



**TOWN OF CRESTON
COUNCIL MEETING AGENDA**

Tuesday, October 24, 2023, 4:00 PM

Council Chambers, 238-10th Avenue North, Creston, BC

1. **CALL TO ORDER**
2. **TRADITIONAL TERRITORY ACKNOWLEDGEMENT**
3. **ADOPTION OF AGENDA**

Recommended Motion:

THAT Council ADOPTS the Regular Council Agenda of October 24, 2023.

4. **ADOPTION OF MINUTES**

- a. Special Committee of the Whole Meeting Minutes - October 10, 2023

Recommended Motion:

THAT Council RECEIVES the minutes of the Special Committee of the Whole Meeting held October 10, 2023.

- b. Regular Council Meeting Minutes - October 10, 2023

Recommended Motion:

THAT Council ADOPTS the Regular Council Meeting Minutes held on October 10, 2023.

- c. Special Committee of the Whole Meeting - October 12, 2023

Recommended Motion:

THAT Council RECEIVES the minutes of the Special Committee of the Whole Meeting of October 12, 2023.

- d. Regular Committee of the Whole Meeting - October 17, 2023

Recommended Motion:

THAT Council RECEIVES the minutes of the Regular Committee of the Whole Meeting held October 17, 2023.

5. **DELEGATIONS**

None

6. **PUBLIC PRESENTATION OF THE AMENDED FIVE YEAR FINANCIAL PLAN 2023-2027**

Recommended Motion:

THAT Council RECEIVES the presentation from the Director of Finance and Corporate Services regarding the amended Five Year Financial Plan 2023-2027.

7. ITEMS OF BUSINESS

- a. Recommendations from the Special Committee of the Whole Meeting - October 10, 2023

Recommended Motion:

THAT Recommendation No. 1 from the Regular Committee of the Whole Meeting held October 10, BE ADOPTED as follows:

RECOMMENDATION NO. 1:

THAT Council RECEIVES the presentation from the Director of Finance and Corporate Services regarding the 2023 Budget Amendment; AND FURTHER, THAT, Council DIRECTS Staff to bring forward the amended Five Year Financial Plan Bylaw to the October 24, 2023 Regular Council Meeting for consideration of first to third readings.

- b. Recommendations from the Regular Committee of the Whole Meeting - October 17, 2023

Recommended Motion:

THAT Recommendations No. 1 - 7 from the Regular Committee of the Whole Meeting held October 17, 2023, BE ADOPTED as follows:

RECOMMENDATION NO. 1:

THAT the Committee of the Whole Recommends that Council APPROVE the 2024 Budget Guidelines and the 2024 Budget Schedule.

RECOMMENDATION NO. 2:

THAT Council REFERS the following to the 2024 Budget:

- Collis Street Lift Station Emergency Generator
- PH Adjustment System
- High Zone Reservoir Emergency Generator (Water Capital)
- Well # 2 Preventative Maintenance Town Hall North Parking Wall (General Capital)
- Parks Equipment Storage Facility
- Parks Security Camera

RECOMMENDATION NO. 3:

THAT the Committee of the Whole Recommends THAT Council DIRECTS Staff to research options for development of a public/private tree planting program and tree protection bylaw for Committee consideration; AND FURTHER, THAT Council DIRECTS Staff to submit a 2024 budget sheet for program development and implementation for Council consideration.

RECOMMENDATION NO. 4:

THAT the Committee of the Whole Recommends THAT Council DIRECTS staff to prepare a replacement plan for the Creston Education Centre playground equipment; AND FURTHER, THAT Council REFERS the replacement plan for the Creston Education Centre to the 2024 budget process.

RECOMMENDATION NO. 5:

The Committee of the Whole Recommends THAT Council AUTHORIZES the submission of an application for funding to the B.C. Active Transportation Infrastructure Grant Program for end-of-trip facilities and amenities in the Town of Creston; THAT Council DIRECTS staff to present the project for Council consideration as part of the 2024 budget process; AND FURTHER, THAT Council DIRECTS Staff to provide overall grant management upon the successful award of the grant.

RECOMMENDATION NO. 6:

The Committee of the Whole Recommends THAT Council DIRECT Staff to present the Trails Master Plan for adoption consideration at an upcoming Regular Council Meeting.

RECOMMENDATION NO. 7:

THAT the Committee RECEIVES FOR INFORMATION the Council Direction Request from the Manager of Engineering representing the results of the Intersection Assessment completed by WATT Consulting Group Ltd. at Hilton Street and 2nd Avenue NW.

- c. Request for Decision from the Director of Finance and Corporate Services regarding the Creston Education Center Leases (RDCK and Valley Community Services)

Recommended Motion:

THAT Council APPROVES the Lease Agreement for the Creston Education Centre between the Town of Creston and the Regional District; THAT Council APPROVES the Lease Agreement for the Creston Education Centre between the Town of Creston and Valley Community Services; AND FURTHER THAT Council DIRECTS the Mayor and Staff to execute the Agreements.

- d. Correspondence - Receive for Information

1. Mark Piciacchia, Manager, Indigenous Relations and Government Affairs regarding the Holiday Train 2023 Invitation

Recommended Motion:

THAT Council RECEIVES the correspondence from Mark Piciacchia, Manager Indigenous Relations and Government Affairs, CPKC, regarding the Holiday Train 2023.

- e. Correspondence - Action Recommended

1. Sue's Clothesline, requesting a donation for silent auction to support Creston Ministerial Association Christmas Hampers

Recommended Motion:

THAT Council AUTHORIZES the donation of one Town of Creston duffle bag, toque and baseball hat to Sue's Clothesline to contribute to a silent auction supporting Creston Ministerial Association's Christmas Hampers.

8. BYLAWS

- a. Five Year Financial Plan (2023-2027) Amendment Bylaw No. 1992, 2023 (1st and 2nd Readings)

Recommended Motion:

THAT Five Year Financial Plan 2023-2027 Amendment Bylaw No. 1992, 2023, BE READ a first time by title a second by content.

- b. Five Year Financial Plan (2023-2027) Amendment Bylaw No. 1992, 2023 (3rd Reading)

Recommended Motion:

THAT Five Year Financial Plan 2023 - 2027 Amendment Bylaw No. 1992, 2023, BE READ a third time by title.

9. NEW BUSINESS

10. REPORTS OF REPRESENTATIVES

Recommended Motion:

THAT Council RECEIVES the verbal and written reports of Council.

11. GIVING OF NOTICES

- Regular Council Meetings - November 14 and 28, 2023
- Regular Committee of the Whole Meeting - November 17, 2023

12. ACTING MAYORS SCHEDULE

- October: Councillor Arès
- November: Councillor Eisler
- December: Councillor Baldwin

13. QUESTION PERIOD

14. RECESS AND MOVE TO CLOSED MEETING

Recommended Motion:

THAT the Regular Council Meeting of October 24, 2023, be recessed at TIME and by the authority of the *Community Charter*, Council move to a Closed Council Meeting with this meeting be closed from the public and/or news media pursuant to

15. RECONVENE TO REGULAR MEETING

16. RESOLUTIONS FROM CLOSED MEETING

17. ADJOURNMENT

Recommended Motion:

THAT the Regular Council Meeting of October 24, 2023, be adjourned at TIME.

TOWN OF CRESTON
SPECIAL COMMITTEE OF THE WHOLE MEETING MINUTES

Tuesday, October 10, 2023, 4:00 PM
Council Chambers, 238-10th Avenue North, Creston, BC

PRESENT: Mayor Arnold DeBoon
Councillor Norm Eisler
Councillor Keith Baldwin
Councillor Monique Arès
Councillor Anthony Mondia
Councillor Denise Dumas

STAFF: Mike Moore, Chief Administrative Officer
Steffan Klassen, Director of Finance and Corporate Services
Jared Riel, Fire Chief
Marsha Neufeld, Executive Assistant/HR
Kirsten Dunbar, Corporate Officer

GALLERY: Jerry Bauer

CALL TO ORDER

The Mayor called the Special Committee of the Whole Meeting to order at 4:00 pm.

TRADITIONAL TERRITORY ACKNOWLEDGEMENT

The Special Committee of the Whole Meeting of October 10, 2023 was held on the unceded traditional territory of the Yaqan Nukiy within the Ktunaxa Nations.

ADOPTION OF AGENDA (and additional items if necessary)

Moved by Councillor Eisler
Seconded by Councillor Arès

THAT the agenda for the Special Committee of the Whole meeting of October 10, 2023, be adopted. MOTION CARRIED

DELEGATIONS

None

BUSINESS

a. Presentation from the Director of Finance and Corporate Services regarding the 2023 Budget Amendment

The Director of Finance and Corporate Services presented on the 2023 Budget and Recommended Five Year Financial Plan Amendment. The presentation overviewed the following:

- Capital Project Change
 - (Creston Emergency Services Building (CESB), Wrap-up Project, CESB Solar Panel Installation, Purchase of 1510 Birch Street, 1130 Canyon Street Roof Replacement, Golden Centennaires Jet Project).
- Required 2023-2027 Financial Plan Changes
- Reserve Continuity
- Next Steps
 - October 24 - Publically advertised budget meeting and first three readings of the amended Five Year Financial Plan Bylaw.

RECOMMENDATION NO. 1:

THAT the Committee of the Whole Recommends THAT Council RECEIVES the presentation from the Director of Finance and Corporate Services regarding the 2023 Budget Amendment; AND FURTHER, THAT, Council DIRECTS Staff to bring forward the amended Five Year Financial Plan Bylaw to the October 24, 2023 Regular Council Meeting for consideration of first to third readings.

QUESTION PERIOD

There were no questions from members of the gallery.

ADJOURNMENT

Moved by Councillor Arès

THAT the Special Committee of the Whole Meeting, BE ADJOURNED at 4:40 pm.

MOTION CARRIED

AS TO THE MINUTES OF THIS SPECIAL COMMITTEE OF THE WHOLE MEETING:

Arnold DeBoon, Mayor

Kirsten Dunbar, Corporate Officer

**TOWN OF CRESTON
COUNCIL MEETING MINUTES**

Tuesday, October 10, 2023, 4:00 PM
Council Chambers, 238-10th Avenue North, Creston, BC

PRESENT: Mayor Arnold DeBoon
Councillor Norm Eisler
Councillor Keith Baldwin
Councillor Anthony Mondia
Councillor Monique Arès
Councillor Denise Dumas

STAFF: Mike Moore, Chief Administrative Officer
Steffan Klassen, Director of Finance & Corporate Services
Jared Riel, Fire Chief
Kirsten Dunbar, Corporate Officer
Marsha, Neufeld, Executive Assistant/HR

GALLERY: Allan Clement
Jerry Bauer

1. CALL TO ORDER

The Mayor called the Regular Council Meeting to order at 4:42 pm.

2. TRADITIONAL TERRITORY ACKNOWLEDGEMENT

The Regular Council Meeting was held on the unceded traditional territory of the Yaqan Nukiy within the Ktunaxa Nations.

3. ADOPTION OF AGENDA

Resolution #: 311-23

Moved by Councillor Baldwin
Seconded by Councillor Eisler

THAT Council ADOPTS the Regular Council Agenda of October 10, 2023.

MOTION CARRIED

4. ADOPTION OF MINUTES

a. Regular Council Meeting Minutes - September 26, 2023

Resolution #: 312-23

Moved by Councillor Dumas
Seconded by Councillor Baldwin

THAT Council ADOPTS the minutes of the Regular Council Meeting held on September 26, 2023.

MOTION CARRIED

5. DELEGATIONS

None

6. ITEMS OF BUSINESS

a. Town of Creston 2023/2024 Council, Board, Committee and Commission Appointments

Resolution #: 313-23

Moved by Councillor Mondia
Seconded by Councillor Dumas

THAT Council APPOINTS the Town of Creston 2024 Council, Board, Committee and Commission Appointments as attached in Appendix I. MOTION CARRIED

- b. Request for Decision from the Corporate Officer regarding the Town of Creston Municipal Website
- Resolution #: 314-23**
- Moved by Councillor Baldwin
Seconded by Councillor Arès
- THAT Council RECEIVES FOR INFORMATION the Request for Decision from the Corporate Officer regarding the Town of Creston website.
- MOTION CARRIED
- c. Centennial Event Advisory Committee Appointment
- Resolution #: 315-23**
- Moved by Councillor Arès
Seconded by Councillor Eisler
- THAT Council APPOINTS Sarah Dumas and Cassie Norman to the Centennial Event Advisory Committee.
- MOTION CARRIED
- d. Correspondence - Action Recommended
1. **Creston Valley Tourism Society, requesting letter in support of their application for funding through the Economic Trust of the Southern Interior for Public Engagement and Strategic Planning**
- Resolution #: 316-23**
- Moved by Councillor Mondia
Seconded by Councillor Baldwin
- THAT the Mayor is AUTHORIZED to write a letter in support of Creston Valley Tourism Society's application to the Economic Trust of the Southern Interior for Public Engagement and Strategic Planning.
- MOTION CARRIED
2. **Creston Community Forest, requesting a letter in support of their application for funding for the Goat Mountain Trail Project**
- Resolution #: 317-23**
- Moved by Councillor Eisler
Seconded by Councillor Dumas
- THAT the Mayor is AUTHORIZED to write a letter in support of Creston Community Forest's grant application to the Rural Economic Diversification and Infrastructure Program.
- MOTION CARRIED
3. **Ministry of Children and Family Development, request to proclaim October as Foster Family Month in the Town of Creston**
- Resolution #: 318-23**
- Moved by Councillor Baldwin
Seconded by Councillor Arès
- THAT the Mayor is AUTHORIZED to proclaim October as Foster Family Month in the Town of Creston.
- MOTION CARRIED
- e. Correspondence - Receive for Information
1. **Ministry of Municipal Affairs regarding the award of a Road Condition Assessment Grant**
- Resolution #: 319-23**
- Moved by Councillor Mondia
Seconded by Councillor Eisler

THAT Council RECEIVES FOR INFORMATION the correspondence from
the Ministry of Municipal Affairs regarding the award of the Road
Condition Assessment Grant MOTION CARRIED

f. Council Action List

Resolution #: 320-23

Moved by Councillor Baldwin
Seconded by Councillor Dumas

THAT the Council Action List, BE RECEIVED. MOTION CARRIED

7. BYLAWS

a. Commercial Revitalization Tax Exemption Bylaw No. 1988, 2023 (ADOPTION)

Resolution #: 321-23

Moved by Councillor Baldwin
Seconded by Councillor Eisler

That Commercial Revitalization Tax Exemption Bylaw No. 1988, 2023, BE
ADOPTED. MOTION CARRIED

b. Council Procedures Amendment Bylaw No. 1991, 2023 (ADOPTION)

Resolution #: 322-23

Moved by Councillor Dumas
Seconded by Councillor Arès

THAT Council Procedures Amendment Bylaw No. 1991, 2023, BE ADOPTED.
MOTION CARRIED

8. NEW BUSINESS

None

9. REPORTS OF REPRESENTATIVES

- The Mayor reported on his attendance at the Regional District of Central Kootenay (RDCK) All Recreation Committee, the Creston Community Forest Corporation AGM, Creston Valley Services Committee and Nuqo Modular Presentations for Childcare Spaces.
- Councillor Mondia reported on his attendance at a RDCK Water Services Committee and Creston Valley Chamber of Commerce Board Meeting.

Resolution #: 323-23

Moved by Councillor Baldwin
Seconded by Councillor Arès

THAT Council RECEIVES the written and verbal reports of staff and Council.
MOTION CARRIED

10. GIVING OF NOTICES

- Regular Council Meeting: October 24, November 14, 2023
- Regular Committee of the Whole: October 17 and November 21, 2023

11. QUESTION PERIOD

There were no questions from members of the gallery.

12. RECESS AND MOVE TO CLOSED MEETING

Resolution #: 324-23

Moved by Councillor Arès
Seconded by Councillor Eisler

THAT the Regular Council Meeting of October 10, 2023, be recessed at 5:33 pm and by the authority of the *Community Charter*, Council move to a Closed Council Meeting with this meeting be closed from the public and/or news media pursuant to 90(1)(k) negotiations and related discussions 90 (1)(i) the receipt of advice that is subject to solicitor client privilege. MOTION CARRIED

13. RECONVENE TO REGULAR MEETING

The Regular Council Meeting reconvened at 6:00 pm.

14. RESOLUTIONS FROM CLOSED MEETING

Resolution #: 325-23

Moved by Councillor Baldwin
Seconded by Councillor Eisler

THAT Resolution No. 82-23 from the Closed Council Meeting of September 26, 2023, BE REPORTED to the Regular Council Meeting of October 10, 2023 as follows:

THAT Council APPROVES the proposed Agreement between the Town of Creston and the College of the Rockies that outlines the provision of service to the College of the Rockies for supporting the Fire Training Certificate Program; THAT Council DIRECTS Staff to submit for budget required purchases, training ground development cost, and facility alterations required to accommodate the provision of services outlined in the Agreement in the 2024 budget cycle; AND FURTHER, THAT Council DIRECTS the Mayor and Staff to execute the Agreement. MOTION CARRIED

15. ADJOURNMENT

Resolution #: 326-23

Moved by Councillor Arès

THAT the Regular Council Meeting of October 10, 2023, be adjourned at 6:00 pm. MOTION CARRIED

CERTIFIED CORRECT:

Arnold DeBoon
Mayor

Kirsten Dunbar
Corporate Officer



Appendix I

Town of Creston 2023/2024 Council, Board, Committee and Commission Appointments

Government Related Agencies

Arrow Creek Water Treatment & Supply Commission

Representative..... Councillor Dumas
 Alternate Councillor Mondia

Creston Valley Services Committee

Representative..... Mayor DeBoon
 Alternate Councillor Dumas

Creston Valley Health Working Group

Representative..... Mayor DeBoon
 Alternate Councillor Baldwin

East and Joint Resource Recovery Commission (RDCK)

Representative..... Councillor Mondia
 Alternate Mayor DeBoon

Economic Action Partnership (EAP)

Representative..... Councillor Baldwin
 Alternate Councillor Eisler

Kootenay East Regional Hospital District

Director Councillor Baldwin
 Alternate Director Councillor Mondia

Emergency Management

Representative..... Councillor Dumas

Emergency Operations Centre

EOC Director Chief Administrative Officer
 Member Fire Chief
 Resource RDCK Emergency Coordinator, Creston, Areas A, B & C
 Council Liaisons..... Mayor DeBoon & Councillor Baldwin

Municipal Insurance Association of BC

Representative..... Councillor Mondia
 Alternate Councillor Eisler

Regional District of Central Kootenay

Director Mayor DeBoon
 Alternate Director Councillor Dumas

Regional District of Central Kootenay Water Services Committee

Representative Councillor Dumas
 Alternate Representative Mondia Councillor Mondia

Community Organizations

- Creston & District Library Board
 Representative..... Mayor DeBoon
- Community Arts Council of Creston
 Representative..... Councillor Eisler
 Representative..... Councillor Arès
- Creston Climate Action Society
 Representative..... Councillor Baldwin
- Creston Valley Blossom Festival Association
 Representative..... Councillor Dumas
- Creston Valley Chamber of Commerce
 Representative..... Councillor Eisler
- Creston Valley Community Housing Society
 Representative..... Councillor Eisler
 Alternate Councillor Dumas
- Creston Valley Community Network Society
 Representative..... Councillor Dumas
- Creston Valley Trails Society
 Representative..... Councillor Dumas

Other Organizations

- Creston Valley Forest Corporation
 Director Councillor Baldwin
- Creston Valley Regional Airport Society
 Liaison Councillor Dumas

Select Committees

- Affordable Housing and Development Committee
 Chair Mayor DeBoon
 Vice Chair Councillor Eisler
 Alternate Councillor Baldwin
- Cemetery Advisory Committee
 Members..... Mayor DeBoon
 Members..... Councillor Dumas

Centennial Event Advisory Committee

Member Councillor Baldwin
Member Councillor Dumas

Parcel Tax Roll Review Panel (Foot Frontage)

Chair Councillor Mondia
Member Mayor DeBoon
Member Director of Finance & Corporate Services

Permissive Tax Exemption Review Committee

Member Councillor Dumas
Member Councillor Baldwin

TOWN OF CRESTON
SPECIAL COMMITTEE OF THE WHOLE MEETING MINUTES

Thursday, October 12, 2023, 11:00 AM
Council Chambers, 238-10th Avenue North, Creston, BC

PRESENT: Mayor Arnold DeBoon
Councillor Norm Eisler
Councillor Keith Baldwin
Councillor Monique Arès
Councillor Anthony Mondia
Councillor Denise Dumas

STAFF: Mike Moore, Chief Administrative Officer
Kirsten Dunbar, Corporate Officer

CALL TO ORDER

The Mayor called the Special Committee of the Whole Meeting to order at 11:00 am.

TRADITIONAL TERRITORY ACKNOWLEDGEMENT

The Special Committee of the Whole Meeting was held on the unceded traditional territory of the Yaqan Nukiy within the Ktunaxa Nations.

ADOPTION OF AGENDA (and additional items if necessary)

Moved by Councillor Baldwin
Seconded by Councillor Arès

THAT the agenda for the Special Committee of the Whole meeting of October 12, 2023, be adopted. CARRIED

DELEGATIONS

None

BUSINESS

1. Review of Strategic Plan Projects

Council reviewed proposed projects to implement Council's 2022-2026 Strategic Plan identifying the following top five projects:

1. Highway 3 Re-alignment
2. Parks Master Plan
3. Establish a Housing Corporation
4. Emergency Management Program
5. Facilitate increasing industrial land availability

The following additional items were captured and placed under goals:

Goal 2.2: Participate Regionally

- Arrow Creek Water Commission

Goal 2.3: Management of Assets

- Town Hall Renewal

Goal 3.2: Vibrant Arts and Culture

- Public Art (policies, outdoor/indoor, art space)
- Advocate for replacement of White Grain Elevator with CBT

Goal 3.3: Vibrant Downtown

- Design Guidelines for Downtown

Goal 3.4: Recreation

- Access to Goat River Recreational Site

Additional items were included in the "Parking Lot"

- Signage not captured in the Economic Action Partnership's Wayfinding project
- Business Licence List
- Development Cost Charges
- Improved Access to Kootenay River

2. Council Communications with Community

a. Strengths, Weakness, Opportunity, Threat Analysis

Strengths:

- Strength of Mayor voice
- Unified message through the Mayor
- Consistent
- Town Newsletter

Weaknesses:

- No communication as a Council (coordinated body)
- Low public interest

Opportunities:

- Increased participation in Councillor articles in the Creston Valley Advance
- Alternative media channels (videos)
- education on how municipal government works

Threats:

- Minimal local news and reporting
- Low public interest

b. New Concepts

Council identified the following new concepts to explore in a broader communications strategy:

- Videos from the Mayor
- Councillor Profiles in Town Newsletter
- Let's Talk Creston Council articles

c. Reporting Metrics

Council indicated they were interested in reports on the following metrics:

- 311 Reporting (reports of concerns and their categories)
- Financial Reporting (reserve funds etc.)

QUESTION PERIOD

There were no questions from members of the gallery.

ADJOURNMENT

The Special Committee of the Whole Meeting adjourned at 1:05 pm.

AS TO THE MINUTES OF THIS SPECIAL COMMITTEE OF THE WHOLE MEETING:

Arnold DeBoon, Mayor

Kirsten Dunbar, Corporate Officer

TOWN OF CRESTON
REGULAR COMMITTEE OF THE WHOLE MEETING MINUTES

Tuesday, October 17, 2023, 4:00 PM
Council Chambers, 238-10th Avenue North, Creston, BC

PRESENT: Mayor Arnold DeBoon
Councillor Norm Eisler
Councillor Keith Baldwin
Councillor Monique Arès
Councillor Anthony Mondia
Councillor Denise Dumas

STAFF: Mike Moore, Chief Administrative Officer
Steffan Klassen, Director of Finance & Corporate Services
Ferd Schmidt, Director of Infrastructure Services
Colin Farynowski, Manager of Engineering
Natasha Ewashen, Municipal Services Coordinator
Kirsten Dunbar, Corporate Officer
Marsha Neufeld, Executive Assistant/HR

CALL TO ORDER

The Mayor called the Regular Committee of the Whole Meeting to order at 4:00 pm.

TRADITIONAL TERRITORY ACKNOWLEDGEMENT

The Regular Committee of the Whole Meeting was held on the unceded traditional territory of the Yaqaan Nukiy within the Ktunaxa Nations.

ADOPTION OF AGENDA (and additional items if necessary)

Moved by Councillor Eisler
Seconded by Councillor Arès

THAT the agenda for the Regular Committee of the Whole meeting of October 17, 2023, be adopted, as amended with the addition of Bob Kitching, president of the Creston Valley Regional Airport Society. MOTION CARRIED

DELEGATIONS

The Mayor welcomed Bob Kitching, president of the Creston Valley Regional Airport Society (CVRAS) to the Regular Committee of the Whole Meeting at 4:02 pm.

Bob Kitching provided an overview of the Creston Valley Regional Airport Society, noting that they operate under a contract with the Town of Creston. He reviewed the services provided by the airport, including the automatic weather observation system, access to fuel, maintenance of the runway and the benefits to the community.

The Mayor thanked B. Kitching for his time and he left the meeting at 4:20pm.

BUSINESS

a. Report from Director of Finance and Corporate Services regarding Budget Guidelines and 2024 Budget Schedule

The Director of Finance and Corporate Services reviewed the Budget Guidelines and the 2024 Budget schedule.

RECOMMENDATION NO. 1:

THAT the Committee of the Whole Recommends that Council APPROVE the 2024 Budget Guidelines and the 2024 Budget Schedule.

b. Presentation from the Director of Infrastructure Services respecting Projects for consideration in the 2024 Budget

RECOMMENDATION NO. 2:

THAT Council REFERS the following to the 2024 Budget:

- Collis Street Lift Station Emergency Generator
- PH Adjustment System
- High Zone Reservoir Emergency Generator (Water Capital)
- Well # 2 Preventative Maintenance Town Hall North Parking Wall (General Capital)
- Parks Equipment Storage Facility
- Parks Security Camera

c. Council Direction Request from the Manager of Community Planning and Development regarding Street Tree Planting and Protection

RECOMMENDATION NO. 3:

THAT the Committee of the Whole Recommends THAT Council DIRECTS Staff to research options for development of a public/private tree planting program and tree protection bylaw for Committee consideration; AND FURTHER, THAT Council DIRECTS Staff to submit a 2024 budget sheet for program development and implementation for Council consideration.

d. Council Direction Request from the Director of Finance and Corporate Services regarding the Creston Education Center Playground Replacement

RECOMMENDATION NO. 4:

THAT the Committee of the Whole Recommends THAT Council DIRECTS staff to prepare a replacement plan for the Creston Education Centre playground equipment; AND FURTHER, THAT Council REFERS the replacement plan for the Creston Education Centre to the 2024 budget process.

e. Council Direction Request from the Manager of Community Planning and Development regarding application for an Active Transportation Infrastructure Grant

RECOMMENDATION NO. 5:

The Committee of the Whole Recommends THAT Council AUTHORIZES the submission of an application for funding to the B.C. Active Transportation Infrastructure Grant Program for end-of-

trip facilities and amenities in the Town of Creston; THAT Council DIRECTS staff to present the project for Council consideration as part of the 2024 budget process; AND FURTHER, THAT Council DIRECTS Staff to provide overall grant management upon the successful award of the grant.

f. Council Direction Request from the Manager of Community Planning and Development regarding the Trails Master Plan

RECOMMENDATION NO. 6:

The Committee of the Whole Recommends THAT Council DIRECT Staff to present the Trails Master Plan for adoption consideration at an upcoming Regular Council Meeting.

g. Council Direction Request from the Manager of Engineering regarding Hilton Street and 2nd Avenue North West

RECOMMENDATION NO. 7:

THAT the Committee RECEIVES FOR INFORMATION the Council Direction Request from the Manager of Engineering representing the results of the Intersection Assessment completed by WATT Consulting Group Ltd. at Hilton Street and 2nd Avenue NW.

QUESTION PERIOD

There were no questions from members of the gallery.

RECESS AND MOVE TO CLOSED MEETING

No Closed Meeting.

ADJOURNMENT

The Regular Committee of the Whole Meeting ADJOURNED at 6:26 pm.

AS TO THE MINUTES OF THIS COMMITTEE OF THE WHOLE:

Arnold DeBoon, Mayor

Kirsten Dunbar, Corporate Officer



**CRESTON
VALLEY**

TOWN of CRESTON

Town of Creston

2023 Recommended Five Year Financial Plan Amendment Presentation

October 10 Agenda

Five Year Financial Plan Review

- Capital Project Changes
- Required 2023-2027 Financial Plan Changes
- Reserve Continuity
- Three Readings of Bylaw No. 1992
- Next Steps

Capital Project Changes

- No increase to tax rates for 2023 - 2027 Financial Plan Bylaw
- The projects amendments:
 - Creston Emergency Services Wrap-up Project
 - Landscaping / Bank stabilization
 - Chandos Contract
 - CESB Solar Panel Installation
 - Purchase of 1510 Birch St. Property
 - 1130 Canyon Roof Replacement
 - Golden Centenaire Jet Project

Emergency Services Building

- Landscaping / stabilization work
 - Removed from CESB original project.
 - Work completed in 2023 \$25,000
 - Remaining estimated at \$33,000 including the bank stabilization adjacent to Pealows property
- Funding recommendations: General Fund surplus
- Chandos Contract
 - Late invoices were submitted by Chandos after the project was closed. \$110,030
 - Staff will be negotiating a final settlement
 - Funding recommendation: Use \$90,524 remaining Covid-19 grant funds and \$19,506 from general funds.
 - Rationale: Construction cost higher due to pandemic related issues.

CESB Solar Panel Installation

- CESB Solar Panel Installation
 - Engineering costs were not contemplated in the original project. It has been advised to get engineering assistance due to the complexity of the project. \$35,000
 - Funding is recommended to come from the Green Fund. The Town was not able to have grant from the Columbia Basin Trust increased because the program intake has been ended and there are no further funds available.

1510 Birch Street

- Council Directed staff to purchase 1510 Birch Street as a future site for a housing development.
- The purchase price was \$157,148
- Recommended funding: Growing Communities funds. Currently none of the \$2.35 million program has been spent or committed.

1130 Canyon Roof Replacement

- Council Directed staff to replace the full roof at 1130 Canyon Street.
- The original project was to contribute \$20,000 to a third party who would get ownership of the property in exchange for developing the building including the roof replacement.
- Since a third party could not be secured the decision has been made to fully repair the roof for \$68,000.
- Recommended funding: additional \$48,000 from General Fund Surplus

Golden Centenaire Jet Project

- The Golden Centenaire Jet project to be funded 100% from donations.
- The project has been completed for \$254,414.
- The new asset has become Town property through the kind donations from many community members and will be capitalized in our asset management system.

Operating Budget Impacts

- The only impact on the operating budget would be a \$50,000 reduction for Covid-19 Contingency to \$0 – this is part of the \$90.5k of remaining COVID-19 grant funds.
- No funds have been spent to date in 2023 for COVID-19 contingencies and none are anticipated.
- The change allows for the use of the funds towards the CESB wrap-up project.

-
- Please see the attached handouts.
 - 5 Year Financial Plan with Highlighted Changes
 - 5 Year Capital Plan with Highlighted Changes
 - Reserve Continuity Schedule
 - Questions and Discussion?
 - Remaining steps

Next Steps

- October 24 – Publicly Advertised Budget Meeting
- October 24 – Three Readings
- November 14 – Adoption

SCHEDULE "A" TO BYLAW NO. 1992

TOWN OF CRESTON**DRAFT REVISED FIVE YEAR CONSOLIDATED FINANCIAL PLAN**

	2023	2024	2025	2026	2027	TOTALS
REVENUES						
PROPERTY TAXES	\$ 5,218,763	\$ 5,616,000	\$ 5,974,000	\$ 6,245,000	\$ 6,509,000	\$ 29,562,763
OTHER TAXES AND ASSESSMENTS	939,937	945,900	952,400	959,400	966,400	4,764,037
FEEES AND CHARGES	5,405,228	6,375,245	5,403,395	5,481,257	5,582,663	28,247,788
OTHER SOURCES	4,643,353	1,740,759	1,664,116	1,609,748	1,619,258	11,277,234
CAPITAL GRANTS	2,416,183	4,671,000	1,800,000	1,564,500	1,342,250	11,793,933
TOTAL REVENUES	18,623,464	19,348,904	15,793,911	15,859,905	16,019,571	85,645,755
EXPENDITURES						
MUNICIPAL PURPOSES	11,004,365	10,709,743	11,034,086	11,229,288	11,530,942	55,508,424
INTEREST ON DEBT	264,789	180,284	178,540	176,734	194,861	995,208
AMORTIZATION	2,085,098	2,136,163	2,390,477	2,462,115	2,522,883	11,596,736
TOTAL EXPENDITURES	13,354,252	13,026,190	13,603,103	13,868,137	14,248,686	68,100,368
SURPLUS (DEFICIT) FOR THE YEAR	5,269,212	6,322,714	2,190,808	1,991,768	1,770,885	17,545,387
CAPITAL DEBT AND RESERVE TRANSFERS						
CAPITAL EXPENDITURES	(4,609,906)	(8,455,000)	(3,284,500)	(2,876,700)	(4,211,000)	(23,437,106)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	2,085,098	2,136,163	2,390,477	2,462,115	2,522,883	11,596,736
BORROWING	-	-	-	-	1,000,000	1,000,000
PRINCIPAL ON DEBT	(367,738)	(227,632)	(229,376)	(231,182)	(179,876)	(1,235,804)
TRANSFERS FROM :						
RESERVE FUNDS	554,115	697,500	501,000	471,200	473,500	2,697,315
ACCUMULATED SURPLUS	809,183	782,638	143,704	-	242,910	1,978,435
TRANSFERS TO:						
ACCUMULATED SURPLUS	(390,553)	(214,301)	(541,333)	(683,706)	(451,075)	(2,280,968)
RESERVE FUNDS	(3,349,411)	(1,042,082)	(1,170,780)	(1,133,495)	(1,168,227)	(7,863,995)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(5,269,212)	(6,322,714)	(2,190,808)	(1,991,768)	(1,770,885)	(17,545,387)
Surplus (deficit) plus Capital, Debt and Reserve Transfers	0	0	0	0	0	0

SCHEDULE "A" TO BYLAW NO. 1992

TOWN OF CRESTON**DRAFT REVISED FIVE YEAR CONSOLIDATED FINANCIAL PLAN**

	2023	2024	2025	2026	2027	TOTALS
REVENUES						
PROPERTY TAXES	\$ 5,218,763	\$ 5,616,000	\$ 5,974,000	\$ 6,245,000	\$ 6,509,000	\$ 29,562,763
OTHER TAXES AND ASSESSMENTS	939,937	945,900	952,400	959,400	966,400	4,764,037
FEES AND CHARGES	5,405,228	6,375,245	5,403,395	5,481,257	5,582,663	28,247,788
OTHER SOURCES	4,643,353	1,740,759	1,664,116	1,609,748	1,619,258	11,277,234
CAPITAL GRANTS	2,416,183	4,671,000	1,800,000	1,564,500	1,342,250	11,793,933
TOTAL REVENUES	18,623,464	19,348,904	15,793,911	15,859,905	16,019,571	85,645,755
EXPENDITURES						
MUNICIPAL PURPOSES	11,004,365	10,709,743	11,034,086	11,229,288	11,530,942	55,508,424
INTEREST ON DEBT	264,789	180,284	178,540	176,734	194,861	995,208
AMORTIZATION	2,085,098	2,136,163	2,390,477	2,462,115	2,522,883	11,596,736
TOTAL EXPENDITURES	13,354,252	13,026,190	13,603,103	13,868,137	14,248,686	68,100,368
SURPLUS (DEFICIT) FOR THE YEAR	5,269,212	6,322,714	2,190,808	1,991,768	1,770,885	17,545,387
CAPITAL DEBT AND RESERVE TRANSFERS						
CAPITAL EXPENDITURES	(4,609,906)	(8,455,000)	(3,284,500)	(2,876,700)	(4,211,000)	(23,437,106)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	2,085,098	2,136,163	2,390,477	2,462,115	2,522,883	11,596,736
BORROWING	-	-	-	-	1,000,000	1,000,000
PRINCIPAL ON DEBT	(367,738)	(227,632)	(229,376)	(231,182)	(179,876)	(1,235,804)
TRANSFERS FROM :						
RESERVE FUNDS	554,115	697,500	501,000	471,200	473,500	2,697,315
ACCUMULATED SURPLUS	809,183	782,638	143,704	-	242,910	1,978,435
TRANSFERS TO:						
ACCUMULATED SURPLUS	(390,553)	(214,301)	(541,333)	(683,706)	(451,075)	(2,280,968)
RESERVE FUNDS	(3,349,411)	(1,042,082)	(1,170,780)	(1,133,495)	(1,168,227)	(7,863,995)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(5,269,212)	(6,322,714)	(2,190,808)	(1,991,768)	(1,770,885)	(17,545,387)
Surplus (deficit) plus Capital, Debt and Reserve Transfers	0	0	0	0	0	0

Schedule A to Bylaw 1992

TOWN OF CRESTON**DRAFT AMENDED FIVE YEAR FINANCIAL PLAN****GENERAL FUND**

	2023	2024	2025	2026	2027	TOTALS
<u>REVENUES</u>						
PROPERTY TAXES	5,218,763	5,616,000	5,974,000	6,245,000	6,509,000	29,562,763
OTHER TAXES & ASSESSMENTS	116,737	122,000	127,000	132,000	137,000	634,737
FEES & CHARGES	1,953,957	2,032,023	2,066,722	2,068,231	2,129,677	10,250,610
OTHER SOURCES	4,803,353	1,910,759	1,874,116	1,819,748	1,824,258	12,232,234
GAS TAX AND DEVELOPMENT COST CHARGES	326,523	375,000	150,000	375,000	170,000	1,396,523
CAPITAL GRANTS	1,939,660	3,046,000	1,650,000	1,189,500	1,172,250	8,997,410
TOTAL REVENUES	14,358,993	13,101,782	11,841,838	11,829,479	11,942,185	63,074,277
<u>EXPENDITURES</u>						
OTHER MUNICIPAL PURPOSES	8,550,726	8,224,592	8,486,978	8,633,650	8,874,531	42,770,477
INTEREST ON DEBT	210,624	127,800	127,800	127,800	147,800	741,824
AMORTIZATION	1,308,171	1,367,243	1,519,890	1,591,528	1,652,296	7,439,128
TOTAL EXPENDITURES	10,069,521	9,719,635	10,134,668	10,352,978	10,674,627	50,951,429
SURPLUS (DEFICIT) FOR THE YEAR	4,289,472	3,382,147	1,707,170	1,476,501	1,267,558	12,122,848
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(3,376,406)	(4,797,000)	(2,865,500)	(2,430,700)	(3,634,000)	(17,103,606)
PORTION OF AMORTIZATION EXPENSE UNFUND	1,308,171	1,367,243	1,519,890	1,591,528	1,652,296	7,439,128
BORROWING	-	-	-	-	1,000,000	1,000,000
PRINCIPAL ON DEBT	(247,051)	(105,264)	(105,264)	(105,264)	(105,264)	(668,107)
TRANSFERS FROM:						
RESERVE FUNDS	550,115	697,500	501,000	471,200	473,500	2,693,315
ACCUMULATED SURPLUS	556,710	228,374	143,704	-	242,910	1,171,698
TRANSFERS TO:						
ACCUMULATED SURPLUS	-	-	-	(140,265)	-	(140,265)
RESERVE FUNDS	(3,081,011)	(773,000)	(901,000)	(863,000)	(897,000)	(6,515,011)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(4,289,472)	(3,382,147)	(1,707,170)	(1,476,501)	(1,267,558)	(12,122,848)
Surplus (deficit) plus Capital, Debt and Reserve Transf	-	-	-	-	-	-

Schedule A to Bylaw 1992

TOWN OF CRESTON**DRAFT AMENDED FIVE YEAR FINANCIAL PLAN****WATER FUND**

	2023	2024	2025	2026	2027	TOTALS
<u>REVENUES</u>						
OTHER TAXES & ASSESSMENTS	390,500	391,000	392,000	393,000	394,000	1,960,500
FEES & CHARGES	1,425,275	1,462,945	1,504,612	1,544,310	1,588,067	7,525,209
OTHER SOURCES	100,000	120,000	90,000	90,000	100,000	500,000
CAPITAL GRANTS	-	-	-	-	-	-
TOTAL REVENUES	1,915,775	1,973,945	1,986,612	2,027,310	2,082,067	9,985,709
<u>EXPENDITURES</u>						
INTEREST ON DEBT	-	-	-	-	-	-
OTHER MUNICIPAL PURPOSES	577,044	637,340	657,991	673,151	691,548	3,237,074
ARROW CREEK WATER CONTRIBUTIONS	730,778	738,222	745,815	753,560	770,000	3,738,375
AMORTIZATION	240,000	211,443	211,443	211,443	211,443	1,085,772
TOTAL EXPENDITURES	1,547,822	1,587,005	1,615,249	1,638,154	1,672,991	8,061,221
SURPLUS (DEFICIT) FOR THE YEAR	367,953	386,940	371,363	389,156	409,076	1,924,488
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(193,000)	(355,000)	(200,000)	(216,000)	(227,000)	(1,191,000)
PORTION OF AMORTIZATION EXPENSE UNFUND	240,000	211,443	211,443	211,443	211,443	1,085,772
TRANSFERS FROM:						
ACCUMULATED SURPLUS	-	-	-	-	-	-
TRANSFERS TO:						
TRANSFER TO GENERAL SURPLUS	-	-	-	-	-	-
TRANSFER TO WATER DISTRICT RESERVE	(28,400)	(29,082)	(29,780)	(30,495)	(31,227)	(148,984)
ACCUMULATED SURPLUS	(390,553)	(214,301)	(353,026)	(354,104)	(362,292)	(1,674,276)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(367,953)	(386,940)	(371,363)	(389,156)	(409,076)	(1,924,488)
Surplus (deficit) plus Capital, Debt and Reserve Transf	-	-	-	-	-	-

Schedule A to Bylaw 1992

TOWN OF CRESTON**DRAFT AMENDED FIVE YEAR FINANCIAL PLAN****SEWER FUND**

	2023	2024	2025	2026	2027	TOTALS
<u>REVENUES</u>						
OTHER TAXES & ASSESSMENTS	432,700	432,900	433,400	434,400	435,400	1,733,400
FEES & CHARGES	2,025,996	2,880,277	1,832,061	1,868,716	1,864,919	8,607,050
OTHER SOURCES	70,000	50,000	50,000	60,000	65,000	230,000
CAPITAL GRANTS	150,000	1,250,000	-	-	-	1,400,000
TOTAL REVENUES	2,678,696	4,613,177	2,315,461	2,363,116	2,365,319	11,970,450
<u>EXPENDITURES</u>						
INTEREST ON DEBT	54,165	52,484	50,740	48,934	47,061	206,323
OTHER MUNICIPAL PURPOSES	1,475,817	1,449,589	1,493,302	1,528,927	1,564,863	5,947,635
AMORTIZATION	536,927	557,477	659,144	659,144	659,144	2,412,692
TOTAL EXPENDITURES	2,066,909	2,059,550	2,203,186	2,237,005	2,271,068	8,566,650
SURPLUS (DEFICIT) FOR THE YEAR	611,787	2,553,627	112,275	126,111	94,251	3,403,800
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(1,040,500)	(3,303,000)	(219,000)	(230,000)	(350,000)	(4,792,500)
PORTION OF AMORTIZATION EXPENSE UNFUND	536,927	557,477	659,144	659,144	659,144	2,412,692
PRINCIPAL ON DEBT	(120,687)	(122,368)	(124,112)	(125,918)	(74,612)	(493,085)
TRANSFERS FROM:						
ACCUMULATED SURPLUS	252,473	554,264	-	-	-	806,737
TRANSFERS TO:						
ACCUMULATED SURPLUS	-	-	(188,307)	(189,337)	(88,783)	(377,644)
WWTP REPLACEMENT RESERVE	(240,000)	(240,000)	(240,000)	(240,000)	(240,000)	(960,000)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(611,787)	(2,553,627)	(112,275)	(126,111)	(94,251)	(3,403,800)
Surplus (deficit) plus Capital, Debt and Reserve Transf	-	-	-	-	-	-

Schedule A to Bylaw 1992

2023 CAPITAL EXPENDITURE FINANCING**GENERAL CAPITAL EXPENDITURES**

From operating and surplus	538,032
From Infrastructure grants	1,698,647
From long term debt	-
From reserves	383,924
From government organizations	-
From non-government organizations	755,803
	<u>3,376,406</u>

WATER CAPITAL EXPENDITURES

From operating and surplus	193,000
----------------------------	---------

SEWER CAPITAL EXPENDITURES

From operating and surplus	653,623
From capital contributions	386,878
From infrastructure grants	-
	<u>1,040,500</u>

TOTAL CAPITAL

	<u><u>4,609,906</u></u>
--	-------------------------

TOWN OF CRESTON FINANCIAL OBJECTIVES AND POLICIES

The Town of Creston Financial Planning Guidelines reflects Council's direction to increase alternative revenue streams wherever possible to reduce reliance on property taxes in order to maintain existing programs and services. Council is also committed to having the sufficient funding available to ensure that current infrastructure is proactively maintained thereby delaying much higher replacement costs as long as possible. In order to insure that funding is available for planned capital replacement and infrastructure renewal, Council policy is to have reserves funded for those purposes.

The Financial Plan for 2023 shows property taxes are 32.7% of proposed funding sources identified in section 165(7) of the *Community Charter*. This amount is higher in comparison to 2022, which was 28.7%, because of higher grants revenues budgeted in 2022. With the requirement to pay for 70% of the RCMP costs since 2012, the reliance on taxation has increased.

Council has considered the distribution of property taxes among the various property classes. It is Council's policy to adjust the mill rates such that the ratio of taxes paid by the various classes remains relatively constant from year to year taking into account new construction.

Permissive tax exemptions approved by Council are a means of supporting organizations within the community that furthers Council's objectives of enhancing the quality of life and delivering services economically.

As part of the Town of Creston's economic development strategy, Council may establish one or more revitalization tax exemption programs to encourage investment in the Town's existing commercial enterprises, the development of new commercial ventures, such as tourism related businesses, with the objectives of stimulating new economic growth and revitalization of existing commercial uses in the Town as well investments in new residential rental units to help ease the shortage of rental suites.

DRAFT - TOWN OF CRESTON - AMENDED FINANCIAL PLAN 2023 - CAPITAL FUNDING
--

Program / Project		Total Cost	Source of Funds				
			Operating Funds		Capital Funds		
			Operating & Surplus	Reserves	Govt Grants	Other Sources	
General Capital							
General Asset Management							
050	1 CEC Infrastructure Replacement	163,000			163,000		OK
081	2 On-going Sidewalk Replacement	48,000	48,000				OK
141	3 RCMP Building Improvements	50,000	23,611			26,389	OK
076	4 Road Restoration Program	130,000			130,000		OK
107	5 Command 21 Vehicle Replacement & EV Chargers	85,000		39,400	45,600		OK
037	6 Public Works - Vehicle/Equipment Replacement	200,000		200,000			OK
014	8 IT and Business Machine Replacement	15,000	15,000				OK
004	9 Ergonomic Improvements	4,000	4,000				OK
Total General Asset Management		695,000	90,611	239,400	338,600	26,389	OK
New Additions to Level of Service							
073	14 Purchase of Property	425,000	75,000		100,000	250,000	OK
022	15 Solar Panel Installation at CESB	111,000		54,000	57,000		OK
105	17 CESB Furnishings	31,915	31,915				OK
019	18 Training Ground Improvements - Paving	100,000				100,000	OK
019	19 Training Ground Improvements - NG Props	10,000				10,000	OK
015	20 New Storm Sewer Mainline - Scott st. - Schikurski Parl	130,000	130,000				OK
051	21 1130 Canyon Street Roof Contribution	68,000	68,000				OK
023	23 CESB Wrap-up	218,030	127,506	90,524			OK
	1510 Birch Street Purchase	157,148			157,148		OK
Downtown Improvements							
129	25 Downtown Murals	16,944			16,944		OK
0	0 Golden Centenaire Airplane	254,414				254,414	OK
Parks Improvements							
047	27 Forest Lawn Cemetery Projects	100,000				100,000	OK
024	28 Dwight & Rosamond Moore - Wetland Improvements	15,000				15,000	OK
056	31 Market Park Project	1,028,955			1,028,955		OK
088	32 Playground Replacements	15,000	15,000				OK
New Additions to Level of Service		2,681,406	447,421	144,524	1,360,047	729,414	OK
Total General Capital		3,376,406	538,032	383,924	1,698,647	755,803	OK
Water Capital							
0	0 0	-					OK
777	35 Pipe Replacement Projects	130,000	130,000				OK
771	37 Hydrants	33,000	33,000				OK
785	38 Scada System Improvements	30,000	30,000				OK
Total Water Capital		193,000	193,000	-	-	-	OK
Sewer Capital							
440	41 I&I remediation	50,000	50,000				OK
457	42 Sewer Line Pipe Replacement	343,000	343,000				OK
434	43 Biosolids Handling Improvement	31,000	10,850			20,150	OK
438	44 Septage Receiving Station	150,000	-			150,000	OK
427	45 WWTP Grit Removal	83,250	52,448			30,803	OK
428	46 BVF Grit Removal	83,250	8,325			74,925	OK
441	47 WWTP Overflow Lift Station	300,000	189,000			111,000	OK
Total Sewer Capital		1,040,500	653,623	-	-	386,878	OK
Total Capital Expenditures		4,609,906	1,384,655	383,924	1,698,647	1,142,681	OK

REQUEST FOR DECISION (RFD)

Town of Creston



Action Date: 2023-10-24

File: 2240-01

SUBJECT: Creston Education Center Lease – Regional District of Central Kootenay and Valley Community Services

RECOMMENDATION: THAT Council APPROVES the Lease Agreement for the Creston Education Centre between the Town of Creston and the Regional District; THAT Council APPROVES the Lease Agreement for the Creston Education Centre between the Town of Creston and Valley Community Services; AND FURTHER THAT Council DIRECTS the Mayor and Staff to execute the Agreements.

CAO COMMENTS: No additional comments.

RECOMMENDATION

Report / Document:

Attached

Available

Nil

KEY ISSUE(S) / CONCEPTS DEFINED: The leases for the RDCK and Valley Community Services (VCS) for the Creston Education Centre (CEC) are expiring at the end of 2023. It is the Town's plan to continue leasing this space to the tenants at a rate that is sustainable such that the building maintenance and upkeep is covered long-term. The rate negotiated allows for the recovery of both operating and capital upgrade costs. The lease for VCS allows for the VCS to contribute capital amounts which may offset rents payments up to \$7,000 per year.

RELEVANT POLICY: N/A

STRATEGIC FOCUS: Livability and Service Excellence

DESIRED OUTCOME(S): Long term sustainability for the Creston Education Centre.

RESPONSE OPTIONS: *Possible ways to achieve the main result with analysis highlights*

1.	Council approve both the RDCK and VCS lease agreements.
2.	Other direction provided by Council.
3.	Do not approve the leases agreements.

PREFERRED STRATEGY: Option 1

IMPLICATIONS OF RECOMMENDATION:

GENERAL: Lease renewals continues sustainability for the building.

ORGANIZATIONAL: No change in organizational requirements

FINANCIAL: These leases combined the SD #8 lease makes the building sustainably funded

FOLLOW UP ACTION: Signing of the agreements

COMMUNICATION: Press release related to the new five year agreements.

OTHER COMMENTS: N/A

Submitted by:

Steffan Klassen, DFCS

Endorsed by: Other

Reviewed by:

CAO

Reviewers

LEASE AGREEMENT

THIS LEASE dated for reference the 1st day of November, 2023 is

BETWEEN:

THE TOWN OF CRESTON, a municipality established under the *Local Government Act* and having offices at 238 10th Ave N., Creston, British Columbia, V0B 1G0

(“**Creston**”)

AND:

THE REGIONAL DISTRICT OF CENTRAL KOOTENAY, a Regional District established under the *Local Government Act* and having offices at Box 590, 202 Lakeside Drive, Nelson, British Columbia, V1L 5R4

(the “**Tenant**”)

WHEREAS:

A. Creston is the owner of the building located at

617 – 11th Avenue S., Creston, British Columbia known as the Creston Education Centre and legally described as PID: 012-131-067 LOT 2 DISTRICT LOT 526 KOOTENAY DISTRICT PLAN 4331;

B. Creston agrees to lease the Lease Area herein described to the Tenant on the terms and subject to the conditions set out herein;

NOW THEREFORE THIS AGREEMENT is evidence that in consideration of the mutual promises contained in this Lease and other good and valuable consideration paid by each of the parties to the other (the receipt and sufficiency of which each party acknowledges), the parties covenant and agree as follows:

ARTICLE 1 – DEFINITIONS AND INTERPRETATION

1.1 In this Lease, words and phrases shall be defined as follows:

- (a) “**Building**” means the Creston Education Centre located on Lot 2 as of the date of this Agreement;
- (b) “**Commencement Date**” has the meaning defined in section 2.1 of this Lease;

- (c) “**Common Areas**” means that part of Lot 2 and the Building comprising the washrooms, staff room and parking lot as shown in Schedule A;
- (d) “**Community Charter**” means the *Community Charter*, SBC 2003, c. 26, as amended or re-enacted from time to time;
- (e) “**Creston**” means the Town of Creston and where the context applies, includes its elected officials, employees, agents and contractors;
- (f) “**Creston Education Centre**” has the meaning described in paragraph B of the preamble of this Agreement;
- (g) “**Fair Market Rent**” means the rent that would be payable by a reasonably informed tenant dealing at arms’ length with Creston for the lease of the Lease Area and shared use of the Common Areas on the same terms and conditions as this Lease;
- (h) “**Gymnasium**” means that part of the Building consisting of those rooms identified as J and K in Schedule A attached to and forming part of this Lease;
- (i) “**Lease Area**” means that part of the Building comprising approximately 3,037 square feet consisting of those rooms identified as D, E and F in Schedule A attached to and forming a part of this Lease and the Gymnasium and Playing Fields;
- (j) “**Leasehold Improvement**” means any beneficial change made by the Tenant to the Leased Area;
- (k) “**Major Repair**” means any major repairs, capital costs or replacements of the Lease Area exceeding \$5,000 in value individually or \$10,000 cumulatively in any year of the Term;
- (l) “**Playing Fields**” means the playing fields located on Lot 2;
- (m) “**Rent**” has the meaning defined in section 3.1 of this Lease;
- (n) “**Renewal Term**” has the meaning defined in section 2.2 of this Lease;
- (o) “**Tenant**” means THE REGIONAL DISTRICT OF CENTRAL KOOTENAY;
- (p) “**Term**” means the period from the Commencement Date until the Termination Date as defined in section 2.1 of this Lease; and
- (q) “**Termination Date**” has the meaning defined in section 2.1 of this Lease.

- 1.2 **Interpretation** – Wherever the singular or masculine or neuter is used in this Lease, the same shall be construed as meaning the plural, the feminine or body corporate where the context so requires.
- 1.3 **References to Tenant** – Any reference to the “Tenant” includes, where the context allows, subtenants and occupants of the Tenant and employees, agents, licensees and invitees of the Tenant and all others over whom the Tenant may reasonably be expected to exercise control and any default in observing or performing the Tenant’s obligation by such person, will be deemed to be defaults of the Tenant.
- 1.4 **Captions** – The captions appearing in this Lease have been inserted for reference and as a matter of convenience and do not define, limit or enlarge the scope or meaning of this Lease.
- 1.5 **Schedules** – The following schedule is attached to and forms part of this Lease:
- (a) Schedule A – Lease Area and Common Areas
 - (b) Schedule B – Schedules, terms and conditions for use of Lease Area

ARTICLE 2 – DEMISE AND TERM

- 2.1 **Demise and Term** – Creston hereby:
- (a) demises and leases to the Tenant the Lease Area for a term of five years commencing on the Completion Date (the “**Commencement Date**”) to and including 11:59 pm on the day before the fifth anniversary of the Commencement Date or such earlier or later date as may be determined by the mutual agreement of the parties or in accordance with this Lease (the “**Termination Date**”), to have and to hold for the Term as the Tenant, and the Tenant does hereby accept the demise and lease of the Lease Area, all subject to the covenants, conditions and agreements herein contained; and
 - (b) grants the Tenant non-exclusive shared use of the Common Areas.
- 2.2 **Renewal** - If the Tenant is not in default under this Lease, the Tenant shall have the option to renew this Lease on the same terms and conditions contained herein (except for the amount of Rent payable and except for this right of renewal, which is amended accordingly) for an additional five-year term (the “**Renewal Term**”), such renewal effective on the day immediately following the Termination Date and in accordance with the following:
- (a) the option to renew this Lease under this section 2.2 must be exercised by the Tenant giving notice in writing to Creston in the manner provided herein not less than 90 days and not more than 180 days prior to the expiry of the Term;

- (b) unless provided with written notice by Creston, the Tenant shall have the option to renew this Lease for additional five-year Renewal Terms on the same terms and conditions; and
 - (c) the Rent that shall be payable for each Renewal Term shall be an amount that is equivalent to Fair Market Rent for the Lease Area and the Tenant's use of the Common Areas as of the commencement of the Renewal Term and failing agreement on the Fair Market Rent, the Fair Market Rent shall be determined as follows:
 - (i) the Fair Market Rent shall be determined by a licenced real estate appraiser in good standing in the province of British Columbia that is acceptable to both parties and which cost shall be shared by the parties; and
 - (ii) if the parties cannot agree on the appointment of an appraiser under subsection (i), nor another method for determining the Fair Market Rent, an appraiser shall be appointed in accordance with the dispute resolution provisions in section 7.9 of this Lease.
- 2.3 **Gymnasium and Playing Fields** – The Tenant covenants and agrees that it shall permit other tenants and organizations designated by Creston to use the Gymnasium and Playing Fields in accordance with the schedule and terms and conditions set out in Schedule B.
- 2.4 **Quiet Enjoyment** – Subject to this Lease, the Tenant will and may peaceably hold and enjoy the Lease Area during the Term without interruption or disturbance by Creston or any person lawfully claiming under Creston, subject only to section 2.3.

ARTICLE 3 – RENT

- 3.1 **Rent** – The Tenant shall pay to Creston the amount of \$85,000 per year during the Term to be paid in equal monthly installments commencing on the Commencement Date and thereafter, on the first (1st) day of every month during the Term subject to the terms and conditions of this Lease (the “**Rent**”).
- 3.2 **Interest on Amounts in Arrears** – The Tenant will pay to Creston, interest at a rate equal to three percent per year above the prime commercial lending rate per year charged by the Royal Bank of Canada at its main branch in Vancouver, at the start of each month, calculated and compounded monthly, upon all Rent or other expenses required to be paid under this Lease, from the due date for payment until paid. This stipulation for interest will not prejudice any other right or remedy of Creston under this Lease or at law or at equity.
- 3.3 **Lease Area Accepted “As Is”** – The Tenant accepts the Lease Area and Common Areas “as is” and acknowledges that Creston has made no representations or warranties respecting the Lease Area and Common Areas.

- 3.4 **Net Lease** – Except as otherwise provided in this Lease, it is the intention of both parties that this is a “net lease” and that all expenses, costs and payments incurred in respect of the Lease Area and any other improvement to the Lease Area or anything affecting the Lease Area shall be borne by the Tenant, in addition to the Tenant’s obligation to pay Rent and otherwise abide by the terms of this Lease and the Contract.
- 3.5 **Taxes and Fees** – The Tenant shall pay to Creston all taxes, charges, levies and other fees, including Goods and Services Tax, or any replacement tax, which may be payable in respect of this Lease.
- 3.6 **Utilities and Janitorial** – The Tenant shall pay all charges for garbage removal and janitorial, telephone service, cablevision or communication service rendered in respect of the Lease Area.

ARTICLE 4 – USE OF PREMISES

- 4.1 **Assigning and Subletting** – Except as expressly permitted in this Lease, the Tenant shall not assign this Lease in whole or in part and shall not sublet all or any part of the Lease Area without the Tenant obtaining the prior written consent of Creston in each instance with such consent not to be unreasonably withheld. In requesting Creston’s consent to an assignment, sublease, or license of the Lease Area, the Tenant must provide Creston with all information requested by Creston. The Tenant must, if required by Creston, enter into sub-leases, assignment agreements or licenses of the Lease Area on terms the required by Creston, including requirements for insurance and indemnities. No assignment by the Tenant will release the Tenant from its obligation to observe or perform the Tenant’s obligations under this Lease.
- 4.2 **Use of Lease Area** – The Tenant covenants and agrees that:
- (a) the Tenant will use the Lease Area only for the purpose of office space and administration in connection with the administrative functions of the Tenant and in relation to activities permitted by its statutory authority and relevant enactments and in accordance with the schedules, terms and conditions described in Schedule B; and
 - (b) for greater certainty, the Tenant agrees that the Lease Area and Common Areas must not be used for any other purposes unless the Tenant obtains the prior written approval of Creston.

ARTICLE 5 – TENANT’S REPRESENTATIONS AND UNDERTAKINGS

- 5.1 **Legal Status** – The Tenant warrants, represents and agrees that:

- (a) it has taken all necessary or desirable actions, steps and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of this Agreement;
 - (b) the Tenant is duly incorporated and validly existing under its jurisdiction of incorporation, is in good standing under the legislation governing it, and has made all filings required under such legislation; and
 - (c) it has the power and capacity to enter into and carry out the transaction provided for in this Agreement.
- 5.2 **Construction** – The Tenant may, if the Tenant is not then in default under this Lease and with the prior written consent of Creston, undertake improvements, construction or renovations of the Lease Area. In giving its consent, Creston may impose any conditions, including, without limitation, location requirements, use restrictions, financial restrictions, insurance requirements and security obligations. The Tenant acknowledges that all Leasehold Improvements become the property of Creston upon affixation to the Lease Area, without any obligation by Creston to pay for the Leasehold Improvements. The Tenant acknowledges that all improvements to the Lease Area, past and present, are to remain affixed to the Lands.
- 5.3 **Reverter** – The Tenant acknowledges that in the event the Lease is terminated subject to sections 2.1 and 7.4, all improvements on the Lease Area, past and present, shall become the property of Creston.
- 5.4 **Permits Required** – The Tenant acknowledges that prior to undertaking any improvements, construction or renovations of the Lease Area, the Tenant must obtain a building permit and comply with all other bylaw requirements imposed by Creston on construction and development within its boundaries.
- 5.5 **Compliance with Laws** – The Tenant will at all times during the Term and any Renewal Term use and occupy the Lease Area and Common Areas in compliance with all statutes, laws, regulations and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws or statutes or bylaws relating to environmental matters, including all the rules, regulations, policies, guidelines, criteria or the like made under or pursuant to any such laws.
- 5.6 **Zoning** – Without limiting section 5.5, the Tenant acknowledges that the Tenant must not use the Lease Area and Common Areas or permit a use in breach of Creston’s applicable zoning bylaws.
- 5.7 **No Nuisance** – The Tenant will make reasonable efforts to not, at any time during the Term or any Renewal Term, use, exercise or carry on or permit or suffer to be used, exercised or carried on, in or upon the Lease Area or Common Areas or any part thereof any noisy, noxious or offensive art, trade, business, occupation, or event and, the Tenant will not carry on, or suffer or permit to be carried on, any act, matter or thing which will or may constitute

a nuisance or an unreasonable annoyance to Creston, to any occupant of Lease Area or Common Areas and premises in the vicinity of the Lease Area or Common Areas or to the public generally.

- 5.8 **Liens and Judgments** – The Tenant will not permit any liens, judgments or other charges to be registered against the Lands except those charges permitted in writing by Creston. Unless otherwise agreed in writing, if any lien, judgment or other charge is registered, the Tenant will obtain its discharge within 30 days of the said registration.
- 5.9 **Filing Notice of Interest** – Throughout the Term, Creston is entitled to file a Notice of Interest pursuant to the *Builders Lien Act, SBC 1997, c. 45* as amended or re-enacted, in the appropriate Land Title Office against title to the Lands.
- 5.10 **Repairs and Maintenance** – Except for Major Repairs, throughout the Term:
- (a) at its own expense, the Tenant shall repair and maintain and keep the Leasehold Improvements in a state of good repair as a prudent owner would do;
 - (b) the Tenant acknowledges that no trees shall be cut except with the written approval of Creston;
 - (c) Creston will not be obliged to repair, maintain, replace or alter the Leasehold Improvements during the Term or to supply any services or utilities thereto:
 - (i) unless required due to the acts, omissions or negligence of Creston or other leaseholders or as determined necessary by Creston; or
 - (ii) save and except for such services and utilities as Creston may be required to provide strictly in its capacity as a municipality and not in its capacity as a landlord;
 - (d) subject to section 5.11, the Tenant hereby assumes the full and sole responsibility of the condition, operation, maintenance, repair, replacement and management of the Leasehold Improvements during the Term; and
 - (e) all repairs will be in all respects to a standard equal to or greater the original work and material in the improvements, and will meet the lawful requirement of all statutory authorities.
- 5.11 **Repair According to Notice** – Without restricting the generality of section 5.10, the Tenant will do all repairs and maintenance that it is obliged to do pursuant to section 5.10 promptly upon notice from Creston. If the Tenant does not perform all repairs and maintenance promptly upon notice from Creston, Creston reserves the right to enter the Lease Area to restore the Leasehold Improvements back to the state of good repair. The Tenant will pay to Creston, on demand, Creston's cost of so doing.

- 5.12 **Public Safety** – The Tenant shall take all reasonable precautions to ensure that safety of person using the Lease Area and Common Areas.
- 5.13 **Waste** – The Tenant will not commit, suffer, or permit any wilful or voluntary waste, spoil or destruction of the Lease Area.
- 5.14 **Right to Inspect** – The Tenant shall permit Creston to enter the Lease Area at all reasonable times to determine if the Tenant is complying with all its promises under this Lease.
- 5.15 **Workers Compensation** – If required by law, the Tenant will, at its cost, carry and pay for full workers' compensation coverage in respect of all workers, employees and other persons engaged in any work or service, non-payment of which would create a lien claim on the Lease Area or the leasehold interest.
- 5.16 **Environmental Contamination** – Creston will provide the Tenant will full disclosure of any environmental issues it becomes aware of with respect to the Building during the Term of this Agreement. The Tenant will at all times and in all respects comply with and abide by the requirements of all applicable Federal, Provincial or Municipal statutes, bylaws, regulations, orders and guidelines, which deal with environmental protection and safety and any contaminant, pollutant, dangerous substance, liquid waste, industrial waste, hauled liquid waste, and hazardous material or hazardous substance. Without limiting the foregoing, the Tenant will comply with the following provisions:
- (a) the Tenant will comply with any and all duties, obligations or liabilities under any relevant law in respect of the Lease Area and Common Areas, including but not limited to any costs, expenses or liabilities for any remedial action for any pollution of the Lease Area caused by the Tenant during the Term;
 - (b) the Tenant must provide Creston with immediate notice of any condition on the Lease Area or that may result in any fines, penalties, orders, proceedings, investigations, litigation or enforcement proceedings, made or threatened by any third parties or governmental agencies upon becoming aware of such condition; and
 - (c) the Tenant must provide Creston with immediate notice in writing, upon the Tenant becoming aware of any contamination of the Lease Area.
- 5.17 **Amendment to Articles or Bylaws** – The Tenant will provide Creston with not less than 30 days written notice of any planned amendment to the Tenant's articles or bylaws and its status as a corporation under the *Business Corporations Act*.

ARTICLE 6 – INSURANCE AND INDEMNITY

- 6.1 **Insurance** – The parties agree as follows:

- (a) Creston shall be responsible for and pay for all fire and other property damage insurance in respect of the Building;
- (b) subject to subsection (a), the Tenant is responsible for insuring the Lease Area and the contents of them and all other improvements, including fixtures, appurtenances, contents, equipment, installations and electrical distribution system, based upon full insurable values, with “all risks” coverage on the replacement cost basis, flood and earthquake endorsements, and a maximum deductible of \$1,000 for any one loss;
- (c) without limiting the Tenant’s obligations and liabilities under this lease, the Tenant shall obtain, at its own expense, and keep in force a policy of comprehensive/commercial general liability insurance providing coverage against claims for personal injury, death, or property damage or loss upon, in, or about Lot 2 and the Building, and arising out of or connected with the activities of the Tenant and of subtenants carried on within the Premises, or the use and occupancy of the Lease Area and Common Areas or any part thereof by the Tenant or by any subtenants, in an amount of not less than \$5,000,000 per occurrence for bodily injury (including death), and property damage subject to a maximum deductible of \$1,000 for any one loss, and with endorsements for personal injury, voluntary medical payment to a limit of \$1,000 for each person, and \$10,000 for each accident for any one occurrence with no deductible, blanket contractual, products and completed operations and cross liability with limits not less than \$5,000,000 for any one loss or damage, subject to maximum deductible of \$1,000;
- (d) on or before the Commencement Date and at other times upon demand by Creston, the Tenant shall deliver to Creston certified copies of the policies of insurance required to be maintained by the Tenant under this Lease;
- (e) Creston may, from time to time, notify the Tenant of Creston’s desire to change the amount of insurance required by this Lease and upon receiving such notification from Creston, the Tenant will:
 - (i) within 30 days of receiving such a notice, cause the amounts to be changed and deliver to Creston a letter from its insurer certifying the change in the amount of insurance; or
 - (ii) alternatively, within 30 days of receiving such notice, advise Creston in writing that it objects to a change in the insurance required and the reasons for its objection and upon such objection, the parties shall use their best efforts to resolve the issue(s) underlying the objection;
- (f) the Tenant shall ensure that all policies of insurance pursuant to this Lease are:
 - (i) placed with insurers licensed in British Columbia;

- (ii) are written in the name of the Tenant and Creston with loss payable to them as their respective interests may appear;
 - (iii) contain a cross liability clause and a waiver of subrogation clause in favour of Creston;
 - (iv) primary and does not require the sharing of any loss by any insurer that insures Creston;
 - (v) contain a clause to the effect that any release from liability entered into by Creston prior to any loss shall not affect the right of Tenant or Creston to recover; and
 - (vi) endorsed to provide Creston with 30 days advance notice in writing of cancellation or material change;
- (g) all policies may provide that the amount payable in the event of any loss will be reduced by a deductible, in an amount to which Creston consents. Consent, non-consent, and/or authorized consent of Creston will not constitute an agreement by Creston to participate in the financial undertaking of the Tenant to satisfy any deductible payable. The Tenant will be solely responsible for any and all insurance deductible;
- (h) if the Tenant at any time fails to maintain any insurance it is required to maintain, then Creston may obtain and maintain such insurance in such amounts and with such deductible amounts and for such periods of time as Creston reasonably deems advisable. The Tenant will pay to Creston, on demand, Creston's cost of so doing; and
- (i) any disputes between the parties with respect to insurance under this section 6.1 shall be resolved by application of the dispute resolution provisions under section 7.9.
- 6.2 **Release** – The Tenant hereby releases Creston and its elected officials, officers, employees, agents and others of Creston, from and against all demands and claims which the Tenant may have, now or in the future, in relation to this Lease, the Lease Area or the Tenant's use or occupancy of the Lease Area and Common Areas or any of the perils against which the Tenant shall have insured or pursuant to the terms of this Lease is obligated to insure.
- 6.3 **Tenant's Indemnity** – Save and except for the negligence of Creston, its employees and contractors, the Tenant will and hereby does indemnify and save harmless Creston and its elected officials, officers, employees, agents and others of Creston from any and all liabilities, damages, costs, claims, suits or actions whatsoever in connection with or arising from:

- (a) any breach of any obligation set forth in this Lease to be observed or performed by the Tenant;
- (b) any of the perils against which the Tenant shall have insured or pursuant to the terms of this Lease is obligated to insure;
- (c) any act, omission, or negligence of the Tenant, its members, officers, directors, employees, agents, contractors, subtenants, licensees, invitees or others for whom it is responsible;
- (d) any damage to property occasioned by the Tenant's use and occupation of the Lease Area and Common Areas or any injury to person or persons, including death, resulting at any time from the Tenant's use and occupation of the Lease Area and Common Areas; or
- (e) the granting of the Lease herein.

6.4 **Creston's Indemnity** – Save and except for the negligence of the Tenant, its employees and contractors, Creston will and hereby does indemnify and save harmless the Tenant and its elected officials, officers, employees, agents and others of the Tenant from any and all liabilities, damages, costs, claims, suits or actions whatsoever in connection with or arising from:

- (b) any breach of any obligation set forth in this Lease to be observed or performed by Creston;
- (b) any of the perils against which Creston shall have insured or pursuant to the terms of this Lease is obligated to insure;
- (e) any act, omission, or negligence of Creston, its members, officers, directors, employees, agents, contractors, subtenants, licensees, invitees or others for whom it is responsible;
- (f) any damage to property occasioned by Creston's use and occupation of the Lease Area and Common Areas or any injury to person or persons, including death, resulting at any time from Creston's use and occupation of the Lease Area and Common Areas; or
- (e) the granting of the Lease herein.

6.5 **Survival of Indemnity and Release** – The indemnities and release contained in this Lease will survive the expiration or earlier termination of the Term.

ARTICLE 7 – DEFAULT AND DISPUTE RESOLUTION

- 7.1 **Notice of Default** – If the Tenant defaults in the payment of any money payable under this Lease or fails to observe, comply with or perform any of its covenants, conditions, agreements or obligation under this Lease, Creston may deliver to the Tenant a notice of default (in the manner required herein for giving notices) stipulating that the default must be rectified or cured within 30 days of the notice if the default is non-payment of Rent and within 60 days of the notice for other defaults, but less or no notice is required to be given by Creston in emergency or urgent circumstances, as determined by Creston in its sole discretion, acting reasonably, or where the Tenant has failed to keep the Lease Area insured or where the Lease Area remains vacant or unoccupied or not used for the purposes herein permitted for 30 consecutive days or more.
- 7.2 **Creston’s Right to Perform** – If the Tenant fails to rectify or cure a default within the time and in the manner specified in section 7.1 and if the default is one that can be rectified or cured by Creston, Creston may, without further notice to the Tenant, take all steps considered in its sole discretion necessary to rectify or cure the default and all costs of doing so, including the cost of retaining professional advisors, shall be payable immediately by the Tenant as additional Rent. Nothing in this Lease obligates Creston to rectify or cure any default of the Tenant but should Creston choose to do so, Creston shall not be liable to the Tenant for any act or omission in the course of rectifying or curing or attempting to rectify or cure any default.
- 7.3 **Distress** – If the Rent payable by the Tenant under this Agreement is in arrears, Creston or a person authorized in writing by Creston may enter upon the Lease Area and seize and goods or chattels and may sell the same.
- 7.4 **Provisos** – Provided always and it is hereby agreed that Creston may, without further notice to the Tenant, terminate this Lease and re-enter and take possession of the Lease Area if:
- (a) the Rent or any other amount due to Creston hereunder is unpaid for 30 days after notice pursuant to section 7.1; or
 - (b) the Tenant fails to observe, comply with or perform any of its covenants, agreements or obligations herein and the failure is not rectified or cured by the Tenant within the time specified in section 7.1.

The Tenant will make no claim for compensation, in damages or otherwise, upon the lawful termination of this Lease under this section. If Creston terminates this Lease, Creston retains the right to proceed at law against the Tenant for all of the Rent and other loss or damage and costs.

- 7.5 **Costs** – If the Tenant defaults on this Lease, the Tenant will pay to Creston Creston’s full costs including legal costs arising from the default, whether before action or otherwise and, at the option of Creston, upon a solicitor and client basis.

- 7.6 **Remedies Cumulative** – Creston’s remedies in this Lease are cumulative and are in addition to any remedies of Creston at law or in equity.
- 7.7 **Dissolution** – If an order is made, a resolution passed or a petition filed for the liquidation or winding up of the Tenant or of a receiver or receiver-manager is appointed to administer or carry on the Tenant’s business or if the Tenant fails to maintain itself in good standing as a corporation under the *Business Corporations Act*, as a society under the *Societies Act* or other enabling legislation as applicable, then at the option of Creston, the Rent and all outstanding levies and charges shall become immediately due and payable and this Lease shall immediately become forfeited and void and Creston may re-enter and take possession of the Lease Area.
- 7.8 **Bankruptcy** – If this Lease is at any time seized or taken in execution or in attachment by any creditor of the Tenant, or if the Tenant should become insolvent or make any assignment for the benefit of creditors, or commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankrupt petition is filed or presented against the Tenant or the Tenant consents to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging the Tenant to be bankrupt under any law relating to bankruptcy and insolvency, then at the option of Creston, the Rent and all outstanding levies and charges shall become immediately due and payable and this Lease shall immediately become forfeited and void and Creston may re-enter and take possession of the Tenant.
- 7.9 **Dispute Resolution** – If the parties to this Lease are unable to agree on the interpretation or application of any provision in the Agreement, or are unable to resolve any other issue relating to this Lease, the parties agree to the following process in the order it is set out:
- (a) The party initiating the process will send written notice to the other party;
 - (b) The parties will promptly, diligently and in good faith take all reasonable measures to negotiate an acceptable resolution to the disagreement or dispute;
 - (c) If the parties are unable to negotiate a resolution within 30 days of the date the written notice was sent advising of the dispute, the parties may request the assistance of a skilled mediator agreed to by the parties within 30 days written notice of a request to appoint a mediator by any party, failing which the mediator will be appointed by the B.C. International Commercial Arbitration Centre (“BCICAC”), and unless the parties agree otherwise, this mediation will follow BCICAC rules and will terminate 30 days after the appointment of the mediator.
- 7.10 **Cost Sharing for Mediator Process** – Unless otherwise agreed by the parties or ordered by an arbitrator, each party will pay an equal share of the costs for the mediator process.

ARTICLE 8 – GENERAL

8.1 **Notice** – Any notice, document or communication required or permitted to be given hereunder shall be in writing and shall be deemed to be satisfactory if and deemed to have occurred when:

- (a) Sent by facsimile transmission or when delivered by hand, on the date of receipt;
or
- (b) Mailed by prepaid registered mail, on the date received or on the fifth day after receipt of mailing by any Canada post office, whichever is earlier,

PROVIDED the notice is sent to the party at the address and facsimile number provided herein or to whatever other address or facsimile number Creston and Tenant may from time to time advise by written notice. If normal mail service is interrupted by strike, slowdown, force majeure or other cause, then the party sending the notice, document or communication shall fax or deliver such notice, document or communication in order to ensure its prompt receipt.

8.2 **Holding Over** – If the Tenant should hold over after the expiration of the Term and Creston should accept rent, the new tenancy thereby created shall be a tenancy from month to month and not a tenancy from year to year, and shall be subject to the covenants and conditions herein contained so far as the same are applicable to a tenancy from month to month with Rent payable in an amount equal to 110% of the Rent payable at the expiration of the Term or Renewal Term, as the case may be.

8.3 **Legal Costs** – Each of Creston and the Tenant is responsible for its own legal costs in relation to the preparation and negotiation of this Lease.

8.4 **Own Cost** – The Tenant shall perform all of its obligations, covenants and agreements under this Lease solely at its own cost.

8.5 **Law to the Contrary** – Subject to section 8.2, this Lease shall enure to the benefit of and be binding on the parties notwithstanding any rule of law or equity to the contrary.

8.6 **Severance** – If a court of competent jurisdiction holds any portion of this Lease invalid, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of this Lease.

8.7 **Governing Law** – This Lease shall be governed by and construed in accordance with the laws of the Province of British Columbia.

8.8 **No Waiver** – Waiver by Creston of any default by the Tenant shall not be deemed to be a waiver of any subsequent default. A waiver is effective only if it is in writing.

- 8.9 **References** – Every reference to each party is deemed to include the heirs, executors, administrators, successors, directors, employees, members, servants, agents, officers, and invitees of such party where the context so permits or requires,
- 8.10 **Amendment** – The Lease may not be modified or amended except by an instrument in writing signed by Creston and the Tenant.
- 8.11 **Remedies Not Exclusive** – No remedy conferred upon or reserved to Creston is exclusive of any other remedy herein or provided by law, but all such remedies shall be cumulative and may be exercised in any order or concurrently.
- 8.12 **No Joint Venture** – Nothing in this Lease shall constitute the Tenant as the agent, joint venture or partner of Creston or give the Tenant any authority or power to bind Creston in any way.
- 8.13 **Charges on Title** – The Tenant shall abide and observe all requirements and restrictions on the title to Lot 2 registered prior to the Commencement Date.
- 8.14 **Other Disposition** – Creston reserves the right to grant rights of way, easements, covenants and other dispositions of the Lease Area or any part of it in a manner consistent with this Lease and the Tenant shall execute any such document if requested by Creston. Creston shall make reasonable efforts to ensure that the activities of the Tenant are not impeded as a result of any grant under this section 8.14. For greater certainty, but without limiting the generality of the foregoing, a right of way, easement, covenant or other disposition is not inconsistent with this Lease if it does not charge the Lease Area.
- 8.15 **Powers Preserved** – Nothing in this Lease affects the right of Creston to exercise its power within its jurisdiction.
- 8.16 **Authority** – The Tenant represents and warrants to Creston that it has full authority to enter into this Lease and to carry out the actions contemplated herein, that all resolutions and other preconditions to validity have been validly adopted, and that those signing this Lease on its behalf are authorized to bind the Tenant by their signatures.
- 8.17 **Entire Lease** – The provisions herein contained constitute the entire agreement between the parties and supersede all previous communications, representations, warranties, covenants and agreements whether verbal or written between the parties with respect to the subject matter hereof.
- 8.18 **Time of Essence** – Time is of the essence of this Lease.
- 8.19 **Further Assurances** – The parties shall execute and do all such further deeds, acts, things and assurances as may be reasonably required to carry out the intent of this Lease.

- 8.20 **Covenants and Conditions** – All of the provisions of this Lease shall be deemed and construed to be conditions as well as covenants as though the words specifically expressing or importing covenants and conditions were used in each separate section.
- 8.21 **No Abatement** – The Tenant is not entitled to any abatement, reduction, or deduction from the Rent.
- 8.22 **Estoppel Certificate** – The Tenant will, upon request, execute and deliver a certificate certifying the current status of this Lease.
- 8.23 **Registration** – This Lease is not in registerable form; however, the parties may by mutual consent register a copy of the Lease in the Land Title Office and subject to their mutual agreement, shall execute all necessary actions to effect registration at the cost of the Tenant.
- 8.24 **Enurement** – This Lease shall enure to the benefit of and be binding upon the parties hereto and their respective successors.
- 8.25 **No Derogation** – Nothing contained or implied in this Lease will impair or affect Creston's rights and powers in the exercise of its functions pursuant to the *Community Charter* or any other enactment, and all such powers and right may be fully exercised in relation to the Lease Area as if this Lease had not been entered into between the Tenant and Creston. The Tenant acknowledges that fulfillment of the condition precedent set out in this Lease may require that the Council of Creston adopt bylaws or issue permits and that the passage of said resolutions or adoption of said bylaws or issuance of said permits by the Council of Creston are within its sole absolute discretion which is not any manner subject to the provisions hereof.
- 8.26 **Creston's Conditions** – This Lease and Creston's obligations hereunder shall be subject to the approval of Creston's municipal council and Creston's compliance with all requirements under the *Community Charter* or any other enactment.

END OF PAGE

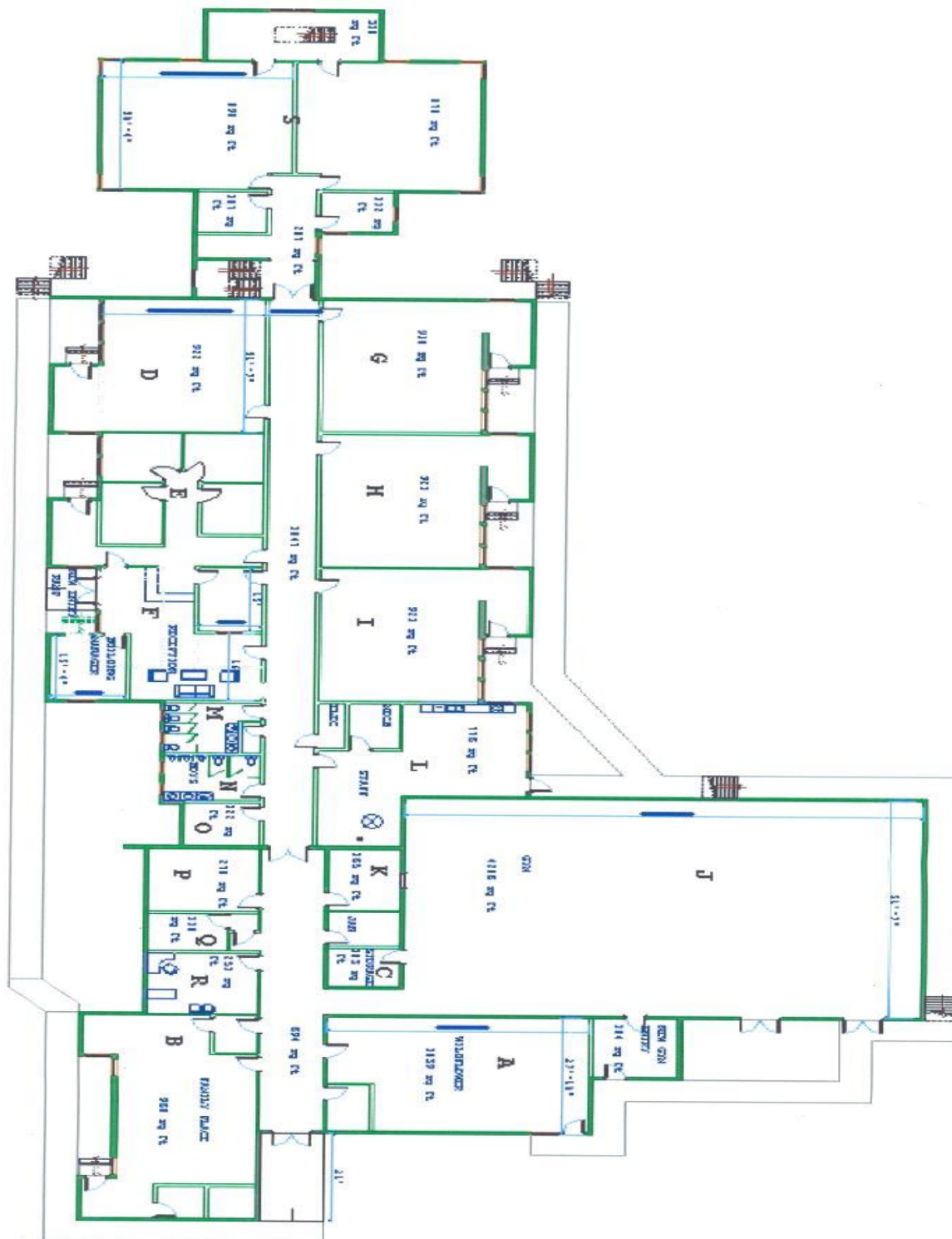
As evidence of their agreement to be bound by the above terms, Creston and the Tenant each have executed this Lease on the respective dates written below:

TOWN OF CRESTON)
 by its authorized signatories:)
)
)
)
 _____)
 Name:)
)
)
 _____)
 Name:)
)
)
 _____)
 Date)
)

THE REGIONAL DISTRICT OF)
CENTRAL KOOTENAY)
 by its authorized signatories:)
)
)
)
 _____)
 Name:)
)
)
 _____)
 Name:)
)
)
 _____)
 Date)
)

SCHEDULE A

LEASE AREA AND COMMON AREAS



SCHEDULE B
SCHEDULES, TERMS AND CONDITIONS FOR USE OF LEASE AREA

During the Term:

1. Unless otherwise agreed by the Tenant, the Tenant shall have exclusive use of the Gymnasium and Playing Fields, except for the following times:
 - (a) Valley Community Services Society shall have exclusive use of the Gymnasium every Tuesday from 8:30 am until 12:00 pm; and
 - (b) the Board of Education of School District No. 8 (Kootenay Lake) (the “**School District**”) shall have exclusive use of the Gymnasium during the Term on Wednesday mornings from 8:30 a.m. until 12:00 noon and on Fridays from 8:30 a.m. until 3:30 p.m. when school is in session;
 - (c) during the Term, the School District shall have exclusive use of the Playing Fields whenever weather permits in the Spring from March through June and in the Fall from September through October when school is in session.
2. Creston shall be responsible for maintenance of the Playing Fields and Gymnasium.

LEASE AGREEMENT

THIS LEASE dated for reference the 1st day of November, 2023 is

BETWEEN:

THE TOWN OF CRESTON, a municipality established under the *Local Government Act* and having offices at 238 10th Ave N., Creston, British Columbia, V0B 1G0

(“**Creston**”)

AND:

VALLEY COMMUNITY SERVICES SOCIETY, a Society established under the *Societies Act* and having offices at Box 187, 915 Pine Street, Creston, British Columbia, V0B 1G0.

(the “**Tenant**”)

WHEREAS:

A. Creston is the owner of the building located at

617 – 11th Avenue S., Creston, British Columbia known as the Creston Education Centre and legally described as PID: 012-131-067 LOT 2 DISTRICT LOT 526 KOOTENAY DISTRICT PLAN 4331;

B. Creston agrees to lease the Lease Area herein described to the Tenant on the terms and subject to the conditions set out herein;

NOW THEREFORE THIS AGREEMENT is evidence that in consideration of the mutual promises contained in this Lease and other good and valuable consideration paid by each of the parties to the other (the receipt and sufficiency of which each party acknowledges), the parties covenant and agree as follows:

ARTICLE 1 – DEFINITIONS AND INTERPRETATION

1.1 In this Lease, words and phrases shall be defined as follows:

- (a) “**Building**” means the Creston Education Centre located on Lot 2 as of the date of this Agreement;
- (b) “**Commencement Date**” has the meaning defined in section 2.1 of this Lease;

- (c) “**Common Areas**” means that part of Lot 2 and the Building comprising the washrooms, staff room and parking lot as shown in Schedule A;
- (d) “**Community Charter**” means the *Community Charter*, SBC 2003, c. 26, as amended or re-enacted from time to time;
- (e) “**Creston**” means the Town of Creston and where the context applies, includes its elected officials, employees, agents and contractors;
- (f) “**Creston Education Centre**” has the meaning described in paragraph B of the preamble of this Agreement;
- (g) “**Fair Market Rent**” means the rent that would be payable by a reasonably informed tenant dealing at arms’ length with Creston for the lease of the Lease Area and shared use of the Common Areas on the same terms and conditions as this Lease;
- (h) “**Gymnasium**” means that part of the Building consisting of those rooms identified as J and K in Schedule A attached to and forming part of this Lease;
- (i) “**Lease Area**” means that part of the Building comprising approximately 3,037 square feet consisting of those rooms identified as D, E and F in Schedule A attached to and forming a part of this Lease and the Gymnasium and Playing Fields;
- (j) “**Leasehold Improvement**” means any beneficial change made by the Tenant to the Leased Area;
- (k) “**Major Repair**” means any major repairs, capital costs or replacements of the Lease Area exceeding \$5,000 in value individually or \$10,000 cumulatively in any year of the Term;
- (l) “**Playing Fields**” means the playing fields located on Lot 2;
- (m) “**Rent**” has the meaning defined in section 3.1 of this Lease;
- (n) “**Renewal Term**” has the meaning defined in section 2.2 of this Lease;
- (o) “**Tenant**” means VALLEY COMMUNITY SERVICES SOCIETY;
- (p) “**Term**” means the period from the Commencement Date until the Termination Date as defined in section 2.1 of this Lease; and
- (q) “**Termination Date**” has the meaning defined in section 2.1 of this Lease.

- 1.2 **Interpretation** – Wherever the singular or masculine or neuter is used in this Lease, the same shall be construed as meaning the plural, the feminine or body corporate where the context so requires.
- 1.3 **References to Tenant** – Any reference to the “Tenant” includes, where the context allows, subtenants and occupants of the Tenant and employees, agents, licensees and invitees of the Tenant and all others over whom the Tenant may reasonably be expected to exercise control and any default in observing or performing the Tenant’s obligation by such person, will be deemed to be defaults of the Tenant.
- 1.4 **Captions** – The captions appearing in this Lease have been inserted for reference and as a matter of convenience and do not define, limit or enlarge the scope or meaning of this Lease.
- 1.5 **Schedules** – The following schedule is attached to and forms part of this Lease:
- (a) Schedule A – Lease Area and Common Areas
 - (b) Schedule B – Schedules, terms and conditions for use of Lease Area

ARTICLE 2 – DEMISE AND TERM

- 2.1 **Demise and Term** – Creston hereby:
- (a) demises and leases to the Tenant the Lease Area for a term of five years commencing on the January 1, 2024 (the “**Commencement Date**”) to and including 11:59 pm on the day before the fifth anniversary of the Commencement Date or such earlier or later date as may be determined by the mutual agreement of the parties or in accordance with this Lease (the “**Termination Date**“), to have and to hold for the Term as the Tenant, and the Tenant does hereby accept the demise and lease of the Lease Area, all subject to the covenants, conditions and agreements herein contained; and
 - (b) grants the Tenant non-exclusive shared use of the Common Areas in accordance with the schedule, terms and conditions set out in Schedule B; and
 - (c) use of the Gymnasium and Playing Fields in accordance with Section 2.3.
- 2.2 **Renewal** - If the Tenant is not in default under this Lease, the Tenant shall have the option to renew this Lease on the same terms and conditions contained herein (except for the amount of Rent payable and except for this right of renewal, which is amended accordingly) for an additional five-year term (the “**Renewal Term**“), such renewal effective on the day immediately following the Termination Date and in accordance with the following:

- (a) the option to renew this Lease under this section 2.2 must be exercised by the Tenant giving notice in writing to Creston in the manner provided herein not less than 90 days and not more than 180 days prior to the expiry of the Term;
 - (b) unless provided with written notice by Creston, the Tenant shall have the option to renew this Lease for additional five-year Renewal Terms on the same terms and conditions; and
 - (c) the Rent that shall be payable for each Renewal Term shall be an amount that is equivalent to Fair Market Rent for the Lease Area and the Tenant's use of the Common Areas and Gymnasium and Playing Fields as of the commencement of the Renewal Term and failing agreement on the Fair Market Rent, the Fair Market Rent shall be determined as follows:
 - (i) the Fair Market Rent shall be determined by a licenced real estate appraiser in good standing in the province of British Columbia that is acceptable to both parties and which cost shall be shared by the parties; and
 - (ii) if the parties cannot agree on the appointment of an appraiser under subsection (i), nor another method for determining the Fair Market Rent, an appraiser shall be appointed in accordance with the dispute resolution provisions in section 7.9 of this Lease.
- 2.3 **Gymnasium and Playing Fields** – The parties acknowledge and agree that in addition to the Tenant's use and occupancy of the Lease Area and its shared use of the Common Areas, the Tenant shall also be permitted to use the Gymnasium and Playing Fields in accordance with the schedule and terms and conditions set out in Schedule B.
- 2.4 **Quiet Enjoyment** – Subject to this Lease, the Tenant will and may peaceably hold and enjoy the Lease Area during the Term without interruption or disturbance by Creston or any person lawfully claiming under Creston, subject only to section 2.3.

ARTICLE 3 – RENT

- 3.1 **Rent** – The Tenant shall pay to Creston the amount of \$15,000 per year during the Term to be paid in equal monthly installments commencing on the Commencement Date and thereafter, on the first (1st) day of every month during the Term subject to the terms and conditions of this Lease (the “**Rent**”).
- 3.2 **Capital offset Contribution Offset**– The Tenant shall have the right to offset annual rental amounts by \$7,000 per year by contributing to capital projects at the Creston Education Centre as agreed to by Creston. If contributions in excess of \$7,000 in a year may be carried forward to future year contributions during the term of this agreement.
- 3.3 **Interest on Amounts in Arrears** – The Tenant will pay to Creston, interest at a rate equal to three percent per year above the prime commercial lending rate per year charged by the

Royal Bank of Canada at its main branch in Vancouver, at the start of each month, calculated and compounded monthly, upon all Rent or other expenses required to be paid under this Lease, from the due date for payment until paid. This stipulation for interest will not prejudice any other right or remedy of Creston under this Lease or at law or at equity.

- 3.4 **Lease Area Accepted “As Is”** – The Tenant accepts the Lease Area and Common Areas “as is” and acknowledges that Creston has made no representations or warranties respecting the Lease Area and Common Areas.
- 3.5 **Net Lease** – Except as otherwise provided in this Lease, it is the intention of both parties that this is a “net lease” and that all expenses, costs and payments incurred in respect of the Lease Area and any other improvement to the Lease Area or anything affecting the Lease Area shall be borne by the Tenant, in addition to the Tenant’s obligation to pay Rent and otherwise abide by the terms of this Lease and the Contract.
- 3.6 **Taxes and Fees** – The Tenant shall pay to Creston all taxes, charges, levies and other fees, including Goods and Services Tax, or any replacement tax, which may be payable in respect of this Lease.
- 3.7 **Utilities** – The Tenant shall pay all charges for telephone service, cablevision or communication service rendered in respect of the Lease Area.

ARTICLE 4 – USE OF PREMISES

- 4.1 **Assigning and Subletting** – Except as expressly permitted in this Lease, the Tenant shall not assign this Lease in whole or in part and shall not sublet all or any part of the Lease Area without the Tenant obtaining the prior written consent of Creston in each instance with such consent not to be unreasonably withheld. In requesting Creston’s consent to an assignment, sublease, or license of the Lease Area, the Tenant must provide Creston with all information requested by Creston. The Tenant must, if required by Creston, enter into sub-leases, assignment agreements or licenses of the Lease Area on terms the required by Creston, including requirements for insurance and indemnities. No assignment by the Tenant will release the Tenant from its obligation to observe or perform the Tenant’s obligations under this Lease.
- 4.2 **Use of Lease Area** – The Tenant covenants and agrees that:
- (a) the Tenant will use the Lease Area only for the purpose of office space and administration in connection with the administrative functions of the Tenant and in relation to activities permitted by its statutory authority and relevant enactments and in accordance with the schedules, terms and conditions described in Schedule B; and

- (b) for greater certainty, the Tenant agrees that the Lease Area and Common Areas must not be used for any other purposes unless the Tenant obtains the prior written approval of Creston.

ARTICLE 5 – TENANT’S REPRESENTATIONS AND UNDERTAKINGS

5.1 **Legal Status** – The Tenant warrants, represents and agrees that:

- (a) it has taken all necessary or desirable actions, steps and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of this Agreement;
- (b) the Tenant is duly incorporated and validly existing under its jurisdiction of incorporation, is in good standing under the legislation governing it, and has made all filings required under such legislation; and
- (c) it has the power and capacity to enter into and carry out the transaction provided for in this Agreement.

5.2 **Construction** – The Tenant may, if the Tenant is not then in default under this Lease and with the prior written consent of Creston, undertake improvements, construction or renovations of the Lease Area. In giving its consent, Creston may impose any conditions, including, without limitation, location requirements, use restrictions, financial restrictions, insurance requirements and security obligations. The Tenant acknowledges that all Leasehold Improvements become the property of Creston upon affixation to the Lease Area, without any obligation by Creston to pay for the Leasehold Improvements. The Tenant acknowledges that all improvements to the Lease Area, past and present, are to remain affixed to the Lands.

5.3 **Reverter** – The Tenant acknowledges that in the event the Lease is terminated subject to sections 2.1 and 7.4, all improvements on the Lease Area, past and present, shall become the property of Creston.

5.4 **Permits Required** – The Tenant acknowledges that prior to undertaking any improvements, construction or renovations of the Lease Area, the Tenant must obtain a building permit and comply with all other bylaw requirements imposed by Creston on construction and development within its boundaries.

5.5 **Compliance with Laws** – The Tenant will at all times during the Term and any Renewal Term use and occupy the Lease Area and Common Areas in compliance with all statutes, laws, regulations and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws or statutes or bylaws relating to environmental matters, including all the rules, regulations, policies, guidelines, criteria or the like made under or pursuant to any such laws.

- 5.6 **Zoning** – Without limiting section 5.5, the Tenant acknowledges that the Tenant must not use the Lease Area and Common Areas or permit a use in breach of Creston’s applicable zoning bylaws.
- 5.7 **No Nuisance** – The Tenant will make reasonable efforts to not, at any time during the Term or any Renewal Term, use, exercise or carry on or permit or suffer to be used, exercised or carried on, in or upon the Lease Area or Common Areas or any part thereof any noisy, noxious or offensive art, trade, business, occupation, or event and, the Tenant will not carry on, or suffer or permit to be carried on, any act, matter or thing which will or may constitute a nuisance or an unreasonable annoyance to Creston, to any occupant of Lease Area or Common Areas and premises in the vicinity of the Lease Area or Common Areas or to the public generally.
- 5.8 **Liens and Judgments** – The Tenant will not permit any liens, judgments or other charges to be registered against the Lands except those charges permitted in writing by Creston. Unless otherwise agreed in writing, if any lien, judgment or other charge is registered, the Tenant will obtain its discharge within 30 days of the said registration.
- 5.9 **Filing Notice of Interest** – Throughout the Term, Creston is entitled to file a Notice of Interest pursuant to the *Builders Lien Act, SBC 1997, c. 45* as amended or re-enacted, in the appropriate Land Title Office against title to the Lands.
- 5.10 **Repairs and Maintenance** – Except for Major Repairs, throughout the Term:
- (a) at its own expense, the Tenant shall repair and maintain and keep the Leasehold Improvements in a state of good repair as a prudent owner would do;
 - (b) the Tenant acknowledges that no trees shall be cut except with the written approval of Creston;
 - (c) Creston will not be obliged to repair, maintain, replace or alter the Leasehold Improvements during the Term or to supply any services or utilities thereto:
 - (i) unless required due to the acts, omissions or negligence of Creston or other leaseholders or as determined necessary by Creston; or
 - (ii) save and except for such services and utilities as Creston may be required to provide strictly in its capacity as a municipality and not in its capacity as a landlord;
 - (d) subject to section 5.11, the Tenant hereby assumes the full and sole responsibility of the condition, operation, maintenance, repair, replacement and management of the Leasehold Improvements during the Term; and

- (e) all repairs will be in all respects to a standard equal to or greater the original work and material in the improvements, and will meet the lawful requirement of all statutory authorities.
- 5.11 **Repair According to Notice** – Without restricting the generality of section 5.10, the Tenant will do all repairs and maintenance that it is obliged to do pursuant to section 5.10 promptly upon notice from Creston. If the Tenant does not perform all repairs and maintenance promptly upon notice from Creston, Creston reserves the right to enter the Lease Area to restore the Leasehold Improvements back to the state of good repair. The Tenant will pay to Creston, on demand, Creston’s cost of so doing.
- 5.12 **Public Safety** – The Tenant shall take all reasonable precautions to ensure that safety of person using the Lease Area and Common Areas.
- 5.13 **Waste** – The Tenant will not commit, suffer, or permit any wilful or voluntary waste, spoil or destruction of the Lease Area.
- 5.14 **Right to Inspect** – The Tenant shall permit Creston to enter the Lease Area at all reasonable times to determine if the Tenant is complying with all its promises under this Lease.
- 5.15 **Workers Compensation** – If required by law, the Tenant will, at its cost, carry and pay for full workers’ compensation coverage in respect of all workers, employees and other persons engaged in any work or service, non-payment of which would create a lien claim on the Lease Area or the leasehold interest.
- 5.16 **Environmental Contamination** – Creston will provide the Tenant will full disclosure of any environmental issues it becomes aware of with respect to the Building during the Term of this Agreement. The Tenant will at all times and in all respects comply with and abide by the requirements of all applicable Federal, Provincial or Municipal statutes, bylaws, regulations, orders and guidelines, which deal with environmental protection and safety and any contaminant, pollutant, dangerous substance, liquid waste, industrial waste, hauled liquid waste, and hazardous material or hazardous substance. Without limiting the foregoing, the Tenant will comply with the following provisions:
- (a) the Tenant will comply with any and all duties, obligations or liabilities under any relevant law in respect of the Lease Area and Common Areas, including but not limited to any costs, expenses or liabilities for any remedial action for any pollution of the Lease Area caused by the Tenant during the Term;
 - (b) the Tenant must provide Creston with immediate notice of any condition on the Lease Area or that may result in any fines, penalties, orders, proceedings, investigations, litigation or enforcement proceedings, made or threatened by any third parties or governmental agencies upon becoming aware of such condition; and

- (c) the Tenant must provide Creston with immediate notice in writing, upon the Tenant becoming aware of any contamination of the Lease Area.
- 5.17 **Amendment to Articles or Bylaws** – The Tenant will provide Creston with not less than 30 days written notice of any planned amendment to the Tenant’s articles or bylaws and its status as a corporation under the *Business Corporations Act*.

ARTICLE 6 – INSURANCE AND INDEMNITY

6.1 **Insurance** – The parties agree as follows:

- (a) Creston shall be responsible for and pay for all fire and other property damage insurance in respect of the Building;
- (b) subject to subsection (a), the Tenant is responsible for insuring the contents of the and all other improvements, including fixtures, appurtenances, contents, equipment, installations and electrical distribution system, based upon full insurable values, with “all risks” coverage on the replacement cost basis, flood and earthquake endorsements, and a maximum deductible of \$1,000 for any one loss;
- (c) without limiting the Tenant’s obligations and liabilities under this lease, the Tenant shall obtain, at its own expense, and keep in force a policy of comprehensive/commercial general liability insurance providing coverage against claims for personal injury, death, or property damage or loss upon, in, or about grounds and the Building, and arising out of or connected with the activities of the Tenant and of subtenants carried on within the Premises, or the use and occupancy of the Lease Area and Common Areas or any part thereof by the Tenant or by any subtenants, in an amount of not less than \$2,000,000 per occurrence for bodily injury (including death), and property damage subject to a maximum deductible of \$1,000 for any one loss, and with endorsements for personal injury, voluntary medical payment to a limit of \$1,000 for each person, and \$10,000 for each accident for any one occurrence with no deductible, blanket contractual, products and completed operations and cross liability with limits not less than \$2,000,000 for any one loss or damage, subject to maximum deductible of \$1,000;
- (d) on or before the Commencement Date and at other times upon demand by Creston, the Tenant shall deliver to Creston certified copies of the policies of insurance required to be maintained by the Tenant under this Lease;
- (e) Creston may, from time to time, notify the Tenant of Creston’s desire to change the amount of insurance required by this Lease and upon receiving such notification from Creston, the Tenant will:
 - (i) within 30 days of receiving such a notice, cause the amounts to be changed and deliver to Creston a letter from its insurer certifying the change in the amount of insurance; or

- (ii) alternatively, within 30 days of receiving such notice, advise Creston in writing that it objects to a change in the insurance required and the reasons for its objection and upon such objection, the parties shall use their best efforts to resolve the issue(s) underlying the objection;
- (f) the Tenant shall ensure that all policies of insurance pursuant to this Lease are:
 - (i) placed with insurers licensed in British Columbia;
 - (ii) are written in the name of the Tenant and Creston with loss payable to them as their respective interests may appear;
 - (iii) contain a cross liability clause and a waiver of subrogation clause in favour of Creston;
 - (iv) primary and does not require the sharing of any loss by any insurer that insures Creston;
 - (v) contain a clause to the effect that any release from liability entered into by Creston prior to any loss shall not affect the right of Tenant or Creston to recover; and
 - (vi) endorsed to provide Creston with 30 days advance notice in writing of cancellation or material change;
- (g) all policies may provide that the amount payable in the event of any loss will be reduced by a deductible, in an amount to which Creston consents. Consent, non-consent, and/or authorized consent of Creston will not constitute an agreement by Creston to participate in the financial undertaking of the Tenant to satisfy any deductible payable. The Tenant will be solely responsible for any and all insurance deductible;
- (h) if the Tenant at any time fails to maintain any insurance it is required to maintain, then Creston may obtain and maintain such insurance in such amounts and with such deductible amounts and for such periods of time as Creston reasonably deems advisable. The Tenant will pay to Creston, on demand, Creston's cost of so doing; and
- (i) any disputes between the parties with respect to insurance under this section 6.1 shall be resolved by application of the dispute resolution provisions under section 7.9.

6.2 **Release** – The Tenant hereby releases Creston and its elected officials, officers, employees, agents and others of Creston, from and against all demands and claims which the Tenant may have, now or in the future, in relation to this Lease, the Lease Area or the Tenant's

use or occupancy of the Lease Area and Common Areas or any of the perils against which the Tenant shall have insured or pursuant to the terms of this Lease is obligated to insure.

6.3 **Tenant's Indemnity** – Save and except for the negligence of Creston, its employees and contractors, the Tenant will and hereby does indemnify and save harmless Creston and its elected officials, officers, employees, agents and others of Creston from any and all liabilities, damages, costs, claims, suits or actions whatsoever in connection with or arising from:

- (a) any breach of any obligation set forth in this Lease to be observed or performed by the Tenant;
- (b) any of the perils against which the Tenant shall have insured or pursuant to the terms of this Lease is obligated to insure;
- (c) any act, omission, or negligence of the Tenant, its members, officers, directors, employees, agents, contractors, subtenants, licensees, invitees or others for whom it is responsible;
- (d) any damage to property occasioned by the Tenant's use and occupation of the Lease Area and Common Areas or any injury to person or persons, including death, resulting at any time from the Tenant's use and occupation of the Lease Area and Common Areas; or
- (e) the granting of the Lease herein.

6.4 **Creston's Indemnity** – Save and except for the negligence of the Tenant, its employees and contractors, Creston will and hereby does indemnify and save harmless the Tenant and its elected officials, officers, employees, agents and others of the Tenant from any and all liabilities, damages, costs, claims, suits or actions whatsoever in connection with or arising from:

- (b) any breach of any obligation set forth in this Lease to be observed or performed by Creston;
- (b) any of the perils against which Creston shall have insured or pursuant to the terms of this Lease is obligated to insure;
- (e) any act, omission, or negligence of Creston, its members, officers, directors, employees, agents, contractors, subtenants, licensees, invitees or others for whom it is responsible;
- (f) any damage to property occasioned by Creston's use and occupation of the Lease Area and Common Areas or any injury to person or persons, including death,

resulting at any time from Creston's use and occupation of the Lease Area and Common Areas; or

(e) the granting of the Lease herein.

6.5 **Survival of Indemnity and Release** – The indemnities and release contained in this Lease will survive the expiration or earlier termination of the Term.

ARTICLE 7 – DEFAULT AND DISPUTE RESOLUTION

7.1 **Notice of Default** – If the Tenant defaults in the payment of any money payable under this Lease or fails to observe, comply with or perform any of its covenants, conditions, agreements or obligation under this Lease, Creston may deliver to the Tenant a notice of default (in the manner required herein for giving notices) stipulating that the default must be rectified or cured within 30 days of the notice if the default is non-payment of Rent and within 60 days of the notice for other defaults, but less or no notice is required to be given by Creston in emergency or urgent circumstances, as determined by Creston in its sole discretion, acting reasonably, or where the Tenant has failed to keep the Lease Area insured or where the Lease Area remains vacant or unoccupied or not used for the purposes herein permitted for 30 consecutive days or more.

7.2 **Creston's Right to Perform** – If the Tenant fails to rectify or cure a default within the time and in the manner specified in section 7.1 and if the default is one that can be rectified or cured by Creston, Creston may, without further notice to the Tenant, take all steps considered in its sole discretion necessary to rectify or cure the default and all costs of doing so, including the cost of retaining professional advisors, shall be payable immediately by the Tenant as additional Rent. Nothing in this Lease obligates Creston to rectify or cure any default of the Tenant but should Creston choose to do so, Creston shall not be liable to the Tenant for any act or omission in the course of rectifying or curing or attempting to rectify or cure any default.

7.3 **Distress** – If the Rent payable by the Tenant under this Agreement is in arrears, Creston or a person authorized in writing by Creston may enter upon the Lease Area and seize and goods or chattels and may sell the same.

7.4 **Provisos** – Provided always and it is hereby agreed that Creston may, without further notice to the Tenant, terminate this Lease and re-enter and take possession of the Lease Area if:

- (a) the Rent or any other amount due to Creston hereunder is unpaid for 30 days after notice pursuant to section 7.1; or
- (b) the Tenant fails to observe, comply with or perform any of its covenants, agreements or obligations herein and the failure is not rectified or cured by the Tenant within the time specified in section 7.1.

The Tenant will make no claim for compensation, in damages or otherwise, upon the lawful termination of this Lease under this section. If Creston terminates this Lease, Creston retains the right to proceed at law against the Tenant for all of the Rent and other loss or damage and costs.

- 7.5 **Costs** – If the Tenant defaults on this Lease, the Tenant will pay to Creston Creston’s full costs including legal costs arising from the default, whether before action or otherwise and, at the option of Creston, upon a solicitor and client basis.
- 7.6 **Remedies Cumulative** – Creston’s remedies in this Lease are cumulative and are in addition to any remedies of Creston at law or in equity.
- 7.7 **Dissolution** – If an order is made, a resolution passed or a petition filed for the liquidation or winding up of the Tenant or of a receiver or receiver-manager is appointed to administer or carry on the Tenant’s business or if the Tenant fails to maintain itself in good standing as a corporation under the *Business Corporations Act*, as a society under the *Societies Act* or other enabling legislation as applicable, then at the option of Creston, the Rent and all outstanding levies and charges shall become immediately due and payable and this Lease shall immediately become forfeited and void and Creston may re-enter and take possession of the Lease Area.
- 7.8 **Bankruptcy** – If this Lease is at any time seized or taken in execution on in attachment by any creditor of the Tenant, or if the Tenant should become insolvent or make any assignment for the benefit of creditors, or commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act (Canada)* or a bankrupt petition is filed or presented against the Tenant or the Tenant consents to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging the Tenant to be bankrupt under any law relating to bankruptcy and insolvency, then at the option of Creston, the Rent and all outstanding levies and charges shall become immediately due and payable and this Lease shall immediately become forfeited and void and Creston may re-enter and take possession of the Tenant.
- 7.9 **Dispute Resolution** – If the parties to this Lease are unable to agree on the interpretation or application of any provision in the Agreement, or are unable to resolve any other issue relating to this Lease, the parties agree to the following process in the order it is set out:
- (a) The party initiating the process will send written notice to the other party;
 - (b) The parties will promptly, diligently and in good faith take all reasonable measures to negotiate an acceptable resolution to the disagreement or dispute;
 - (c) If the parties are unable to negotiate a resolution within 30 days of the date the written notice was sent advising of the dispute, the parties may request the assistance of a skilled mediator agreed to by the parties within 30 days written notice of a request to appoint a mediator by any party, failing which the mediator will be appointed by the B.C. International Commercial Arbitration Centre

(“**BCICAC**”), and unless the parties agree otherwise, this mediation will follow BCICAC rules and will terminate 30 days after the appointment of the mediator.

- 7.10 **Cost Sharing for Mediator Process** – Unless otherwise agreed by the parties or ordered by an arbitrator, each party will pay an equal share of the costs for the mediator process.

ARTICLE 8 – GENERAL

- 8.1 **Notice** – Any notice, document or communication required or permitted to be given hereunder shall be in writing and shall be deemed to be satisfactory if and deemed to have occurred when:

- (a) Sent by facsimile transmission or when delivered by hand, on the date of receipt; or
- (b) Mailed by prepaid registered mail, on the date received or on the fifth day after receipt of mailing by any Canada post office, whichever is earlier,

PROVIDED the notice is sent to the party at the address and facsimile number provided herein or to whatever other address or facsimile number Creston and Tenant may from time to time advise by written notice. If normal mail service is interrupted by strike, slowdown, force majeure or other cause, then the party sending the notice, document or communication shall fax or deliver such notice, document or communication in order to ensure its prompt receipt.

- 8.2 **Holding Over** – If the Tenant should hold over after the expiration of the Term and Creston should accept rent, the new tenancy thereby created shall be a tenancy from month to month and not a tenancy from year to year, and shall be subject to the covenants and conditions herein contained so far as the same are applicable to a tenancy from month to month with Rent payable in an amount equal to 125% of the Rent payable at the expiration of the Term or Renewal Term, as the case may be.
- 8.3 **Legal Costs** – Each of Creston and the Tenant is responsible for its own legal costs in relation to the preparation and negotiation of this Lease.
- 8.4 **Own Cost** – The Tenant shall perform all of its obligations, covenants and agreements under this Lease solely at its own cost.
- 8.5 **Law to the Contrary** – Subject to section 8.2, this Lease shall enure to the benefit of and be binding on the parties notwithstanding any rule of law or equity to the contrary.
- 8.6 **Severance** – If a court of competent jurisdiction holds any portion of this Lease invalid, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of this Lease.

- 8.7 **Governing Law** – This Lease shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- 8.8 **No Waiver** – Waiver by Creston of any default by the Tenant shall not be deemed to be a waiver of any subsequent default. A waiver is effective only if it is in writing.
- 8.9 **References** – Every reference to each party is deemed to include the heirs, executors, administrators, successors, directors, employees, members, servants, agents, officers, and invitees of such party where the context so permits or requires,
- 8.10 **Amendment** – The Lease may not be modified or amended except by an instrument in writing signed by Creston and the Tenant.
- 8.11 **Remedies Not Exclusive** – No remedy conferred upon or reserved to Creston is exclusive of any other remedy herein or provided by law, but all such remedies shall be cumulative and may be exercised in any order or concurrently.
- 8.12 **No Joint Venture** – Nothing in this Lease shall constitute the Tenant as the agent, joint venture or partner of Creston or give the Tenant any authority or power to bind Creston in any way.
- 8.13 **Charges on Title** – The Tenant shall abide and observe all requirements and restrictions on the title to Lot 2 registered prior to the Commencement Date.
- 8.14 **Other Disposition** – Creston reserves the right to grant rights of way, easements, covenants and other dispositions of the Lease Area or any part of it in a manner consistent with this Lease and the Tenant shall execute any such document if requested by Creston. Creston shall make reasonable efforts to ensure that the activities of the Tenant are not impeded as a result of any grant under this section 8.14. For greater certainty, but without limiting the generality of the foregoing, a right of way, easement, covenant or other disposition is not inconsistent with this Lease if it does not charge the Lease Area.
- 8.15 **Powers Preserved** – Nothing in this Lease affects the right of Creston to exercise its power within its jurisdiction.
- 8.16 **Authority** – The Tenant represents and warrants to Creston that it has full authority to enter into this Lease and to carry out the actions contemplated herein, that all resolutions and other preconditions to validity have been validly adopted, and that those signing this Lease on its behalf are authorized to bind the Tenant by their signatures.
- 8.17 **Entire Lease** – The provisions herein contained constitute the entire agreement between the parties and supersede all previous communications, representations, warranties, covenants and agreements whether verbal or written between the parties with respect to the subject matter hereof.
- 8.18 **Time of Essence** – Time is of the essence of this Lease.

- 8.19 **Further Assurances** – The parties shall execute and do all such further deeds, acts, things and assurances as may be reasonably required to carry out the intent of this Lease.
- 8.20 **Covenants and Conditions** – All of the provisions of this Lease shall be deemed and construed to be conditions as well as covenants as though the words specifically expressing or importing covenants and conditions were used in each separate section.
- 8.21 **No Abatement** – The Tenant is not entitled to any abatement, reduction, or deduction from the Rent.
- 8.22 **Estoppel Certificate** – The Tenant will, upon request, execute and deliver a certificate certifying the current status of this Lease.
- 8.23 **Registration** – This Lease is not in registerable form; however, the parties may by mutual consent register a copy of the Lease in the Land Title Office and subject to their mutual agreement, shall execute all necessary actions to effect registration at the cost of the Tenant.
- 8.24 **Enurement** – This Lease shall enure to the benefit of and be binding upon the parties hereto and their respective successors.
- 8.25 **No Derogation** – Nothing contained or implied in this Lease will impair or affect Creston’s rights and powers in the exercise of its functions pursuant to the *Community Charter* or any other enactment, and all such powers and right may be fully exercised in relation to the Lease Area as if this Lease had not been entered into between the Tenant and Creston. The Tenant acknowledges that fulfillment of the condition precedent set out in this Lease may require that the Council of Creston adopt bylaws or issue permits and that the passage of said resolutions or adoption of said bylaws or issuance of said permits by the Council of Creston are within its sole absolute discretion which is not any manner subject to the provisions hereof.
- 8.26 **Creston’s Conditions** – This Lease and Creston’s obligations hereunder shall be subject to the approval of Creston’s municipal council and Creston’s compliance with all requirements under the *Community Charter* or any other enactment.

END OF PAGE

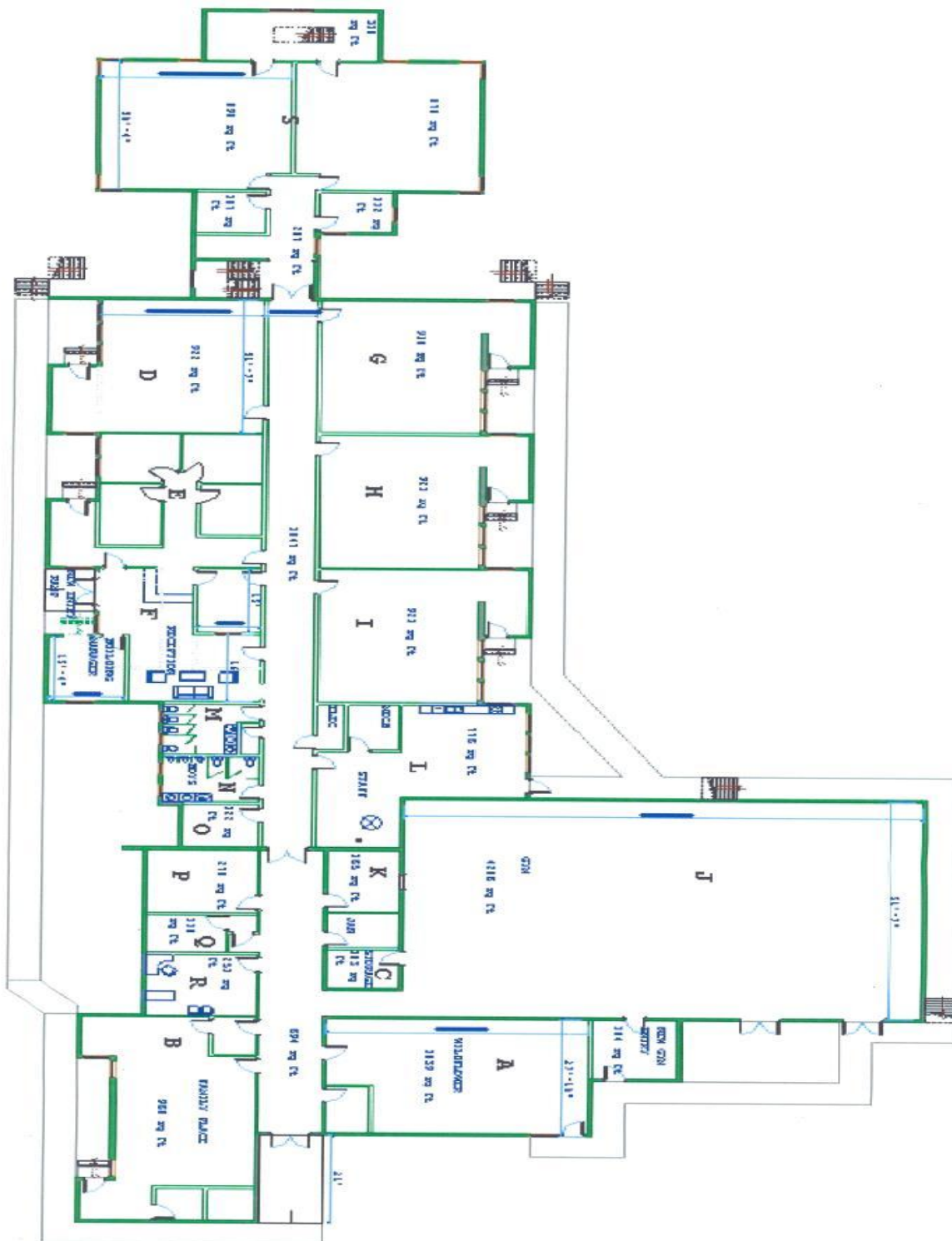
As evidence of their agreement to be bound by the above terms, Creston and the Tenant each have executed this Lease on the respective dates written below:

TOWN OF CRESTON)
 by its authorized signatories:)
)
)
)
 _____)
 Name:)
)
)
 _____)
 Name:)
)
)
 _____)
 Date)
)

VALLEY COMMUNITY)
SERVICES SOCIETY)
 by its authorized signatories:)
)
)
)
 _____)
 Name:)
)
)
 _____)
 Name:)
)
)
 _____)
 Date)
)

SCHEDULE A

LEASE AREA AND COMMON AREAS



SCHEDULE B
SCHEDULES, TERMS AND CONDITIONS FOR USE OF LEASE AREA

1. During the Term, the Tenant shall have exclusive use of the Gymnasium every Tuesday from 8:30 am until 12:00 pm.
2. Creston shall be responsible for maintenance of the Playing Fields and Gymnasium.

Kirsten Dunbar

Subject: FW: CPKC Holiday Train, 2023 Invitation**From:** Mark Piciacchia <Mark.Piciacchia@cpkcr.com>**Sent:** October 12, 2023 9:52 AM**To:** Arnold DeBoon <Arnold.DeBoon@creston.ca>**Subject:** CPKC Holiday Train, 2023 Invitation**CAUTION** This email originated from outside the organization. Please proceed only if you trust the sender.

October 12, 2023

Mayor Arnold DeBoon
Town of Creston
238 - 10th Avenue North
PO Box 1339
Creston, BC V0B 1G0

via email: arnold.deboon@creston.ca

Dear Mayor DeBoon:

The CPKC Holiday Train (formerly the CP Holiday Train) is returning to Creston to celebrate its 25th season of visiting communities across the CPKC network and helping those in need. The 2023 Holiday Train is scheduled to stop in Creston on Wednesday, December 13. Thanks to the generous support of great communities like yours, the Holiday Train has raised over \$22.5 million and over 5.1 million pounds of food since 1999 to help people struggling with food insecurity. With your help, we can continue to raise food, money and awareness for people facing hunger issues across North America.

FOOD BANK/FOOD SHELF DONATION

In our messaging leading up to your stop and at the event itself, CPKC will encourage community members to make donations to the local food bank of your choice. In the past, your chosen organization was Creston Valley Gleaners Food Ban. If this has changed, please let us know which organization you would like to support this year by Wednesday, October 11. If we do not hear from you by this date, we will liaise with the recipient we donated to last time we visited.

CPKC HAS HEART

CPKC Has Heart is our community investment program aimed at improving the heart health of men, women and children in communities across North America. Heart disease can affect anyone regardless of age or gender.

Prevention is key to eliminating the effects of heart disease, and one of the ways we hope to help is by spreading the message of the importance of quality nutrition. We encourage those attending Holiday Train events to make a monetary donation or donate heart healthy food items, because regardless of circumstance, we believe that everyone should have access to healthy, nutritious food.

HOSTING A SAFE AND FUN EVENT

Safety is always our top priority, and our goal is to continue to make the Holiday Train event safe and fun for everyone. To this end, we ask your office to manage any road or crossing blockages related to this event, including marking a safe perimeter around the Holiday Train for the duration of the show.

We have found that something as simple as “Do Not Cross” tape works well for this purpose, although our preference, if possible, would be to erect barricades that clearly mark out the area. This offers a safe zone for lowering the stage door, provides a clear space for people to board and leave the train and helps to prevent people from trying to cross through the train. Additionally, police or security presence at the event and at nearby crossings is encouraged to help ensure safe passage for the train into and out of the event.

Members of the CPKC Police Service will be on hand to help manage crowds, but we do appreciate your continued support – including the involvement of your local enforcement officials – in keeping the Holiday Train event in your community a safe one.

SOCIAL MEDIA

We use social media to inform and invite community members to the event and encourage food bank donations. Follow us on Facebook, Twitter and Instagram and share our message by using #CPKCHolidaytrain and #HealthyDonations.

EVENT INFORMATION

We will be in touch with you starting late October to discuss additional event information such as the exact stop location, promoting the event and confirmation you will be able to join us on stage to help present a donation to your chosen charitable organization. At this time, we are considering a possible VIP rider program and expect to be in a position to provide details in early October.

Your CPKC contacts for this year’s Holiday Train are Christine Brown and Brenda Land. They can be reached at holidaytrain@cpkcr.com.

I look forward to your community’s participation in this year’s CPKC Holiday Train.

Sincerely,



Mark Piciacchia
Manager, Indigenous Relations and Government Affairs
CPKC



1127 B Canyon St
Creston B.C. V0B 1G0
P: 250-428-4442

October 4, 2023

Dear Fellow Merchants / Supporters,

For the past 10 Christmas seasons Sue's Clotheslines has held a silent auction with 100% of the funds raised going to the Creston Ministerial Association to help them supply Christmas hampers to those who register and qualify for a hamper.

Since inception, the total raised by your generous support of items and or services for the silent auction, the proceeds from craft sales, used book sales and generous customers throwing their change in the umbrella which Sue's matches dollar for dollar is \$67,507.66.

It's time again for us to ask for contributions of items to be auctioned in the 11th annual fund raiser supporting the Creston Ministerial Associations Christmas Hamper fund. This truly is about giving back to our community and Irene and I are proud to have been able to facilitate and organize this event.

You have all been such generous contributors in past years and while it would be nice if we lived in a time where we did not have so many families in need and did not have to ask again, that is not the reality. The need continues to be great so if you can, do what you can to help make this Christmas a joyous one for our families in need.

This year's auction will run from November 13th thru to November 25th at 4 PM, this will give our community a two-week opportunity to bid on the great items you donate. Our face book page will have all the details including daily bid amounts on all items as of 9 AM, in addition the store window will display the current bids as of 9 AM.

Once again thank you for your generous consideration.


Sue & Irene
Sue's Clotheslines

Town of Creston

Bylaw No. 1992

A bylaw to amend the Five Year Financial Plan (2023 – 2027) Bylaw No. 1970, 2023.

WHEREAS it is deemed necessary and in the public interest to amend Five Year Financial Plan (2023 – 2027) Bylaw No. 1970, 2023;

NOW THEREFORE, the Council of the Town of Creston, in open meeting assembled, enacts as follows:

Part 1 Citation

1.1 This Bylaw may be cited as “Five Year Financial Plan (2023 – 2027) Amendment Bylaw No. 1992, 2023”.

Part 2 Severability

2.1 If a portion of this Bylaw is held invalid by a Court of competent jurisdiction, then the invalid portion must be severed and the remainder of this bylaw is deemed to have been adopted without the severed section, subsection, paragraph, subparagraph, clause or phrase.

Part 3 Amendments

3.1 Five Year Financial Plan (2023 – 2027) Bylaw No. 1970, 2023 is hereby amended by deleting Schedule “A” and replacing with a new Schedule “A” which is attached to and forms a part of this Bylaw.

3.2 The total of the proposed expenditures and transfers to other funds for a year must not exceed the total of the proposed funding sources and transfers from other funds for the year.

3.3 This bylaw shall come into full force and effect upon adoption.

READ A FIRST TIME by title and SECOND TIME by content this day of , 2023.

READ A THIRD TIME by title this day of , 2023.

ADOPTED this day of , 2023.

Mayor Arnold DeBoon

Kirsten Dunbar, Corporate Officer

SCHEDULE "A" TO BYLAW NO. 1992

TOWN OF CRESTON**DRAFT REVISED FIVE YEAR CONSOLIDATED FINANCIAL PLAN**

	2023	2024	2025	2026	2027	TOTALS
REVENUES						
PROPERTY TAXES	\$ 5,218,763	\$ 5,616,000	\$ 5,974,000	\$ 6,245,000	\$ 6,509,000	\$ 29,562,763
OTHER TAXES AND ASSESSMENTS	939,937	945,900	952,400	959,400	966,400	4,764,037
FEES AND CHARGES	5,405,228	6,375,245	5,403,395	5,481,257	5,582,663	28,247,788
OTHER SOURCES	4,643,353	1,740,759	1,664,116	1,609,748	1,619,258	11,277,234
CAPITAL GRANTS	2,416,183	4,671,000	1,800,000	1,564,500	1,342,250	11,793,933
TOTAL REVENUES	18,623,464	19,348,904	15,793,911	15,859,905	16,019,571	85,645,755
EXPENDITURES						
MUNICIPAL PURPOSES	11,004,365	10,709,743	11,034,086	11,229,288	11,530,942	55,508,424
INTEREST ON DEBT	264,789	180,284	178,540	176,734	194,861	995,208
AMORTIZATION	2,085,098	2,136,163	2,390,477	2,462,115	2,522,883	11,596,736
TOTAL EXPENDITURES	13,354,252	13,026,190	13,603,103	13,868,137	14,248,686	68,100,368
SURPLUS (DEFICIT) FOR THE YEAR	5,269,212	6,322,714	2,190,808	1,991,768	1,770,885	17,545,387
CAPITAL DEBT AND RESERVE TRANSFERS						
CAPITAL EXPENDITURES	(4,609,906)	(8,455,000)	(3,284,500)	(2,876,700)	(4,211,000)	(23,437,106)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	2,085,098	2,136,163	2,390,477	2,462,115	2,522,883	11,596,736
BORROWING	-	-	-	-	1,000,000	1,000,000
PRINCIPAL ON DEBT	(367,738)	(227,632)	(229,376)	(231,182)	(179,876)	(1,235,804)
TRANSFERS FROM :						
RESERVE FUNDS	554,115	697,500	501,000	471,200	473,500	2,697,315
ACCUMULATED SURPLUS	809,183	782,638	143,704	-	242,910	1,978,435
TRANSFERS TO:						
ACCUMULATED SURPLUS	(390,553)	(214,301)	(541,333)	(683,706)	(451,075)	(2,280,968)
RESERVE FUNDS	(3,349,411)	(1,042,082)	(1,170,780)	(1,133,495)	(1,168,227)	(7,863,995)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(5,269,212)	(6,322,714)	(2,190,808)	(1,991,768)	(1,770,885)	(17,545,387)
Surplus (deficit) plus Capital, Debt and Reserve Transfers	0	0	0	0	0	0

Schedule A to Bylaw 1992

TOWN OF CRESTON**DRAFT AMENDED FIVE YEAR FINANCIAL PLAN****GENERAL FUND**

	2023	2024	2025	2026	2027	TOTALS
<u>REVENUES</u>						
PROPERTY TAXES	5,218,763	5,616,000	5,974,000	6,245,000	6,509,000	29,562,763
OTHER TAXES & ASSESSMENTS	116,737	122,000	127,000	132,000	137,000	634,737
FEES & CHARGES	1,953,957	2,032,023	2,066,722	2,068,231	2,129,677	10,250,610
OTHER SOURCES	4,803,353	1,910,759	1,874,116	1,819,748	1,824,258	12,232,234
GAS TAX AND DEVELOPMENT COST CHARGES	326,523	375,000	150,000	375,000	170,000	1,396,523
CAPITAL GRANTS	1,939,660	3,046,000	1,650,000	1,189,500	1,172,250	8,997,410
TOTAL REVENUES	14,358,993	13,101,782	11,841,838	11,829,479	11,942,185	63,074,277
<u>EXPENDITURES</u>						
OTHER MUNICIPAL PURPOSES	8,550,726	8,224,592	8,486,978	8,633,650	8,874,531	42,770,477
INTEREST ON DEBT	210,624	127,800	127,800	127,800	147,800	741,824
AMORTIZATION	1,308,171	1,367,243	1,519,890	1,591,528	1,652,296	7,439,128
TOTAL EXPENDITURES	10,069,521	9,719,635	10,134,668	10,352,978	10,674,627	50,951,429
SURPLUS (DEFICIT) FOR THE YEAR	4,289,472	3,382,147	1,707,170	1,476,501	1,267,558	12,122,848
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(3,376,406)	(4,797,000)	(2,865,500)	(2,430,700)	(3,634,000)	(17,103,606)
PORTION OF AMORTIZATION EXPENSE UNFUND	1,308,171	1,367,243	1,519,890	1,591,528	1,652,296	7,439,128
BORROWING	-	-	-	-	1,000,000	1,000,000
PRINCIPAL ON DEBT	(247,051)	(105,264)	(105,264)	(105,264)	(105,264)	(668,107)
TRANSFERS FROM:						
RESERVE FUNDS	550,115	697,500	501,000	471,200	473,500	2,693,315
ACCUMULATED SURPLUS	556,710	228,374	143,704	-	242,910	1,171,698
TRANSFERS TO:						
ACCUMULATED SURPLUS	-	-	-	(140,265)	-	(140,265)
RESERVE FUNDS	(3,081,011)	(773,000)	(901,000)	(863,000)	(897,000)	(6,515,011)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(4,289,472)	(3,382,147)	(1,707,170)	(1,476,501)	(1,267,558)	(12,122,848)
Surplus (deficit) plus Capital, Debt and Reserve Transf	-	-	-	-	-	-

Schedule A to Bylaw 1992

TOWN OF CRESTON**DRAFT AMENDED FIVE YEAR FINANCIAL PLAN****WATER FUND**

	2023	2024	2025	2026	2027	TOTALS
<u>REVENUES</u>						
OTHER TAXES & ASSESSMENTS	390,500	391,000	392,000	393,000	394,000	1,960,500
FEES & CHARGES	1,425,275	1,462,945	1,504,612	1,544,310	1,588,067	7,525,209
OTHER SOURCES	100,000	120,000	90,000	90,000	100,000	500,000
CAPITAL GRANTS	-	-	-	-	-	-
TOTAL REVENUES	1,915,775	1,973,945	1,986,612	2,027,310	2,082,067	9,985,709
<u>EXPENDITURES</u>						
INTEREST ON DEBT	-	-	-	-	-	-
OTHER MUNICIPAL PURPOSES	577,044	637,340	657,991	673,151	691,548	3,237,074
ARROW CREEK WATER CONTRIBUTIONS	730,778	738,222	745,815	753,560	770,000	3,738,375
AMORTIZATION	240,000	211,443	211,443	211,443	211,443	1,085,772
TOTAL EXPENDITURES	1,547,822	1,587,005	1,615,249	1,638,154	1,672,991	8,061,221
SURPLUS (DEFICIT) FOR THE YEAR	367,953	386,940	371,363	389,156	409,076	1,924,488
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(193,000)	(355,000)	(200,000)	(216,000)	(227,000)	(1,191,000)
PORTION OF AMORTIZATION EXPENSE UNFUND	240,000	211,443	211,443	211,443	211,443	1,085,772
TRANSFERS FROM:						
ACCUMULATED SURPLUS	-	-	-	-	-	-
TRANSFERS TO:						
TRANSFER TO GENERAL SURPLUS	-	-	-	-	-	-
TRANSFER TO WATER DISTRICT RESERVE	(28,400)	(29,082)	(29,780)	(30,495)	(31,227)	(148,984)
ACCUMULATED SURPLUS	(390,553)	(214,301)	(353,026)	(354,104)	(362,292)	(1,674,276)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(367,953)	(386,940)	(371,363)	(389,156)	(409,076)	(1,924,488)
Surplus (deficit) plus Capital, Debt and Reserve Transf	-	-	-	-	-	-

Schedule A to Bylaw 1992

TOWN OF CRESTON**DRAFT AMENDED FIVE YEAR FINANCIAL PLAN****SEWER FUND**

	2023	2024	2025	2026	2027	TOTALS
<u>REVENUES</u>						
OTHER TAXES & ASSESSMENTS	432,700	432,900	433,400	434,400	435,400	1,733,400
FEES & CHARGES	2,025,996	2,880,277	1,832,061	1,868,716	1,864,919	8,607,050
OTHER SOURCES	70,000	50,000	50,000	60,000	65,000	230,000
CAPITAL GRANTS	150,000	1,250,000	-	-	-	1,400,000
TOTAL REVENUES	2,678,696	4,613,177	2,315,461	2,363,116	2,365,319	11,970,450
<u>EXPENDITURES</u>						
INTEREST ON DEBT	54,165	52,484	50,740	48,934	47,061	206,323
OTHER MUNICIPAL PURPOSES	1,475,817	1,449,589	1,493,302	1,528,927	1,564,863	5,947,635
AMORTIZATION	536,927	557,477	659,144	659,144	659,144	2,412,692
TOTAL EXPENDITURES	2,066,909	2,059,550	2,203,186	2,237,005	2,271,068	8,566,650
SURPLUS (DEFICIT) FOR THE YEAR	611,787	2,553,627	112,275	126,111	94,251	3,403,800
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(1,040,500)	(3,303,000)	(219,000)	(230,000)	(350,000)	(4,792,500)
PORTION OF AMORTIZATION EXPENSE UNFUND	536,927	557,477	659,144	659,144	659,144	2,412,692
PRINCIPAL ON DEBT	(120,687)	(122,368)	(124,112)	(125,918)	(74,612)	(493,085)
TRANSFERS FROM:						
ACCUMULATED SURPLUS	252,473	554,264	-	-	-	806,737
TRANSFERS TO:						
ACCUMULATED SURPLUS	-	-	(188,307)	(189,337)	(88,783)	(377,644)
WWTP REPLACEMENT RESERVE	(240,000)	(240,000)	(240,000)	(240,000)	(240,000)	(960,000)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(611,787)	(2,553,627)	(112,275)	(126,111)	(94,251)	(3,403,800)
Surplus (deficit) plus Capital, Debt and Reserve Transf	-	-	-	-	-	-

Schedule A to Bylaw 1992

2023 CAPITAL EXPENDITURE FINANCING**GENERAL CAPITAL EXPENDITURES**

From operating and surplus	538,032
From Infrastructure grants	1,698,647
From long term debt	-
From reserves	383,924
From government organizations	-
From non-government organizations	755,803
	<u>3,376,406</u>

WATER CAPITAL EXPENDITURES

From operating and surplus	193,000
----------------------------	---------

SEWER CAPITAL EXPENDITURES

From operating and surplus	653,623
From capital contributions	386,878
From infrastructure grants	-
	<u>1,040,500</u>

TOTAL CAPITAL

	<u><u>4,609,906</u></u>
--	-------------------------

TOWN OF CRESTON FINANCIAL OBJECTIVES AND POLICIES

The Town of Creston Financial Planning Guidelines reflects Council's direction to increase alternative revenue streams wherever possible to reduce reliance on property taxes in order to maintain existing programs and services. Council is also committed to having the sufficient funding available to ensure that current infrastructure is proactively maintained thereby delaying much higher replacement costs as long as possible. In order to insure that funding is available for planned capital replacement and infrastructure renewal, Council policy is to have reserves funded for those purposes.

The Financial Plan for 2023 shows property taxes are 32.7% of proposed funding sources identified in section 165(7) of the *Community Charter*. This amount is higher in comparison to 2022, which was 28.7%, because of higher grants revenues budgeted in 2022. With the requirement to pay for 70% of the RCMP costs since 2012, the reliance on taxation has increased.

Council has considered the distribution of property taxes among the various property classes. It is Council's policy to adjust the mill rates such that the ratio of taxes paid by the various classes remains relatively constant from year to year taking into account new construction.

Permissive tax exemptions approved by Council are a means of supporting organizations within the community that furthers Council's objectives of enhancing the quality of life and delivering services economically.

As part of the Town of Creston's economic development strategy, Council may establish one or more revitalization tax exemption programs to encourage investment in the Town's existing commercial enterprises, the development of new commercial ventures, such as tourism related businesses, with the objectives of stimulating new economic growth and revitalization of existing commercial uses in the Town as well investments in new residential rental units to help ease the shortage of rental suites.