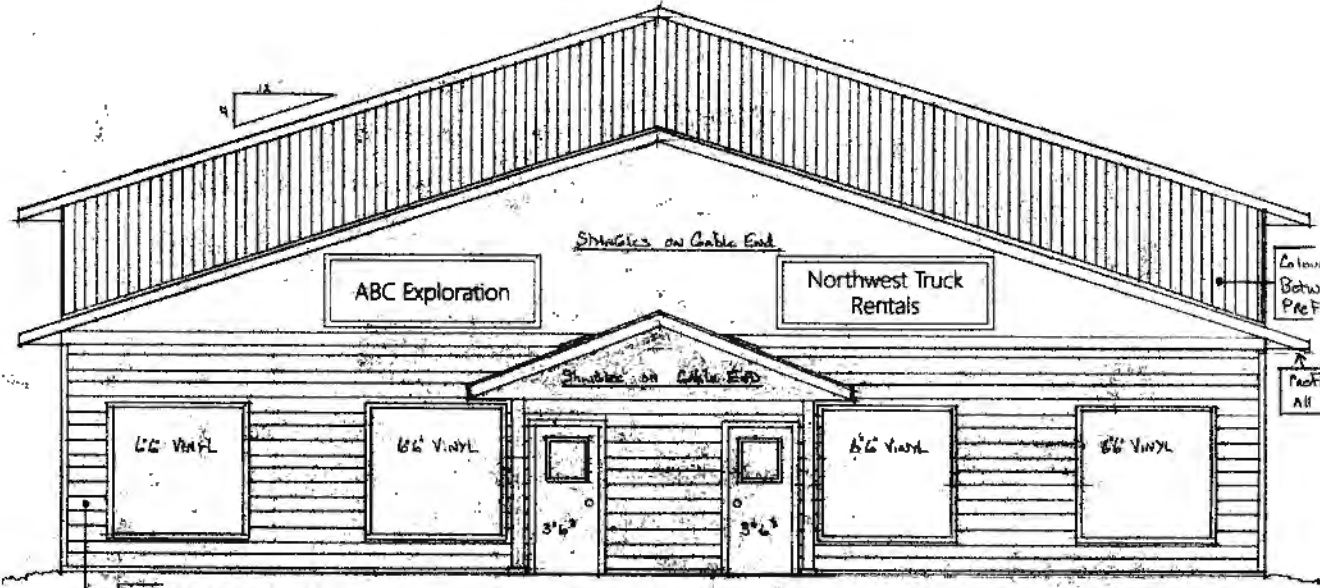
WEST END VENTURES
 3644 HENRY ROAD
 SMITHERS BC
 V0J 2N0

PROPOSED SITE
 CONCEPT PHOTOS

LOT 3 SECTION 2 &
 TOWNSHIP 1 A, RANGE 5
 CD PLAN 4733

DRAWN	<u>EV</u>
ISSUED	<u>APRIL 12, 2017</u>
SCALE	<u>AS SHOWN</u>
PROJECT	<u>14-577</u>
PAGE	<u>1</u>
REVISION	<u>C</u>

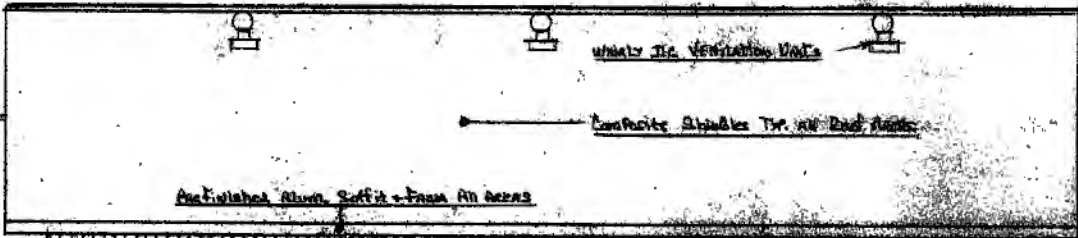
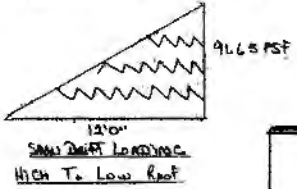
Plotted: April 12, 2017



Handic Panel Siding w/ 1x4 Cedar Trims at Openings + Corners - Lower Front Wall

West Elevation - Front Scale 1/4" = 1'0"

WEST END VENTURES INC. JULY 2016
3844 WEARY ROAD Scale As Shown



Handic Panel Siding at Short Walls w/ 1x4 Cedar Trims at all Openings + Corners

North + South Elevation - Reverse Scale 1/4" = 1'0"

Continued METAL SIDING Between Roof Lines w/ Prefinished TRIMS

[Handwritten Signature]
12 Aug 16

45

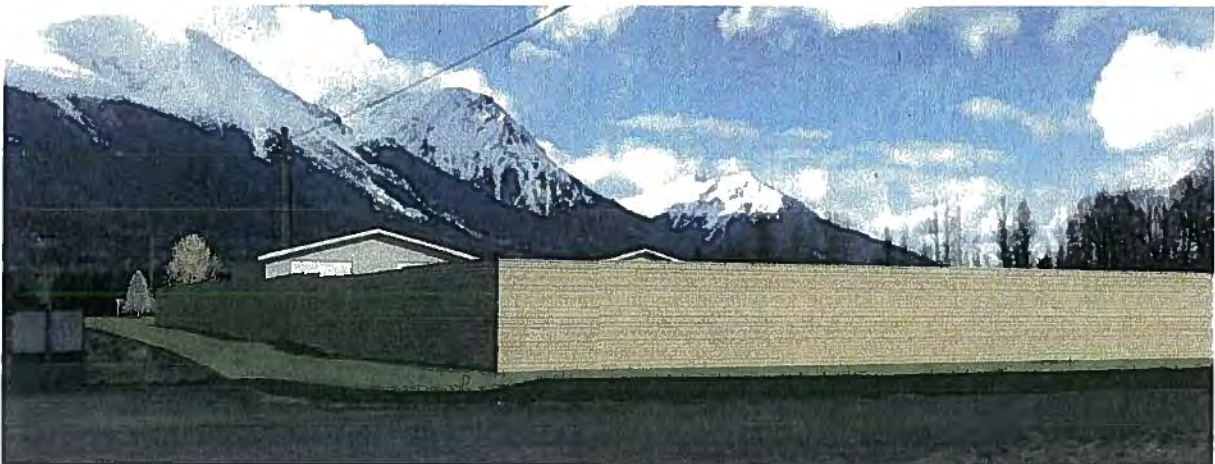


SCHEDULE G to DEVELOPMENT PERMIT A-01-17 (1 of 2)

Proposed 3 foot high fence along the Highway



Proposed 8 foot high fence along Lund Avenue and Powell Street



47

SCHEDULE G to DEVELOPMENT PERMIT A-01-17 (2 of 2)

Existing fence to be maintained along the northern property line adjacent to Lot A



Existing fence to be maintained along the existing property line along Lot 4



48



PO BOX 820 SMITHERS BC V0J2N0

April 2017

RDBN PO BOX 820

Burns Lake, BC

Attn: Jason Llewellyn Re: Dev Perm A-01-17 (revised landscape cost est)

SHRUB BUFFER PHASE 1:

Blue Spruce	\$150.00 X 2 = \$300.00
Royal Red Maple	\$150.00 X 2 = \$300.00
Amur Maple Bush	\$110.00 X 2 = \$220.00
Cypress/Juniper	\$30.00 X 6 = \$180.00
Larch	\$50.00 X 2 = \$100.00
Potentilla/Day Lilly's	\$50.00 X 8 = \$400.00
300 sq ft landscape fabric	= \$88.50
Landscape ties treated	\$6.99 X 15 = \$104.85
Mini bark nuggets/mulch	\$780.00 X 1 skid = \$780.00
Labour to install- 2 days	= \$800.00
Excavator - 4 hrs	= \$400.00

TOTAL ESTIMATED COST.....\$3673.35

49

BUILDING 1 FRONT GARDEN PHASE 1:

Slate Planter 28"	\$58.00 X 6 = \$348.00
Urban Terra Planter 30"	\$54.40 X 6 = \$326.40
Cathedral Cedars 48"	\$19.95 X 6 = \$119.70
Misc Annuals	\$2.99 X 40 = \$119.60
Emerald Gold Winter Creeper	\$3.49 X 12 = \$41.88
Landscape Fabric 200 sq ft	= \$59.00
River Rock 10' minus @ 5 yds	= \$105.00
Landscape Ties driveway large	\$43.49 X 27 = \$1174.23
Northland lawn seed mix 25 kg	= \$129.00
Labour to install - 2 days	= \$800.00
Bobcat - 4 hrs	= \$320.00

TOTAL ESTIMATED COST\$3542.81

Fred Wilson

West-End Ventures Inc

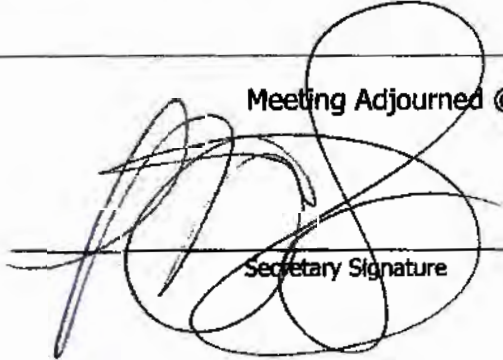
**Advisory Planning Commission Meeting Minutes for Area A
10 April 2017 ~ Location: Smithers Municipal Office**

<p>Attendance</p> <p><i>A</i></p>	<p>APC Brian Atherton Janik Heer Sandra Hinchliffe Alan Koopmans Bob Pothuma Natalie Trueit Andrew Watson Shelly Werthington</p> <p>RDBN Mark Fisher Stoney Stoltenberg Jason Llewellyn</p> <p>APPLICANTS / AGENTS</p> <ul style="list-style-type: none"> - Bruce Graf for B & A Rentals - Steffan Apperloo for Steti Transport - Martin Hennig - Cindy Cardinal
<p>Meeting called to order @:</p>	<p>7:27pm</p>
<p>Chairperson:</p>	<p>Natalie Trueit</p>
<p>Secretary:</p>	<p>Natalie Trueit</p>
<p>Old Business / Updates:</p>	<p>Meeting Dates</p>
<p>New Business:</p>	<p>Four applications – as detailed herein</p>
<p>Applications:</p>	

Application Number:	A-01-17 – Temporary Use Permit Referral – Gravel Crusher
Resolution	Approval
Comments	Discussion regarding how far the noise actually carries along the river. APC would like to see the radius for notice to "neighbours" be extended as 30m may not even reach neighbouring residences in RDBN. Consider notice go to all residences both sides of the river, 250m or first residences if farther.
Application Number:	A-02-17 – Temporary Use Permit – Asphalt Plant
Resolution:	Approval – with consideration for more specific information regarding the equipment.
Comments:	<p>Discussion regarding noise although this gravel pit has many barriers including the pit depth and it is treed. Again, APC feels that notice to residences within 50m is not sufficient. There was also concern expressed regarding emissions and APC would be more comfortable with approval with more knowledge of the actual equipment to be used. Age and maintenance of the equipment may be significant in reducing noise, emissions and odor and the impact to air quality. There was also discussion and concern regarding the number of pits in this area. While where the gravel is located cannot be controlled, if all the pits were are running crushers and other equipment all during the same days and times the impact on neighbours may be substantial.</p> <p>NOTE by NT – knowledge of BC regulations not known at the meeting. Steffan has since called and has done some more research regarding known contractors and their equipment and has confirmed they meet BC regulations.</p>

Application Number:	1193 – Subdivision within the ALR
Resolution:	Approval
Comments:	No concerns expressed
Application Number:	A-04-17 – Zoning Bylaw referral
Resolution:	Approval with a Covenant that it is a temporary consideration and to remove the 2 nd mobile when current title owner's mother no longer lives there, or prior to title change.
Comments:	The fact that the current residence is a mobile home and the secondary residence will also be a mobile home was the strongest consideration for this decision. Consideration regarding this parcel being on a dead-end, the parcels on this stretch being wide enough to accommodate 2 nd dwellings and neighbouring properties also having two residences were also factors.

Meeting Adjourned @ 9:08 pm



Secretary Signature

53
REGIONAL DISTRICT OF BULKLEY-NECHAKO
REPORT OF THE PUBLIC HEARING FOR BYLAW NO. 1794
April 10, 2017

Report of the Public Hearing held at 7:00 p.m. Monday, April 10, 2017 in the West Fraser Room at the Smithers Municipal Office, 1027 Aldous Street, Smithers, B.C. regarding Bylaw No. 1794.

Present: Mark Fisher, Chairperson
Jason Llewellyn, Recording Secretary
Gary Fernside, Applicant
Mark Warmerdam
Robert Hull
Theo Huisman
Natalie Trueit
Brian Atherton
Janik Heer
Gladys Atrill

CALL TO ORDER: The meeting was called to order at 7:00 p.m.

BUSINESS:

Chair Fisher Welcomed everyone to the public hearing and read a statement introducing the application and the public hearing process.

Chair Fisher Called for comments on Bylaw No. 1794.

Brian Atherton Noted that members of the Electoral Area A APC were in attendance only to observe the public hearing, as there is an APC meeting following the public hearing.

Gladys Atrill Asked if there are any regulations protecting the viewscape along the river.

Jason Llewellyn Said that the RDBN does not have any bylaws restricting the cutting of trees on a property.

Gladys Atrill Asked if the RDBN considers cumulative impacts on view scape from the river during the planning process.

Jason Llewellyn Said that these issues are considered, which is one of the reasons development density in the rural area is kept at a minimum. He noted that this application would likely not receive staff support if there were not extenuating circumstances relating to the previous approval of the land use. However, the Planning Department's concerns relate more to the waterfront access and not view scape issues. He said that the existing cumulative impacts

54 ated with view scape appear to have more to do with gravel pits along the river, and that the RDBN has no control over this activity.

Bob Hall

Said that he is a fishing guide on the Bulkley River and he is concerned with the increased angling and boating pressure on the river. He expressed concern that the proposed development would be used by illegal river guides. When the property was previously used in the 1990s there was an illegal guide operating from there. He said that the river cannot take the increased traffic.

Theo Huisman

Asked why the property needed to be rezoned again.

Jason Llewellyn

Said that when the current zoning bylaw was adopted in 1993 to allow the proposed use and the zoning was not carried forward into the current bylaw. Staff believe that this was an oversight. As the zoning bylaw was adopted without the necessary zone the only way to allow the use is to amend the bylaw.

Gary Fearnside

Said that he does not guide and just wants to have a small retirement business where people can enjoy the river.

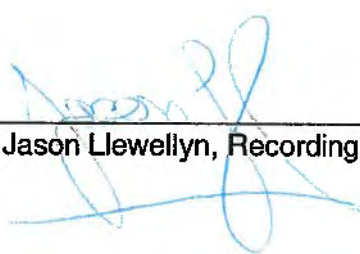
Chair Fisher

Called for comments on Bylaw No. 1794 three times.

Chair Fisher

Closed the hearing at 7:16 p.m.

Mark Fisher, Chairperson



Jason Llewellyn, Recording Secretary

55

Jennifer.MacIntyre

From: Stevenson, John J AGR:EX <John.J.Stevenson@gov.bc.ca>
Sent: April 13, 2017 1:11 PM
To: Jennifer.MacIntyre
Subject: ALR 1193 Hennig

Hello Jennifer,

Thank you for the opportunity to comment on this ALR subdivision application.

From an agriculture perspective, I have no concern with this proposal, and would like to thank the applicant for providing an innovative solution which avoids bisecting of the agriculture field on the east side of Tyhee Lake road.

As always, if you have any questions or need further information, please do not hesitate to call or email.

Regards,

John Stevenson, Regional Agrologist, Highway 16 West
BC Ministry of Agriculture, Smithers | 250-847-6379
1-888-221-7141 | www.gov.bc.ca/agriservicebc



Your File #: A-02-17
eDAS File #: 2017-01825
Date: Apr/11/2017

Bulkley Nechako Regional District
Jason Llewellyn
37 Third Avenue
Box 820
Burns Lake , British Columbia V0J 1E0
Canada

Attention: Jason Llewellyn

Re: **Proposed Land Use Contract Amendment Bylaw Approval Application for:
NE 1/4, Sec 5, Twp 4, Coast Range 5
Map: 928240,1080652
Yellowhead Transcanada Highway No 16 between Grieder Road and
BABine Lake Road**

The Ministry of Transportation and Infrastructure has reviewed the application along with supplemental information from the applicant regarding number of trucks.

The Ministry is willing to approve the temporary use based on the following conditions;

- 1) There will be no more than 15 trucks working out of the property.
- 2) The access configuration is sufficient to allow trucks to make the turn into the property without encroaching on the opposing lane of traffic.
- 3) No mud or debris is to be tracked onto the surface of Highway 16.

If you have any questions please feel free to call Sherrie Applegate at (250) 847-7396.

Sherrie Applegate
Sr. District Development Technician

Attachment:

Local District Address
Bulkley-Stikine District Bag 5000 3726 Alfred Avenue Smithers, BC V0J 2N0 Canada Phone: (250) 847-7403 Fax: (250) 847-7219

Jason.llewellyn

From: geraldine.craven
Sent: Thursday, April 13, 2017 10:36 AM
To: Jason.llewellyn; Maria.Sandberg; Jennifer.MacIntyre
Subject: FW: Temporary Use Permit Application A-02-17

From: .
Sent: April 13, 2017 10:36 AM
To: inquiries <inquiries@rdbn.bc.ca>
Subject: Temporary Use Permit Application A-02-17

Dear Regional District Planning Dept.

Regarding the Temporary use permit application for an Asphalt plant on the property NE 1/4 of Section 5, TWP 4, Rge. 5 CD Except Plans 8393 & PRP 14394.

As I live on Lot 7 Raymond Road directly next to the above proposed property- I am definitely not in favour of such a permit. The property already has a working gravel crushing pit that in itself has bothered the residents of Raymond Road. I feel strongly that an Asphalt plant would greatly devalue all of our properties on Raymond Rd. The health effects from such a plant would be too numerous to mention. Raymond Road is classified by Regional District as a subdivision for any other changes, there should be no consideration given to the adjacent property for the application permit for an Asphalt plant.

Thank you,

Bernadette Miners

58

Attn: Regional District of Bulkley Nechako —Planning Department

April 11, 2017

RECEIVED

APR 19 2017

REGIONAL DISTRICT OF
BULKLEY NECHAKO

RE: TUP appl. A-02-17 - Proposed Asphalt plant - Hwy 16 and Raymond rd. area

I recently received the notice regarding the proposed Asphalt plant. I have since had a visit with Steffen of Steti and have had some clarification of the proposal. His intention is that this is a one-time 'deal' and he doesn't expect it to run more than one month.

My immediate questions and concerns are:

- 1) Emissions and fumes: The quick research I was able to do indicates that there are carcinogens released and the smell is irritating or worse.
-Often in the evening when air cools and settles in the area is when it is most noticeable.
- 2) Increased noise in the area: Generators running, more traffic, trucks and equipment, etc. Last year we did *not* vote against the rock crushing extension from 6 to 8 weeks (50 days). This would potentially add another 50 days of 'more than usual' noise from the area, however we really don't know how much that will be until it gets going.
- 3) Change of Land Use: Will this TUP allow for the change of land use to Industrial? As I understand it, it is still Agricultural with the allowance of gravel extraction, tho' I could be wrong here. If this does allow for the land use change, my concern is that it opens it up for more Industrial type use in the area. I believe there are at least 4 'gravel pit' operations in the river corridor between Telkwa and Smithers, and more proposed. I would be against increasing Industrial activity in an area where so many people reside, wanting the 'peace and quiet' of country living.

I would propose then, that *should* the Regional District approve of the TUP, and after this one season (20-30 days), should any residents object or find the asphalt production disagreeable for any of the above reasons, that the TUP be undone (revoked) and the land use goes back to what it was, gravel extraction, and that asphalt production will never occur in the area again.

Steffen was in verbal agreement with me on this point. He understands my concerns as well.

Respectfully,

Doug Veenstra

Jason.llewellyn

From: Derek Botchford
Sent: Wednesday, April 19, 2017 3:15 PM
To: Jason.llewellyn
Subject: Re: gravel pit

In response to the proposed asphalt plant in question here I have to strongly oppose yet another distraction to business at the end of Raymond road. It has taken us several years but we are finally getting traction on non fishing activities at our farm. We have barn weddings set for this spring and summer, we hosted a huge corporate event for Arcteryx this winter and have more events lining up for this summer. With the added noise, dust and health risks associated with Asphalt plants it would be detrimental to the existing community. Due to the fact we lay just outside of town we are being bombarded with gravel and asphalt applications. Since our operation stands as one of the most viable tourism businesses in the area I hope to see some consideration to noise concerns for our guests.

Industry is needed in our area but tourism is much more difficult to capture and subjective to location and service provided. In essence at our location currently we have something to offer tourists that few others can anywhere else in the province, and it is helping our community economically in many ways.

We are a leading and growing force for tourism in the community and are very concerned about early morning noise, asphalt fumes, reversing alarms, dust and visual intrusions. We oppose this application.

Derek Botchford

Jennifer.MacIntyre

From: Steffen Apperloo <stetitransport@gmail.com>
Sent: April 17, 2017 9:34 PM
To: Jennifer.MacIntyre
Subject: Asphalt TUP

Hi Jennifer,

In addition to the letter I've already submitted with my application for a temporary use permit to allow an asphalt plant in my gravel pit, I'd like to add the following information. I have been in touch with a few of my neighbours and their concerns generally seem to be about the smell or emissions from the plants that may set up on site. After a bit of research and talking to a few of the potential operations that might utilize my pit I have found that they must be tested on a regular basis to meet the emissions and noise levels set out by the government of BC. They have to meet a set of conditions set out in the protection of environment code.

Section 16S.16.01 Noise and Emissions- all activities, equipment, processes and work operated or performed by the contractor in accomplishing the specified construction shall be in strict accordance with federal, provincial and local regulations governing noise levels and air emission standards. The Ministry Representative may require the contractor to have maintenance performed on equipment or alter practices which are judged to produce excessive noise or emissions.

I've also looked up under the Government of BC Environment website where they have an entire set of regulations concerning asphalt plants in regards to BC Ministry of Transportation and Infrastructure. Any potential clients will have to agree to follow these regulations set forth to meet their contractual obligations.

I've also looked at how close the residents of the Town of Smithers are to the local asphalt plant, and as the crow flies, they would be as close or closer to the newest subdivision than I, to any of the neighbours here.

Having this opportunity to be able to house a temporary asphalt plant will have a large economical impact on my gravel business as it will help secure potentially 1-2 projects that the MOT is putting or has put out for tender this year. My goal for this TUP is not to compete for local small jobs, but rather to focus on the MOT jobs and thus the plant may only need to operate this year for about 6-7 weeks on the high end. There are no guarantees that even if I am allowed this permit, that I'll put it to use. Right now there are no other options for asphalt operations to come in to the area to compete with the local asphalt plant and therefore are at their mercy as to pricing competitively.

Thank you for your consideration in this matter,

Steffen Apperloo
Steti Transport Ltd
250-847-0568

RESPONSE SUMMARY
Rezoning Application A-04-17

- ✓ **Approval not recommended due to reasons outlined below:**
- Smithers' commitment to accommodating growth within Town boundaries is intrinsically related to how lands outside of the town boundaries are managed (OCP Bylaw #1614, Sec. 5.1).
 - Town staff is concerned that permitting an additional dwellings in rural properties within 3km or a 30 minute walk from its Downtown would undermine the Town's efforts to concentrate growth within its boundaries, as well as undermine the rural character of the lands lying just outside the Town's boundaries.
 - Allowing one additional small residential building to a single detached lot is considered a gentle form of infill in an urban setting. That's said, this type of development is not commonly associated with small rural holdings.
 - Within Town boundaries there are a handful of properties zoned R6 Rural Residential and R7 Rural Residential Hobby Farm where single detached homes, boarding housing and two-family dwelling are permitted. Secondary suites are permitted only as an auxiliary use (a use subordinate to the principal use) and no additional dwelling is permitted. The intentional selection of permitted uses allow for the preservation of the rural character of these properties. An additional residential dwelling would not have protected the rural nature of these lots.
 - Town staff would recommend investigating other auxiliary uses including secondary suites to help address the desire of rural residents for 'a mortgage helper' or ageing in place.

Signed By: *Yazmin Hernández B.*

Title: Planner

Date: April 3rd, 2017

Agency: Town of Smithers

From: OHCS Building & Safety Standards Branch OHCS:EX <Building.Safety@gov.bc.ca>
Sent: Tuesday, April 11, 2017 9:43 AM
To: OHCS Building & Safety Standards Branch OHCS:EX
Subject: Building Act Update: BC Energy Step Code

Dear Stakeholders:

I am pleased to announce the introduction of the BC Energy Step Code, as an amendment to the BC Building Code, effective immediately. The BC Energy Step Code is the result of a substantial consensus building process with a broad range of stakeholders over the past two years. Their contributions to this ongoing project have been invaluable.

As a technical regulation, the BC Energy Step Code is a voluntary compliance path within the BC Building Code (Subsections 9.36.6. and 10.2.3. of Division B). It establishes progressive performance targets (or steps) that support market transformation from the current energy-efficiency requirements in the BC Building Code to net zero energy ready buildings by 2032. The transition to net zero ready buildings by 2032 is a key commitment of the Province's Climate Leadership Plan.

The BC Energy Step Code only applies to new construction of the following building types:

- Residential (Part 9) – Province-wide.
- Multi-unit residential and commercial (business and personal services and mercantile) – only in climate zone 4 (i.e., Lower Mainland, southern Vancouver Island, southern Okanagan).

Building owners may voluntarily build to the requirements in the BC Energy Step Code. Incentives are available for achieving higher standards.

In addition to being a voluntary standard for builders, the BC Energy Step Code may also be referenced in local government bylaws and policies, enabling province-wide consistency of energy efficiency requirements across jurisdictions and replacing a patchwork of varying requirements. On December 15, 2017, section 5 of the *Building Act* will render local government bylaws with technical building requirements of no legal force, unless the bylaws concern what the *Building Act* calls 'unrestricted matters.' Local governments wishing to require higher energy-efficiency standards than those in the BC Building Code may now do so in a consistent and predictable way using the BC Energy Step Code.

Two matters have been added to the Building Act General Regulation's unrestricted matters list to support local government use of the BC Energy Step Code: the conservation of energy, and the reduction of greenhouse gas emissions. These two matters are unrestricted with two conditions:

- Local governments may not require buildings to be constructed except in conformance to a step in sections 9.36.6.3. or 10.2.3.3. of Division B of the British Columbia Building Code, and
- Local governments may not modify the requirements or impose requirements in addition to those in sections 9.36.6. or 10.2.3. of Division B of the British Columbia Building Code.

The Province has prepared [a guide to explain the provincial policy supporting the BC Energy Step Code](#) and its use and application by local governments and other local authorities. Additional educational materials and training opportunities will be available from the Energy Step Code Council in the coming months.

Please visit our website for more information **63**, www2.gov.bc.ca/gov/content/industry/construction-industry/building-codes-standards/energy-efficiency/energy-step-code.

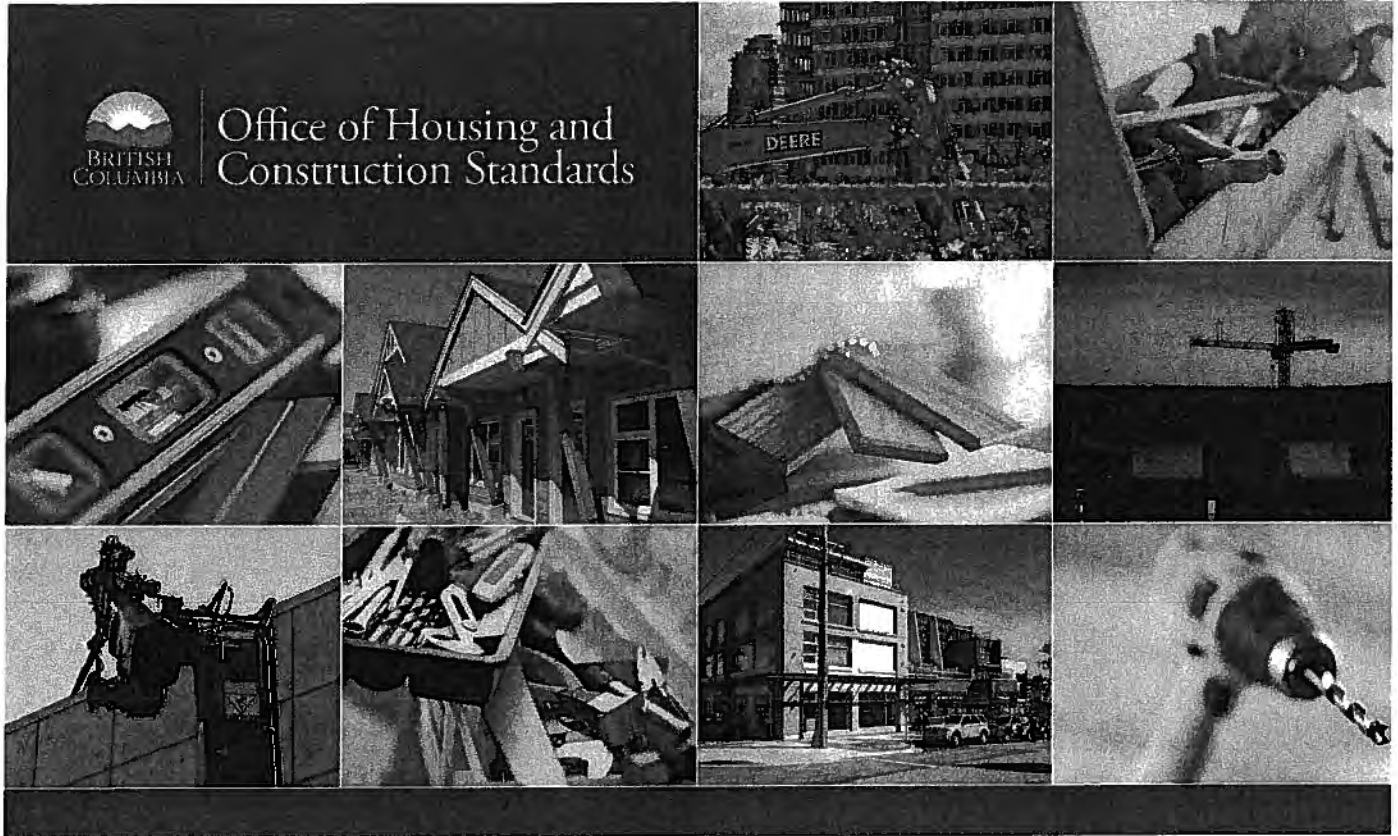
Questions about the BC Energy Step Code can be directed to the Building and Safety Standards Branch at Building.Safety@gov.bc.ca.

Please share this information as appropriate with others in your organization.

Sincerely,

Andrew Pape-Salmon, P.Eng., MRM, FCAE
Executive Director
Building and Safety Standards Branch

64



Provincial Policy: Local Government Implementation of the BC Energy Step Code

Section C2 of the *Building Act* Guide

April 2017



Contents

1. About this Guide	3
2. Introduction: What is the BC Energy Step Code?.....	4
2.1 Principles of the BC Energy Step Code	5
2.2 Multi-Partner Collaboration and the Energy Step Code Council	6
3. BC Energy Step Code Policy.....	8
3.1 Monitoring Implementation of the BC Energy Step Code	8
3.2 Legal Authority to Reference the BC Energy Step Code	8
3.3 How to Implement the BC Energy Step Code	9
3.4 Minimum Timelines for Requiring the BC Energy Step Code	11
3.5 Grace Period for In-stream Projects	11
3.6 Equivalency Table for the BC Energy Step Code.....	12
3.7 Financial Tools and Incentives	12
3.8 Policy Alignment	12
4. Other Implementation Information	13
5. For More Information	14
6. Glossary of Terms.....	15



1. About this Guide

In spring 2015, the Province passed the *Building Act*, the first Act dedicated solely to building and construction.

This guide is part of a series of informational materials prepared by the Province that forms the *Building Act* Guide. It explains the policy intent of the BC Energy Step Code and its use and application by local governments and other local authorities under the *Building Act*. If the *Building Act* information you are seeking is not in this guide, [check online](#) for more information, including other guides in this series. This guide may be revised in future. Please ensure you are reading the most current version which will always be available [online](#).

This guide is not a stand-alone document but is meant to complement additional educational materials about the BC Energy Step Code developed by the Building and Safety Standards Branch and the Energy Step Code Council, as explained later in this guide.

The information provided here is for guidance only and is not a substitute for provincial legislation. It is not legal advice and should not be relied upon for that purpose.

A Note about the *Building Act* Guide

The *Building Act* Guide provides information about the Act for local authorities, building officials, and those working in the building construction sector. Sections of the guide are released as the Act and the supporting regulations come into force. The following sections are available [online](#):

Part A – Introduction

- A1 - Understanding B.C.'s Building Regulatory System
- A2 - A Guide to the *Building Act*: Modernizing B.C.'s Building Regulatory System
- A3 - *Building Act* Brochure
- A4 - *Building Act* Introductory PowerPoint Presentation

Part B – Information for Specific Stakeholders

- B1 - What Local Governments Need to Know about the *Building Act*
- B1 Appendix - Changes for Local Governments Under Section 5 of the *Building Act*
- B2 Short - What Building and Plumbing Officials Need to Know about the *Building Act*
- B2 Full - What Building and Plumbing Officials Need to Know about the *Building Act*

Part C – New Procedures (How to...)

- C1 - A Guide to Requesting a Local Authority Variation
- C2 - Provincial Policy: Local Government Implementation of the BC Energy Step Code (this section)



2. Introduction: What is the BC Energy Step Code?

The BC Energy Step Code is a voluntary roadmap that establishes progressive performance targets (i.e., steps) that support market transformation from the current energy-efficiency requirements in the BC Building Code to net zero energy ready buildings. It establishes a set of incremental performance steps for new buildings that aims to communicate the future intent of the Building Code and improve consistency in building requirements across British Columbia (B.C.) to transition to net zero energy ready buildings by 2032. It is a voluntary tool local governments across B.C. can use to encourage—or require—the construction of more energy-efficient buildings in their communities, and do so in a consistent, predictable way.

The BC Energy Step Code takes a new, performance-based approach rather than the traditional prescriptive approach. This means the BC Energy Step Code does not specify *how* to construct a building, but identifies an energy-efficiency target that must be met and lets the designer/builder decide how to meet it. The BC Energy Step Code has four steps for large, complex buildings (referred to as Part 3 buildings in the BC Building Code), and five steps for houses and small buildings (referred to as Part 9 buildings in the Building Code).

A key feature of the BC Energy Step Code is that every level of performance (or 'step') is evaluated using the same tests and metrics. This is intended to create a consistent way of measuring and understanding energy use in all buildings, regardless of their level of performance, and prepare industry for a province-wide performance-based building approach. Higher steps in the BC Energy Step Code represent higher performance targets (i.e., greater energy efficiency), but use the same measurement tools as the lower steps.

The first step in the BC Energy Step Code—called the 'Enhanced Compliance Step'—means building to the current requirements in the BC Building Code and measuring the performance of the building using the modelling and measuring tools of the BC Energy Step Code. This allows the builder, owner, or designer to satisfy the current expectations of the BC Building Code using the tests and metrics required for all higher performance steps. It involves analyzing building performance using a computer energy modeling program, which is a common approach to all high-performance building, and testing the air leakage rate of the building during construction, which is an indicator of a building's energy efficiency.

What is a net zero energy ready building?

For the purposes of this guide, a net zero energy ready building can be defined as a building built to high energy-efficiency standards such that it could (with additional measures) generate enough onsite energy to meet its own energy needs.

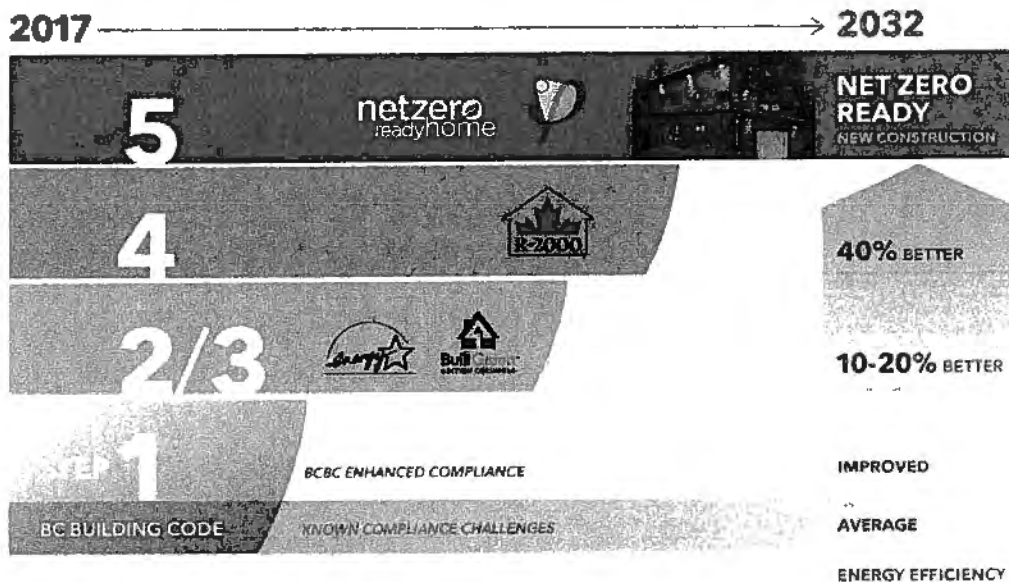
BC Energy Step Code: Lower and Higher Steps		
Building Type	Lower Steps	Higher Steps
Part 3 Residential	Steps 1 and 2	Steps 3 and 4
Part 9 Residential	Steps 1, 2 and 3	Steps 4 and 5



In addition to energy modelling and airtightness testing, all steps of the BC Energy Step Code use metrics to model the designed performance of the building envelope (insulation, air leakage, doors and windows, etc.), and the efficiency of the systems and equipment inside the building (heating, ventilation, etc.). To satisfy each step of the BC Energy Step Code, a builder needs to demonstrate that they have satisfied both the envelope target and the equipment and systems target—a different approach than has been used in the past.

The BC Energy Step Code is voluntary and is intended to apply to the construction of new buildings. Local governments and other local authorities may choose to require the steps in the BC Energy Step Code in their jurisdictions, but they are not obligated to do so; when they do, it is expected they will follow the policy guidance provided in this guide. Similarly, developers, builders, or owners may choose to build more energy-efficient buildings according to the requirements in the BC Energy Step Code, and may do so even if the jurisdiction in which they are building does not require it; however, they are not obligated to unless the jurisdiction in which they are building requires it.

The BC Energy Step Code: Steps for Part 9 Buildings



2.1 Principles of the BC Energy Step Code

The BC Energy Step Code represents a substantial consensus among a broad range of stakeholders who participated in a series of working groups and committees over the past two years. The following key principles guided this work:

- **Provincial Priorities:** Consider provincial priorities, including the 2016 Climate Leadership Plan and housing affordability, when developing the BC Energy Step Code.
- **Consistency:** Increase the consistency of technical building requirements and practices across the province.

69



- **Local Options:** Provide local governments with options to meet adopted targets, policies, and actions to reduce greenhouse gas emissions, as required under the *Local Government Act*, and meet voluntary commitments under the *Climate Action Charter*.
- **Industry Flexibility:** Provide industry with flexibility to adjust to new technologies and clear guidance on the long-term intent of the BC Building Code.
- **Market Transformation:** Transition the market towards increased accountability and measurable improvements in energy efficiency.

2.2 Multi-Partner Collaboration and the Energy Step Code Council

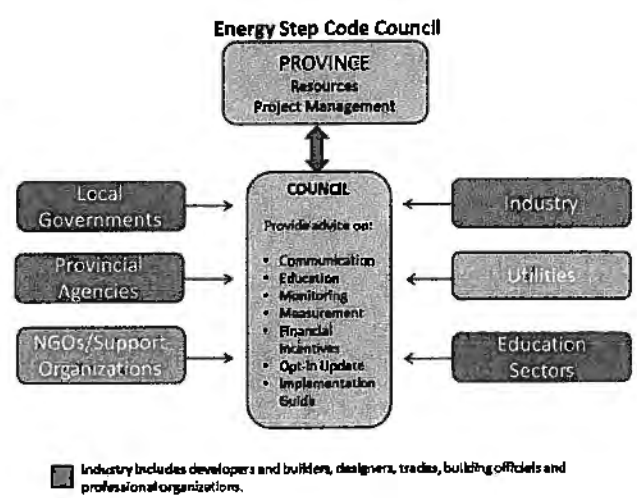
The Province, local governments, industry, and utilities are embarking on the BC Energy Step Code together. Success will require continued commitment from all involved during a transition period that will take place over at least the next three years (2017-2020). An Energy Step Code Council has been established to support local governments and industry towards smooth uptake of the BC Energy Step Code and help guide market transformation towards higher-performance buildings within B.C. The Energy Step Code Council will meet quarterly during the transition period with the following mandate:

- Support the creation and dissemination of training and capacity building opportunities for local governments, industry, and other stakeholders;
- Develop clear communications for various audiences on what the BC Energy Step Code is and how to implement it across the province;
- Provide advice and clarification on technical aspects of the BC Energy Step Code;
- Profile incentives and financing mechanisms; and
- Seek resolution of implementation issues as they arise.

A representative of the Building and Safety Standards Branch will chair the Energy Step Code Council and act as a liaison between the Council and the Province. The Energy Step Code Council comprises many stakeholders (see diagram).

In addition to leadership from the Energy Step Code Council, successful implementation will require:

- Leadership from the Province to support ongoing collaboration between stakeholders, resolve issues as they arise, conduct analysis to determine if the BC Energy Step Code is achieving intended results, continue analysis of technical issues related to high-performance buildings, and lead by example in public-sector buildings. Additionally, the Province will work to align the BC Energy Step Code with other provincial priorities.





- Local governments to represent the needs of their communities and engage within their region (as outlined in the BC Energy Step Code best practice implementation guide) to ensure uptake is as smooth as possible on both a local and regional basis. The best practice implementation guide is being developed to provide local governments with clarity on what stakeholders agree successful implementation will require, and is expected to be published in summer 2017.
- Industry to provide education on how to design, build and measure energy-efficient buildings, to prepare members for the BC Energy Step Code. Industry will be expected to provide feedback to the Province and local governments on impacts of the BC Energy Step Code implementation on building design and construction, and work with partners to align the pace of implementation with the growth of industry capacity.
- Utilities to support with training resources, capacity building and incentive programs that facilitate uptake of the BC Energy Step Code across the province. As implementation progresses, utilities can help evaluate the success of the program over time.



3. BC Energy Step Code Policy

Preamble

This BC Energy Step Code policy has been developed to support local governments and industry during a transition period from 2017 to at least 2020. The transition period may be extended depending on how the implementation of the BC Energy Step Code proceeds.

Until December 2017, the focus of the transition will be on helping shift local governments with existing energy-efficiency programs (for buildings) to appropriate targets in the BC Energy Step Code. From 2018 - 2020, the transition period will continue to support local governments using the BC Energy Step Code, and help other local governments that would like to explore doing so. Once local governments and industry are comfortable with the implementation of the BC Energy Step Code, the transition period will be formally closed, and the BC Building Code will be updated to require staged increases in energy performance, as per the BC Energy Step Code.

3.1 Monitoring Implementation of the BC Energy Step Code

- 3.1.1 The Energy Step Code Council, with the participation of the Province, will monitor implementation of the BC Energy Step Code. Tracking key data will inform the continued implementation of the BC Energy Step Code.

3.2 Legal Authority to Reference the BC Energy Step Code

- 3.2.1 The *Building Act* governs building and construction across B.C. except in the City of Vancouver, and on federal lands and reserves. Under the Act, the Province has sole authority to set technical building requirements (using the BC Building Code or other regulation).
- 3.2.2 The BC Energy Step Code is a provincial building regulation that is a voluntary compliance path within sections 9.36.6 and 10.2.3 of Division B of the BC Building Code.
- 3.2.3 By December 15, 2017, section 5 of the *Building Act* will render local government bylaws that establish technical building requirements of no legal force unless the bylaws concern what the Act calls 'unrestricted matters.'
- 3.2.4 Two new matters (with two conditions) have been added to the unrestricted matters list in the Building Act General Regulation to enable local governments to require that new buildings constructed in their jurisdictions be constructed to one of the steps in the BC Energy Step Code. The two matters are:
- The conservation of energy, and
 - The reduction of greenhouse gas emissions.



These two matters are **unrestricted with two conditions:**

- Local governments may not require buildings to be constructed except in conformance with a step described in Article 9.36.6.3. or 10.2.3.3. of Division B of the BC Building Code; and
- Local governments may not modify a requirement of, or impose requirements in addition to those set out in, Subsection 9.36.6. or 10.2.3. of Division B of the BC Building Code.

3.2.5 The BC Energy Step Code is available for local governments to reference in bylaws, policies, and programs using the authorities in the *Local Government Act*, *Community Charter*, *Building Act*, or other sources of local government authority.

3.3 How to Implement the BC Energy Step Code

3.3.1 Local governments are advised to review the best practice implementation guide (when it becomes available) to understand recommended steps to successfully adopt and implement the BC Energy Step Code.

3.3.2 Local governments are advised to contact the Energy Step Code Council when beginning to consider adopting the BC Energy Step Code, to ensure access to the latest information, tools and support.

3.3.3 Local governments are advised to review readiness in their communities and region to reference and implement the BC Energy Step Code, prior to taking any action. This includes:

- Understanding industry readiness to meet the requirements of the BC Energy Step Code in the local government's region. The Energy Step Code Council is undertaking a review of industry capacity in different regions, and will make this material available on the BC Energy Step Code website. Local governments are advised to consider this analysis, alongside local analysis of capacity; costs; benefits; technical implications; and opportunities to provide training, information and education for industry on how to implement the BC Energy Step Code.
- Reviewing organizational readiness to implement the BC Energy Step Code. This includes training needs for city councils, design panels, planners, and building officials, as well as reviewing inspection procedures, policy documents, community development processes, handouts, bulletins, and websites for necessary changes.

3.3.4 A local government should notify the Energy Step Code Council of its intent to consult with the development and building industry servicing its region, and other associated organizations, including neighboring municipalities. A timeline for notification is provided in section 3.4 of this guide.

3.3.5 A local government should notify the Energy Step Code Council when bylaws or policies that reference the BC Energy Step Code are ratified, and of the date of enactment.



3.3.6 Steps in the BC Energy Step Code are divided into higher and lower steps.

3.3.6.1 For Part 3 Buildings, higher steps are defined as steps 3 and 4 (step 4 being the highest).

3.3.6.2 For Part 9 Buildings, higher steps are defined as steps 4 and 5 (step 5 being the highest).

3.3.6.3 During the transition period (from now until at least 2020), local governments should not apply community-wide requirements to meet the higher steps of the BC Energy Step Code.

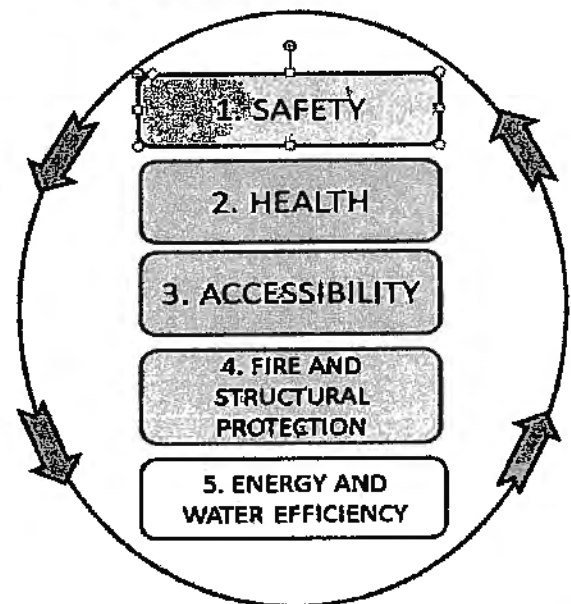
3.3.6.4 During the transition period, reference to higher steps should only be made in circumstances where there is significant value being added to the property where higher steps will apply. The value added should be equal or greater than the cost to build to the higher step.

3.3.6.5 Local governments are advised to exercise caution when calculating the anticipated increased cost of building to the performance targets in the BC Energy Step Code. Over time, the cost of building to the BC Energy Step Code is expected to decrease as familiarity with it increases.

3.3.6.6 The use of higher steps in the BC Energy Step Code will require financial or other incentives. Depending on local circumstances, value could be added through a significant increase in buildable floor area, revitalization tax exemptions, or other inducements.

3.3.7 Supporting the energy-efficiency requirements in the BC Energy Step Code does not mean the other BC Building Code objectives are less important. The BC Building Code sets technical building requirements to meet five objectives; energy efficiency is just one of the five. Buildings that meet the higher energy targets in the BC Energy Step Code must still meet all other requirements supporting the four other Building Code objectives.

BC Building Code Objectives



74



3.4 Minimum Timelines for Requiring the BC Energy Step Code

3.4.1 This policy sets a framework for local governments to support progressively higher energy performance buildings in concert with increasing local industry capacity. Minimum timelines are intended to:

- Reduce the risk of a community requiring a performance level that local industry or internal staff cannot meet;
- Provide an adequate consultation window for industry to provide input on policy and bylaw changes that may have an impact on their work;
- Give the Energy Step Code Council information to track projected and actual BC Energy Step Code uptake provincially;
- Create an opportunity to mitigate unintended consequences as they arise;
- Provide an adequate time for industry and local governments to prepare after adoption; and
- Encourage incremental adoption of steps rather than big leaps.

3.4.2 All Programs: During the transition period (i.e., until at least 2020), local governments should not apply community-wide requirements to meet higher steps of the BC Energy Step Code.

3.4.3 New Programs, Lower Steps (Part 3 & Part 9 buildings): Local governments intending to require lower steps should notify industry and the Energy Step Code Council of their intent to reference the BC Energy Step Code at least six months prior to enforcement.

3.4.4 New Programs, Higher Steps (Part 3 & 9 buildings): Local governments intending to require higher steps (in a specific location or situation) should notify industry and the Energy Step Code Council of their intent to reference the BC Energy Step Code at least 12 months prior to enforcement.

3.4.5 Existing Programs, All Steps (Part 3 & 9 buildings): After December 15, 2017, existing programs may be deemed equivalent to the BC Energy Step Code per an equivalency table that will be available from the Energy Step Code Council. These programs may reference an equivalent step of the BC Energy Step Code without a delay for enforcement.

3.4.6 When existing programs in a community are applied in a new location within that community (e.g., a neighbourhood plan) or situation (e.g., rezoning), the minimum timeline between notifying industry and enforcement of the BC Energy Step Code is three months.

3.5 Grace Period for In-stream Projects

3.5.1 When a local government implements the BC Energy Step Code, applicants who have applied for a development application (rezoning, development permit, development variance permit, or building permit), with detailed design drawings, should be permitted to build to the energy standards in place at the time of application, as long as they have moved to full building permit application within one year. In-stream protection of one year from the proposed enactment of the BC Energy Step Code regulation is considered appropriate. An exemption to this is where there has been a lengthy consultation process



with the public and industry to increase the energy requirements of a development, prior to adoption of a bylaw referencing the BC Energy Step Code.

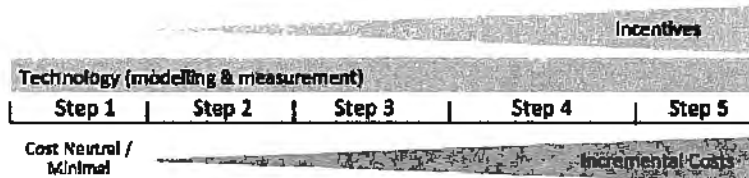
3.5.2 In situations where there is no development process in place (e.g., Part 9 buildings), there should also be a three-month grace period between enactment and enforcement.

3.6 Equivalency Table for the BC Energy Step Code

3.6.1 The Building and Safety Standards Branch will provide information, through the Energy Step Code Council, for local governments seeking to replace current technical building requirements for energy efficiency in bylaws with equivalent steps in the BC Energy Step Code.

3.7 Financial Tools and Incentives

3.7.1 In some cases, financial tools and incentives will be required to expedite and support BC Energy Step Code implementation. Step 1 is expected to be cost minimal or cost neutral, as these costs are needed to bring buildings up to the energy performance standard expected in the BC Building Code. For steps beyond step 1, local governments are advised to conduct cost analysis to ensure benefits offered through incentives and financial tools match additional costs, and do not add hardship to industry. The figure below illustrates when financial support may be necessary to achieve higher steps of the BC Energy Step Code. A list of incentives and financial tools for consideration will be available in the best practice implementation guide.



3.8 Policy Alignment

3.8.1 **Policy alignment with district energy:** Where a district energy system is planned or in operation, or an innovative renewable energy source is being incorporated, local governments are advised to consider lowering the required step of the BC Energy Step Code.

3.8.2 **Where to seek support for resolving issues:** The Province commits to continuing to be involved directly in the implementation of the BC Energy Step Code through active participation in and resourcing of the Energy Step Code Council. This engagement will ensure direct communication between the development industry, local governments, and the Province.



4. Other Implementation Information

The Province and the Energy Step Code Council realize that successful implementation of the BC Energy Step Code will be a collaborative effort. This guide outlines provincial BC Energy Step Code policy only; it does not contain all of the information needed to understand and implement the BC Energy Step Code.

Additional educational and implementation materials will be developed and distributed by the Energy Step Code Council and the Building and Safety Standards Branch, including:

- A local government implementation best practice guide.
- Communication and training materials for:
 - Local government councils;
 - Local government staff;
 - Design professionals (e.g., architects, engineers);
 - Professional associations;
 - Developers, builders and those in the trades;
 - Suppliers; and
 - Others as needed.
- Costing studies on the costs of building to the enhanced energy-efficiency steps in the BC Energy Step Code.
- Funding programs offered by the utilities and governments.

Please visit the provincial website (www.gov.bc.ca/buildingcodes) for regular updates.

71



5. For More Information

Find out more about the *Building Act*:

Website: Regular updates, including other guides in this series, will be posted online as they become available - see www.gov.bc.ca/buildingact.

Email: Building.Safety@gov.bc.ca

Mail: Building and Safety Standards Branch
Office of Housing and Construction Standards
PO Box 9844 Stn Prov Govt
Victoria, British Columbia
CANADA - V8W 9T2



6. Glossary of Terms

BC Energy Step Code: A voluntary compliance path within the BC Building Code that local governments across B.C. can use to encourage or require the construction of more energy-efficient buildings in their jurisdictions. Building owners may also voluntarily choose to build to the BC Energy Step Code.

- Steps 3 and 4 are the higher steps for Part 3 buildings (step 4 being the highest).
- Steps 4 and 5 are the higher steps for Part 9 buildings (step 5 being the highest).

Energy Step Code Council: A multi-stakeholder committee, chaired by the Province, established to support local governments and industry towards smooth implementation of the BC Energy Step Code, and guide market transformation towards higher-performance buildings within B.C.

Net Zero Energy Ready Buildings: A building built to high energy-efficiency standards such that it could (with additional measures) generate enough onsite energy to meet its own energy needs.

Part 3 Buildings: Buildings regulated under Part 3 of the BC Building Code. Part 3 buildings include large, complex buildings.

Part 9 Buildings: Buildings regulated under Part 9 of the BC Building Code. Part 9 buildings include houses and small buildings.

29



FOR MORE INFORMATION PLEASE VISIT:
WWW.GOV.BC.CA/BUILDINGACT