

MAY 30, 1968

A special meeting of the Municipal Council was held in the Council Chambers, Municipal Hall, 4949 Canada Way, Burnaby 2, B. C. on Thursday, May 30, 1968 at 3:30 p.m.

PRESENT: Mayor A. H. Emmott in the Chair;  
Aldermen Dailly, Drummond, Herd,  
Lorimer, Mercier (3.55 p.m.) and  
McLean.

ABSENT: Aldermen Blair and Corsbie.

ORIGINAL COMMUNICATIONS

Chairman of Membership, Progressive Conservative Party, submitted a letter requesting permission to hold a parade in the "Burnaby-Seymour" area on June 6th, 13th and 20, 1968 from 7:00 p.m. to 9:00 p.m. and on June 8th, 15th and 22, 1968 between 2:00 p.m. and 4:00 p.m.

The Chairman also requested permission to use a loudspeaker in one of the vehicles taking part in the parade.

MOVED BY ALDERMAN DAILLY, SECONDED BY ALDERMAN McLEAN:  
"That permission be granted to the Progressive Conservative Party to conduct its parade at the times mentioned and in the area indicated, subject to:

- (a) the approval of the R.C.M.P.
- (b) the Provincial Department of Highways having no objection to the use of any arterial highway that may be involved;  
that

and further, /the request involving the use of a loudspeaker not be granted because the Street and Traffic By-law of the municipality does not allow for the use of such sound equipment."

CARRIED UNANIMOUSLY

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MOVED BY ALDERMAN McLEAN, SECONDED BY ALDERMAN HERD:  
"That a Poll be opened on the 13th day of June, 1968, between the hours of eight o'clock a.m. and eight o'clock p.m., at Burnaby Municipal Hall, 4949 Canada Way, Burnaby 2, B. C., for the purpose of taking the vote of the owner-electors on "BURNABY DISTRICT IMPROVEMENT LOAN AUTHORIZATION BY-LAW 1968"."

CARRIED UNANIMOUSLY

MOVED BY ALDERMAN McLEAN, SECONDED BY ALDERMAN HERD:  
"That Edward A. J. Ward be and is hereby appointed Returning Officer to take the vote of the owner-electors on "BURNABY DISTRICT IMPROVEMENT LOAN AUTHORIZATION BY-LAW 1968" with power to appoint his own Deputy Returning Officers."

CARRIED UNANIMOUSLY

ALDERMAN MERCIER ARRIVED AT THE MEETING.

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R E P O R T S

MUNICIPAL MANAGER submitted Report No. 36, 1968 on the matters listed below as Items (1) and (2), either providing the information shown or recommending the courses of action indicated for the reasons given:

(1) Financing Through Fraser-Burrard Regional District

The Administrator of the Regional District of Fraser-Burrard wrote on May 21st to advise that the Board of Directors for the District has agreed to the principal of regional financing. Because of this, the Board is requesting that, if the municipality wishes to have the District borrow on its behalf in 1968 pursuant to the provisions of Section 787 of the Municipal Act, a formal application should be made on or before June 5, 1968. The application should include:

- (a) A description of the project for which funds are required.
- (b) The amount of borrowing to be authorized.
- (c) The amount spent to date on the project.
- (d) The total amount that the municipality wishes the District to borrow and the date on which the municipality would like to obtain the funds.
- (e) Details of any limitations, such as term, rate of interest, type of debenture issue, etc.
- (f) An indication as to the preference for borrowing in Canadian or United States funds.
- (g) Two copies of the authorizing by-laws.

After this information is received, it will be possible to:

- (i) Consider any legal ramifications which may present themselves.
- (ii) Review the various alternatives involved.
- (iii) Decide the best approach to the bond market.

The various steps involved in this will be somewhat as follows, although the order may vary:

- (a) Establish the amount required by each member of the District.
- (b) Prepare appropriate agreements between each member and the District.
- (c) Decide on the type of issue and amount.
- (d) Pass any further by-laws which are necessary.
- (e) Make whatever arrangements are most appropriate to sell the debentures.

- (f) When the sale has been completed, distribute the net proceeds to the members after deducting all the expenses of making the issue. These expenses will include legal costs, printing, advertising, commission, discount, etc.
- (g) Advise each member of its share of the debt charges for the issue. (Each member's share of the annual debt charges will be determined by applying a percentage obtained by dividing the amount paid to the member by the net proceeds of the issue).

The report of the Manager provided the following information in response to the requests of the District:

- (a) to (d) A description of the project for which funds are required, the amount of the borrowing authorized and the amount spent to date are:

By-law No.	Total Authorized	Already Financed	Total to be Financed	Amount Spent to Date
5151	\$ 233,275	\$ 51,890	\$ 181,385	\$ 141,340.90
5152	51,400		51,400	12,786.57
5153	207,740		207,740	148,733.95
5156	21,700		21,700	18,283.82
5171	39,700		39,700	33,348.51
5172	231,000		231,000	133,343.55
5175	18,100		18,100	13,355.88
5179	28,880		28,880	44,173.23
5180	35,700		35,700	22,098.12
5218	3,500		3,500	2,819.72
5219	44,100		44,100	35,418.19
5222	1,666		1,666	812.73
5223	528		528	408.09
5224	14,334		14,334	8,672.96
5225	2,672		2,672	1,779.54
5226	62,680		62,680	32,786.75
5276	18,000		18,000	2,711.55
5277	160,000		160,000	12.27
	\$1,174,975.	\$ 51,890	\$1,123,085	\$ 652,886.33

Deduct Winter Works Recovery: 48,950  
\$1,074,135

Say: \$1,075,000

- (e) The term of the borrowing is 15 years and the rate of interest should not exceed 7-1/2%.

The issue should preferably be a serial one, although a sinking fund type could be used, if necessary, if the issue is in Canada.

The levy on a serial issue at 7-1/2% would be \$121,800 annually for 15 years.

Based on a sinking fund earning 5%, the levy annually for 15 years on a sinking fund issue would be:

Sinking Fund deposit	-	\$ 49,800
Interest	-	<u>80,625</u>
		<u>\$130,425</u>

If earnings exceeded 5% per annum, the last year or years' levy would be reduced by the surplus in earnings. However, such a plan means that larger sums of money at today's value are being made available. 5% is the sinking fund earning rate used by the Provincial Government so presumably it would be used by the Regional District.

- (f) If the exchange rate remained constant for a period of 15 years at around \$108.00, it would be necessary to borrow \$995,000 in U. S. Funds rather than \$1,075,000 in Canadian Funds. At 7% per annum, a serial issue would require an annual levy of \$117,985; therefore, if the exchange rate is pegged at its current level for the next 15 years, a 7% U.S. serial issue would be approximately equal in cost to a 7-1/2% Canadian issue.

Conversely, if the exchange rate declines at any time during the period, a 7% U.S. issue will be more expensive than a 7-1/2% Canadian issue.

A U. S. Sinking Fund issue introduces a very important element of risk. In the case of a serial issue, a portion of it is retired annually and paid for in current U.S. dollars. With a sinking fund, the accumulation is usually in Canadian dollars. This means that a gamble is made that the exchange rate of 15 years from now for the entire proceeds of the fund must be converted into U.S. dollars at that time to retire the debt and, if there is any shortage, it must be provided at that time.

Serial issues are virtually impossible to sell in the U.S. at this time; therefore, it was being recommended that a U.S. issue not be considered.

- (g) Two copies of the authorizing by-laws are being prepared.

MOVED BY ALDERMAN LORIMER, SECONDED BY ALDERMAN MERCIER:

"That the subject matter of the report from the Municipal Manager be tabled until the June 10, 1968 meeting in order to allow all members an opportunity to digest the information in the report."

CARRIED  
MAYOR EMMOTT, ALDERMEN  
HERD AND DRUMMOND AGAINST

(2) Seminar - Outdoor Lighting in Community Planning

It was recommended that Mr. N. Savchenko of the Engineering Department be authorized to attend a seminar that is being held in Spokane, Washington between June 2nd and 4, 1968 on the subject of Outdoor Lighting in Community Planning.

It was added that the cost in this regard would be approximately \$189.00.

MOVED BY ALDERMAN HERD, SECONDED BY ALDERMAN MCLEAN:  
"That the recommendation of the Manager be adopted."

CARRIED UNANIMOUSLY

His Worship, Mayor Emmott, recommended that Council authorize payment of an account from the Astor Hotel amounting to \$148.15 for refreshments and services provided at a dinner that Council had at the Hotel on May 22, 1968 with Mr. John McKeown, Industrial Development Commissioner for Greater Vancouver.

MOVED BY ALDERMAN LORIMER, SECONDED BY ALDERMAN DAILLY:  
"That the recommendation of the Mayor be adopted."

' CARRIED UNANIMOUSLY

Municipal Manager submitted a special report (#4, 1968) on the subject of North Road.

The following is the substance of that report:

- (a) North Road is a secondary highway, which also happens to be a road of inter-municipal responsibility because it is the boundary between Burnaby and Coquitlam. As a secondary highway, the Department of Highways also has a responsibility.
- (b) Several years ago, it was agreed by Coquitlam, Burnaby and the Department of Highways that North Road should be improved between Clark Road and the New Westminster boundary at Brunette River. The Minister of Highways at that time agreed to:
  - (i) The sharing of the costs of constructing the road, including storm drainage, up to 50%.
  - (ii) The designing of the road.
- (c) Coquitlam was not satisfied at the time that it should contribute anything for the improvement of North Road because it was an arterial road in nature and should be so classified. The Department of Highways has never been convinced of this, however.
- (d) After a long delay, Coquitlam accepted responsibility in connection with improvements to North Road but, because of the amount of money involved, it was considered necessary and possible to reduce the proposed work to improving that section of North Road between Cameron Street and the Freeway.
- (e) Design was undertaken on this section of North Road by the Department of Highways, using its usual standard. This produced a new cost estimate considerably greater than had been anticipated by the two municipalities involved.
- (f) Burnaby examined the design and came to the conclusion that considerable saving could be effected by using our standard of base construction instead of the Department of Highways'. This was accepted by both that Department and the District of Coquitlam.
- (g) Coquitlam then made arrangements to finance its share of the cost but the "tight money" situation caused

the Provincial Government to temporarily defer construction.

- (h) Traffic infiltrating from North Road through the Sullivan Heights area made Burnaby take drastic steps to eliminate the problem.
- (i) Almost immediately, the new Minister of Highways announced that North Road would be constructed.
- (j) Planned improvements to the reduced portion of North Road was an expedient to meet a financial situation only and could never be justified from the point of view of actual traffic requirements. The situation, because of the restricted turning movements off North Road into the Sullivan Heights area, has greatly deteriorated. It was obvious that proceeding on this basis would only transfer the "bottleneck" problem on North Road to the part north of Cameron Street.
- (k) Burnaby suggested that consideration be given the improvement, to ultimate standard, of North Road between Clark Road and the Freeway. Coquitlam agreed, subject to it being able to arrange term financing for its share of the cost. Mayor Christmas of Coquitlam informed the Municipal Manager on May 28, 1968 that Coquitlam has arranged its financing.
- (l) In the meantime, Burnaby has proceeded to contract for the storm drainage component of the project, and this is under way now.
- (m) Extension of the project to include the section between Cameron Street and Clark Road is easily justified by the traffic situation and also by the economies of doing the entire job at one time. The addition of this new section is, however, not without the following problems:
  - (i) There is no design in hand for this new portion.
  - (ii) The acquisition of property for the widening project has not been undertaken.
  - (iii) The estimated cost to Burnaby of the entire project is increased from \$166,550 to \$299,050.
- (n) This is the current situation but the matter is obviously urgent and, with Council's approval, everything possible will be done to produce a road design and to acquire the right-of-way for the widening project so that the entire work can proceed.

MOVED BY ALDERMAN LORIMER, SECONDED BY ALDERMAN McLEAN:  
"That the course of action outlined in the report of the Manager be endorsed."

CARRIED UNANIMOUSLY

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B Y - L A W S

MOVED BY ALDERMAN HERD, SECONDED BY ALDERMAN DAILLY:

"That leave be given to introduce:

"BURNABY LOCAL IMPROVEMENT CHARGES AMENDMENT BY-LAW 1968"  
and that it now be read a First Time."

CARRIED UNANIMOUSLY

MOVED BY ALDERMAN HERD, SECONDED BY ALDERMAN DAILLY:

"That the By-law be now read a Second Time."

CARRIED UNANIMOUSLY

MOVED BY ALDERMAN HERD, SECONDED BY ALDERMAN DAILLY:

"That the Council do now resolve into a Committee of the Whole to consider and report on the By-law."

CARRIED UNANIMOUSLY

MOVED BY ALDERMAN HERD, SECONDED BY ALDERMAN DAILLY:

"That the Committee do now rise and report the By-law complete."

CARRIED UNANIMOUSLY

THE COUNCIL RECONVENED

MOVED BY ALDERMAN HERD, SECONDED BY ALDERMAN DAILLY:

"That the report of the Committee be now adopted."

CARRIED UNANIMOUSLY

MOVED BY ALDERMAN HERD, SECONDED BY ALDERMAN DAILLY:

"That:

"BURNABY LOCAL IMPROVEMENT CHARGES AMENDMENT BY-LAW 1968"  
be now read a Third time."

CARRIED UNANIMOUSLY

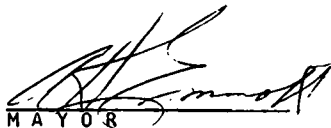
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MOVED BY ALDERMAN McLEAN, SECONDED BY ALDERMAN HERD:

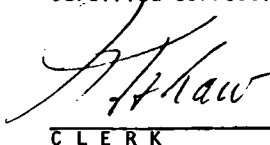
"That the meeting now adjourn."

CARRIED UNANIMOUSLY

Confirmed:

  
MAYOR

Certified correct:

  
CLERK

EW/cg