

SCHOOL DISTRICT 63 (SAANICH)

FINANCE, FACILITIES & TECHNOLOGY COMMITTEE

Report to the Board of April 20, 2022

Committee Members:	Trustee Vanwell, Chair Trustee Dunford Trustee McMurphy
Staff Support:	Jason Reid, Secretary-Treasurer Dave Eberwein, Superintendent of Schools Megan Cimaglia, Director of Finance Rob Lumb, Director of Facilities Cody Henschel, Director of Information Technology
Partner Representatives:	Michael MacEwan, STA Nola Welsh, CUPE David Mark, SAA COPACS - regrets
Other Attendees:	Trustee Silzer, Trustee Holman & Trustee Stelck

Committee Meeting

Tuesday, April 12, 2022

A. PRESENTATIONS AND QUESTIONS

Funding for Electric Buses – Erica Letchford, Rede Energy Solutions

B. ITEMS DISCUSSED

No Items.

C. ITEMS FOR RECOMMENDATION

1. 2022/23 Capital Plan Bylaw

Motion:

The Committee recommends and I, Trustee VanWell move,
That the Board approve the first reading of Capital Plan Bylaw No. 2022/23-CPSD6301.

The Committee recommends and I, Trustee VanWell move,
That the Board approve the second reading of Capital Plan Bylaw No. 2022/23-CPSD6301.

Motion to Read for a Third Time

That the Board approve the reading of the Capital Plan Bylaw No. 2022/23-CPSD6301 at this Board meeting for a third time.

Third and Final Reading of Capital Plan Bylaw No. 2022/23-CPSD6301

That the Board approve the third reading, pass and adopt Capital Project Bylaw No. 2022/23-CPSD6301.

2. Annual Facilities Grant

Motion:

The Committee recommends and I, Trustee VanWell move,
That the Board approve the 2022/23 Annual Facility Grant as presented.

3. Childcare Spaces Lease/License Renewals

Motion:

The Committee recommends and I, Trustee VanWell move,
That the Board approve the implementation of the new License agreement template for the renewal of childcare space agreements.

4. Report from Budget Advisory Committee

Motion:

The Committee recommends and I, Trustee VanWell move,
That the Board protest in the strongest possible terms the changes to the Employment Standards Act not being funded and encourage the BCSTA and VISTA to do the same; and that the Board seek a meeting with the Ministry of Education to discuss this matter.

Motion:

The Committee recommends and I, Trustee VanWell move,
That the Secretary Treasurer prepare alternatives for balancing the 2022/23 budget for the next Budget Advisory Committee meeting.

D. ITEMS FOR INFORMATION

1. Fiscal Forecast
2. Business Company Dissolution

E. FUTURE AGENDA ITEMS

1. KELSET Parking Lot (May)

To: Finance, Facilities & Technology Committee

Prepared By: Jason Reid
Secretary Treasurer

Subject: Capital Bylaw No. 2022/23 – CPSD63-01

Date: April 6, 2022

The Board approved the 2022/23 Capital Plan Submission (see attachment 1) at the June 2021 Board meeting. The Ministry response to the 2022/23 capital plan submission was received on March 15, 2022 and is included as attachment 2.

The approved projects include HVAC upgrades at Deep Cove Elementary, roofing upgrades at Parkland Secondary, new playground equipment at Brentwood Elementary, and replacement of two buses.

Upon receipt of the Capital Plan Response letter from the Ministry, the Board must adopt a single Capital Bylaw, in accordance with section 143 (1) of the School Act. The draft Capital Plan Bylaw is included as attachment 3.

Note that the capital funding approved for bus replacement is for the purchase of diesel buses. The district is exploring other sources of funding to cover the additional cost of purchasing electric versus diesel buses. A separate report on these other funding sources being explored is included on the April 12th FF&T Committee agenda.

Staff Recommendation

That the Committee recommends the Board's adoption of the attached Bylaw at the April 20, 2022 Board meeting.

With respect,



Jason Reid
Secretary Treasurer

JR/klg

Attachments: Appendix 1 – Briefing Note – 2022/23 Capital Plan Submission
Appendix 2 – Ministry Capital Plan Response Letter for 2022/23
Appendix 3 - Capital Bylaw No. 2022/23 – CPSD63-01

To: Finance, Facilities & Technology Committee

Prepared By: Rob Lumb
 Director of Facilities

Subject: Five Year Capital Plan Submission 2022/23

Date: June 3, 2021

Purpose

The purpose of this briefing note is to provide information relevant for the committee’s review and the Boards approval of the Capital Plan Submission for 2022/23. If these projects are subsequently approved by the Ministry, funding will be announced in March 2022.

Our new submission deadline is July 31, 2021. Included in the plan are some ‘carry forward’ projects that appeared in last year’s submission as well as the addition of some newer projects more recently identified.

A summary table of the proposed 2022/23 Capital Plan Submission with further explanation is below:

Addition Program		
Cordova Bay Elementary	\$3,771,221 *	*Cost based on estimates from June 2019 – being revised Addition of a four classroom expansion
Seismic Mitigation Program (SMP)		
Children’s Development Centre	\$4,253,731	Approved project and underway
Sidney Elementary	\$12,121,000 *	*Cost based on estimates from June 2019 – being revised Previously submitted project. Risk Assessment is an H1 (P2 and P4)
Brentwood Elementary	\$5,687,274	Previously submitted project. Risk Assessment is an H1 (P2)
Building Envelope Program (BEP)		
Bayside Middle School	\$6,909,999	Result of Building Envelope Condition Assessment - 2009
Brentwood Elementary	\$731,000	Result of Building Envelope Condition Assessment - 2009
Prospect Lake Elementary	\$670,000	Result of Building Envelope Condition Assessment - 2009
School Enhancement Program (SEP)		
Deep Cove Heating Plant	\$1,200,000	Replace aging boiler plant with efficient system
Roofing	\$500,000	Parkland
Carbon Neutral Capital Program (CNCP)		
Deep Cove	\$350,000	Air Source Heat Pump
Playground Equipment Program (PEP)		
Brentwood Elementary	N/A	Universally accessible playground equipment
Sidney Elementary	N/A	Universally accessible playground equipment

Deep Cove Elementary	N/A	Universally accessible playground equipment
Bus Replacement (BUS)		
Bus Replacement dictated by Age and Mileage. We are getting close to 1 - 2 replacements, and we will plan to replace any approved bus with an electric model.		
Demolition Program		
Sansbury	\$150,000	Demolition of gym and covered area

Additions Projects

The implementation of new catchment boundaries in 2021/22 will shift future enrolment from Prospect Lake to Brentwood, Lochside and Cordova Bay. Cordova Bay is most impacted in terms of future enrolment, as Lochside will have less capacity in the future to accept out-of-catchment requests from Cordova Bay. As a result, the implemented boundary change reflects the need for a 2-classroom at Cordova Bay to accommodate future enrolment. Refer to Scenario 1 in the table below.

Cordova Bay Catchment

	# of K-5	Where They Attend				Op_Cap	Shortfall	Surplus
		In-Catch	OC_SZ	OC_Other	Est OD			
Cordova Bay - Base Cond	321	251	47	3	20	255	66	
Cordova Bay - Scenario 1 (2029)	301	299	2	2	0	299	2	
Cordova Bay - Scenario 2 (2029)	301	299	2	2	0	299	2	

The catchment boundary study did not reflect the impact of additional housing from potential densification of land use as indicated in the draft Cordova Bay Local Area Plan. Therefore, it is prudent to plan for a 4-classroom addition as we continue to monitor the implementation of the local area plan.

With the implementation of new catchment boundaries, last year's submission for an expansion at Prospect Lake has been removed.

SMP Projects

The Children's Development Project is nearing completion and will be ready for September 2021.

Revised building codes have identified Sidney and Brentwood as H1 risk which resulted in their submissions. Further classification from Ministry has added an additional layer of rating. This rating system is attached to the Briefing Note. Sidney has 2 blocks that are H1 – P2 and 2 blocks that are H1 – P4. Brentwood has 1 block that is rated H1 – P2.

Note that both Sidney and Brentwood were submitted last year as a seismic upgrades, as the H1 rating drives the rationale for approval.

EP projects

Bayside is being submitted again for a major building envelope project to repair the sustained damage from the lengthy roof leak. Note that we have conducted thorough air quality tests at the school and there are no concerns regarding air quality. Brentwood and Prospect Lake have also been included in the submission. This is under instruction from the Ministry as they continue to fund related projects across the province based on studies completed in 2009 related to the leaky condo issues in British Columbia.

SEP Projects

The HVAC system at Deep Cove consists of 3 separate inefficient heating plants that are all nearing end of life. Our goal is to combine the heating plant into 1 system that provides heat to the school in conjunction with an Air Sourced Heat Pump which is listed below in the CNCP funding.

Roofing continues to be a focus in replacement schedules, thus the allocation of \$500K for Parkland School. This is a start to a lengthy process that will see subsequent years of submissions for the Parkland roof. Parkland consists of over 100,000 square feet of roofing that is now at its life expectancy. The total estimate to replace all of the Parkland roof is \$3.8 million which we will do over the span of multiple years.

Carbon Neutral Capital Program

The proposed heating plant at Deep Cove will include an Air Sourced heat pump. This will allow us to greatly reduce Green House Gas emissions from the site by moving the main source of heat from Natural Gas to Electricity.

PEP projects

Brentwood was included in the PEP replacement submission from last year, but it was not approved. It will remain our number 1 priority. We have also added Sidney and Deep Cove to replace existing playgrounds nearing end of life.

BUS Projects

Bus replacement is dictated by age and mileage, and we are nearing replacement for 1-2 buses. Our plan is for all future bus replacements to be electric models, funding permitting.

Demolition Program

To demolish the gymnasium and covered area at Sansbury, as these components are at end of life and were not included in the renewed lease with Allegro Dance.

Recommendation:

That the Board approve the Capital Plan Submission for the 2022/23 school year.



Rob Lumb
Director of Facilities

Attachments: 1. H1 Priority Rankings
2. Seismic Risk and Prioritization

Block--05 May 13 36

	Code	District	Facility	Name	Construct ion Types List	Construct ion Years List	Floor Area	Block #	# Of Storeys	Site Class	Latest Risk Rating	Priority	Status
1	6363002-2	63 - Saanich	6363002 - Brentwood Elementar y	1970 Addition	Steel - 51	1970	1,100	2	1	D	H1	2	Structural Upgrade Required
1	6363004-5	63 - Saanich	6363004 - Deep Cove Elementar y	1966 Addition	Concrete M	1966	105	5	1	D	H1	1	Structural Upgrade Required
1	6363012-4	63 - Saanich	6363012 - Saanichto n Learning Centre	1969 Addition (Small 1993 Addition)	Steel - 51	1969	401	4	1	D	H1	2	Structural Upgrade Required
1	6363012-3	63 - Saanich	6363012 - Saanichto n Learning Centre	1979 Addition	Concrete M	1979	1,031	3	1	D	H1	3	Structural Upgrade Required
1	6363014-1	63 - Saanich	6363014 - Sidney Elementar y	1951 Original Building	Wood Fram	1951	1,480	1	1	D	H1	2	Structural Upgrade Required
1	6363014-9	63 - Saanich	6363014 - Sidney Elementar y	1969 Addition	Steel - 51	1969	825	9	1	D	H1	2	Structural Upgrade Required
1	6363014-3	63 - Saanich	6363014 - Sidney Elementar y	1956 Addition	Wood Fram	1956	257	3	1	D	H1	4	Structural Upgrade Required
1	6363014-8	63 - Saanich	6363014 - Sidney Elementar y	1966 Addition (Gymnasiu m)	Concrete M	1966	350	8	1	D	H1	4	Structural Upgrade Required

RISK (On a Block Basis)	RISK DEFINITION (Risk Levels based on the NBC Code Hazard which is the Maximum Credible Earthquake (2% in 50 Years))
High 1 (H1)	Most vulnerable structure; at highest risk of widespread damage or structural failure. Not repairable after event. Structural and non-structural seismic upgrades required.
High 2 (H2)	Vulnerable structure; at high risk of widespread damage or structural failure. Likely not repairable after event. Structural and non-structural seismic upgrades required.
High 3 (H3)	Isolated failure to building elements is expected; building not likely repairable after event. Structural and non-structural seismic upgrades required.
Medium (M)	Isolated damage to building elements is expected; non-structural elements (such as bookshelves, lighting) are at risk of failure. Non-structural upgrades required. Building to be upgraded or replaced within the Capital Plan when it has reached the end of its useful life.
Low (L)	Least vulnerable structure. Would experience isolated damage and would probably be repairable after an event. Non-structural upgrades may be required.

PRIORITY	PRIORITY DEFINITION FOR H1 BLOCKS (The following Priority Rankings are based on a Moderate Earthquake (5% in 50 Years))
P1	Total damage in a moderate earthquake. Unsafe - Highest life safety consequences. Demolition after event.
P2	High probability of total damage in a moderate earthquake. Unsafe - High life safety consequences. Demolition likely after event.
P3	Moderate probability of total damage in a moderate earthquake. Moderate life safety risk. Costly repairs after event.
P4	Least probability of total damage in a moderate earthquake. Low life safety risk. Readily repairable after event.



March 15, 2022

Ref: 218161

To: Secretary-Treasurer and Superintendent
School District No. 63 (Saanich)

Capital Plan Bylaw No. 2022/23-CPSD63-01

Re: Ministry Response to the Annual Five-Year Capital Plan Submission for 2022/23

This letter is in response to your School District's 2022/23 Annual Five-Year Capital Plan submissions for Major Capital Programs and Minor Capital Programs, and provides direction for advancing supported and approved capital projects. **Please see all bolded sections below for information.**

The Ministry has reviewed all 60 school districts' Annual Five-Year Capital Plan submissions for Major Capital Programs and Minor Capital Programs to determine priorities for available capital funding in the following programs:

- Seismic Mitigation Program (SMP)
- Expansion Program (EXP)
- Replacement Program (REP)
- Site Acquisition Program (SAP)
- Rural District Program (RDP)
- School Enhancement Program (SEP)
- Carbon Neutral Capital Program (CNCP)
- Building Envelope Program (BEP)
- Playground Equipment Program (PEP)
- Bus Acquisition Program (BUS)

The following tables identify major capital projects that are supported to proceed to the next stage, if applicable, as well as minor capital projects that are approved for funding and are able to proceed to procurement.

MINOR CAPITAL PROJECTS (SEP, CNCP, BEP, PEP, BUS)

Below are tables for the minor capital projects that are approved. The table identifies School Enhancement Program (SEP), Carbon Neutral Capital Program (CNCP), Building Envelope Program (BEP), Playground Equipment Program (PEP), as well as the Bus Acquisition Program (BUS), if applicable.

New projects for SEP, CNCP, BEP, PEP

Facility Name	Program Project Description	Amount Funded by Ministry	Next Steps & Timing
Deep Cove Elementary	SEP - HVAC Upgrades	\$650,000	Proceed to design, tender & construction. To be completed by March 31, 2023.
Parkland Secondary	SEP - Roofing Upgrades	\$500,000	Proceed to design, tender & construction. To be completed by March 31, 2023.
Deep Cove Elementary	CNCP - HVAC Upgrades	\$310,000	Proceed to design, tender & construction. To be completed by March 31, 2023.
Brentwood Elementary	PEP - New - Universally Accessible Playground Equipment	\$165,000	Proceed to design, tender & construction. To be completed by March 31, 2023.

New projects for BUS

Existing Bus Fleet #	New/Replacement Bus Type	Amount Funded by Ministry	Next Steps & Timing
4632	D (80+FE) with 2 wheelchair space(s)	\$204,215	Proceed to ordering the school bus(es) between March 21, 2022 and June 10, 2022 from the list of approved vendors available through the Bus Standing Offer portal on the ASTSBC website at http://www.astsb.org
4630	D (80+FE) with 2 wheelchair space(s)	\$204,215	Proceed to ordering the school bus(es) between March 21, 2022 and June 10, 2022 from the list of approved vendors available through the Bus Standing Offer portal on the

			ASTSBC website at http://www.astsbc.org
--	--	--	--

An Annual Programs Funding Agreement (APFA) accompanies this Capital Plan Response Letter which outlines specific Ministry and Board related obligations associated with the approved Minor Capital Projects for the 2022/23 fiscal year as listed above.

In accordance with Section 143 of the *School Act*, Boards of Education are required to adopt a single Capital Bylaw (using the Capital Bylaw Number provided at the beginning of this document) for its approved 2022/23 Five-Year Capital Plan as identified in this Capital Plan Response Letter. For additional information, please visit the Capital Bylaw website at:

<https://www2.gov.bc.ca/gov/content/education-training/k-12/administration/capital/planning/capital-bylaws>

The Capital Bylaw and the APFA must be signed, dated, and emailed to Ministry Planning Officer Mary-Anne North at mary-anne.north@gov.bc.ca as soon as possible. Upon receipt the Ministry will issue Certificates of Approvals as defined in the APFA.

With the 2022/23 Capital Plan process now complete, the Capital Plan Instructions for the upcoming 2023/24 Annual Five-Year Capital Plan submission process (using the Ministry’s Capital Asset Planning System (CAPS) online platform) are available at the Ministry’s Capital Planning webpage.

NOTE: School districts’ Capital Plan submission deadlines for the 2023/24 fiscal year, using the CAPS online platform, will be as follows:

- Major Capital Programs (SMP, EXP, REP, RDP, BEP) – June 30, 2022
- Minor Capital Programs (SEP, CNCP, PEP, BUS) – September 30, 2022

The staggered deadlines are intended to provide the Ministry with input required to initiate planning for the next budget cycle, while enabling school districts additional time and flexibility to plan over the summer. School districts may wish to provide Major and Minor Capital submissions by the June 30, 2022 deadline.

Please refrain from proactively reaching out to media regarding approved projects until the Province has made public announcements regarding minor capital approvals and playgrounds. Procurement and operational disclosure can continue.

When preparing public announcements pertaining to these approvals after the provincial announcements, please have District communications staff contact Meghan McRae, Communications Director, Government Communications and Public Engagement, at (250) 952-0622

Additionally, the Annual Facility Grant (AFG) project requests for the 2022/23 fiscal year are to be submitted using the CAPS online platform, on or before May 31, 2022.

Please contact your respective Regional Director or Planning Officer as per the Capital Management Branch Contact List with any questions regarding this Capital Plan Response Letter or the Ministry's capital plan process.

Sincerely,

A handwritten signature in black ink, appearing to read "Francois Bertrand". The signature is fluid and cursive, with a long horizontal stroke at the end.

Francois Bertrand, Executive Director
Capital Management Branch

pc: Rob Drew, Director, Major Capital Projects, Capital Management Branch
Damien Crowell, A/Director, Minor Capital Programs and Finance Unit, Capital
Management Branch

CAPITAL BYLAW NO. 2022/23 – CPSD63-01
CAPITAL PLAN 2022/23

WHEREAS in accordance with section 142 of the School Act, the Board of Education of School District No. 63 (Saanich) (hereinafter called the “Board”) has submitted a capital plan to the Minister of Education (hereinafter called the "Minister") and the Minister has approved the capital plan or has approved a capital plan with modifications,

NOW THEREFORE in accordance with section 143 of the *School Act*, the Board has prepared this Capital Bylaw and agrees to do the following:

- (a) Authorize the Secretary-Treasurer to execute a capital project funding agreement(s) related to the capital project(s) contemplated by the capital plan or the capital plan with modifications;
- (b) Upon ministerial approval to proceed, commence the capital project(s) and proceed diligently and use its best efforts to complete each capital project substantially as directed by the Minister;
- (c) Observe and comply with any order, regulation, or policy of the Minister as may be applicable to the Board or the capital project(s); and,
- (d) Maintain proper books of account, and other information and documents with respect to the affairs of the capital project(s), as may be prescribed by the Minister.

NOW THEREFORE the Board enacts as follows:

- 1. The Capital Bylaw of the Board for the 2022/23 Capital Plan as approved by the Minister, to include the supported capital projects specified in the letter addressed to the Secretary-Treasurer and Superintendent, dated March 15, 2022, is hereby adopted.
- 2. This Capital Bylaw may be cited as School District No. 63 (Saanich) Capital Bylaw No. 2022/23 – CPSD63-01.

READ A FIRST TIME THE 20th DAY OF April 2022;
READ A SECOND TIME THE 20th DAY OF April 2022;
READ A THIRD TIME, PASSED THE 20th DAY OF April 2022.

APPLY CORPORATE SEAL

Board Chair

Secretary-Treasurer

I HEREBY CERTIFY this to be a true and original School District No. 63 (Saanich) Capital Bylaw No. 2022/23 – CPSD63-01 adopted by the Board the 20th day of April 2022.

Secretary-Treasurer



To: Finance, Facilities & Technology Committee

Prepared By: Rob Lumb
Director of Facilities

Subject: 2022/23 Annual Facilities Grant Plan

Date: April 6, 2022

The purpose of this briefing note is to present the 2022/23 Annual Facility Grant plan for review by the committee and approval by the Board.

The Annual Facility Grant (AFG) was originally introduced as the 'Facilities Shareable Capital Allowance' in the 1988/89 school year. In recognition of the need for routine maintenance of school facilities this allowance was provided as part of the operating budgets as a supplementary funding source for projects regularly required to extend the life of existing facilities. There are 12 categories that are eligible for AFG expenditures:

- Roof Replacements
- Mechanical System Upgrades
- Electrical System Upgrades
- Facility Upgrades
- Loss Prevention Projects
- Functional Improvements
- Technology Infrastructure Upgrades
- Site Upgrades
- Disabled Access
- Asbestos Abatement
- Health and Safety Upgrades
- Site Servicing

The funding year for the AFG matches the fiscal year of government. Therefore, this plan relates to expenditures from April 1, 2022 to March 31, 2023.

AFG is separate and distinct from the other capital submissions that are completed for major capital projects such as seismic upgrades, school replacements, busing and other large ticket expenses.

To determine the priorities in a given year we use information from professional inspectors, VFA building reports, data from our work order systems, feedback from our trades staff, and from meetings with each school's administration.

This year's proposal has been broken down by constant costs then by priority.

The constant costs are fixed and they include the wages for the administration resources required to manage the projects. There is also a CMMS (Computerized Maintenance Management System) cost which funds our electronic work order system, as well as an AFG admin fee which is paid to the government for their management of the projects.

Priority 1 projects are for projects that are most urgent.

1. Our current operating budget has no capacity for any painting, therefore we employ three painters through AFG to paint our buildings.
2. The Continuous Optimization Program is a joint offer from BC Hydro and FortisBC which provides customer assistance to save energy and improve operations in large commercial buildings without having to undertake a major capital investment. The primary focus of the program is to help us improve the efficiency of our most energy-intensive systems, such as heating, ventilation, and air-conditioning, (HVAC), with simple, low-cost solutions. The Investigation phase is 100% reimbursed by BC Hydro. SD63 has committed to spending up to \$0.20/SF for the Implementation phase and seven schools have been accepted by BC Hydro.
3. We are using AFG funds to fund our Energy Management Consultant fees.
4. SIDES Beaver Lake septic field has failed and is need of replacement.
5. The boilers at Sidney Elementary need a rebuild in order to maintain heat to the school.
6. The Facilities dust collector and electrical room rebuild have been delayed from last year due to long lead times of equipment.
7. The heat pump at Brentwood Elementary has failed leaving one small electric boiler to heat the entire school.

Priority 2 projects include items that are less than immediate urgency, but still require substantial attention.

1. The Parkland Track project is underway with the field and drainage work started.
2. The Prospect Lake Parking Lot project is being planned for with \$400k, this amount will not cover our most recent cost estimates, but we are exploring options.
3. We are continuing to support the Tech Plan by rewiring our schools with a \$100K contribution.

Priority 3 projects are projects that we cancel if necessary and help fund any budget deficits, if required.

AFG Funding 2022 / 2023	
Constants	
Admin Support	36,561
AFG Admin Fee	26,032
CMMS	14,118
Sub Total	76,711
Priority #1	
District Painting	286,143
BCHydro Cont. Improvement Commitment	111,000
Energy Mangement Consultant Fee	40,000
District Lead	7,000
Beaver Lake Septic System rebuild	50,000
Sidney Boiler Repairs	60,000
Facilities Dust Collector	289,585
Facilities electrical room	46,381
Brentwood Heat Pump Replacement	305,000
Sub Total	1,195,109
Priority #2	
Parkland Track Contribution	300,000
Prospect Lake Parking Lot	400,000
District Data Rewire	100,000
Sub Total	800,000
Priority #3	
District Line Paining	20,000
Misc Building Repairs	21,853
Sub Total	41,853
Total required for 2021 / 2021	2,113,673
Current Year AFG Allocation	1,568,407
Projected carry over	545,266
Total available	2,113,673

Thank you,



Rob Lumb
Director of Facilities

To: Finance, Facilities & Technology Committee

Prepared By: Jason Reid
Secretary Treasurer

Subject: Renewal of Childcare Space Agreements

Date: April 7, 2022

Purpose and Background

The purpose of this briefing note is to recommend implementation of a new license agreement template with childcare operators reflecting recent changes to the School Act, Ministerial Order M326 (Childcare Order), and related changes to Board Policy and Administrative Procedure.

In March 2020, Bill 8 repealed the former section 85.1 of the *School Act* and replaced it with four new sections: sections 85.1, (Policies respecting childcare programs), 85.2 (Boards may provide childcare programs), 85.3 (Childcare programs provided by others), and 85.4 (Use of Board property for childcare programs).

The former section 85.1 required Boards of Education to establish policies that:

- promote the use of Board property by licensed childcare providers between the hours of 7am and 6pm on weekdays;
- required Boards to ensure that the use of Board property by licensed childcare providers did not disrupt, or otherwise interfere with, the provision of educational activities; and
- requires that any revenue obtained by a Board from the use of Board property by licensed childcare providers must not be more than the direct and indirect costs incurred by the Board.

Recently enacted sections 85.1 to 85.4 are included as attachment 1 for reference. Section 85.1 now includes the following:

“(2) A Board must establish a policy that:

- (a) promotes the use of Board property by licensees, between the hours of 7am and 6pm on business days, for the purpose of providing a childcare program, and*
- (b) addresses the matters set out in any orders of the Minister.”*

Importantly, this new section states that policy must address the matters set out in any orders of the Minister. On August 31, 2020, the Minister issued Order M326 (Childcare Order) establishing additional Board policy requirements, including that Board’s will support principles of Indigenous reconciliation in childcare; and inclusive childcare. This Ministerial Order is included as attachment 2.

To reflect these new requirements, in April 2021 the Board approved amending [Policy 2 \(Role of the Board\)](#) to make the following additions under the heading “Accountability to and Engagement of Community”:

- 1.8 Promote the use of Board property for the purpose of providing childcare programs between the hours of 7am and 6pm on business days.
- 1.9 Engage the community, on an ongoing basis, to assess the need for childcare programs on Board property, and how the Board will support principles of Indigenous reconciliation in childcare; and inclusive childcare.

At the same time, [Administrative Procedure 551 \(Childcare Programs\)](#) was created addressing the more specific operational requirements of the Ministerial Order including program expectations and contractual requirements.

Implementation

Most lease and license agreements with childcare operators expire June 30, 2022. In December 2021, a letter was sent to each operator advising of the changes to the contractual relationship to be reflected in the new agreements (see attachment 3). In this letter I requested that each operator provide a proposal/program description of how their program is inclusive and promotes Indigenous reconciliation, and to confirm the operator’s willingness to partner with the Saanich School District in the delivery of a childcare programs that are responsive to need as informed by community engagement, including the development of programs supporting the principles of Indigenous reconciliation in childcare, and inclusive childcare. I also advised operators that rental rates would be adjusted to reflect cost inflation.

All operators have now submitted program proposals reflecting their commitment to supporting the principles of Indigenous reconciliation in childcare, and inclusive childcare. All operators have also committed to working in partnership with the district in the development of programs that are responsive to community engagement.

Historically, the district leased space for exclusive use and licensed space for shared use. A new license agreement template has been developed to be used for both exclusive use and shared use space. The district engaged a property lawyer to develop the new agreement template. A license of occupation agreement was determined to be most appropriate, because the agreements now also reflect childcare program performance expectations. The new agreement template is included as Appendix 4.

As the agreement has clear performance expectations and either party has the right of termination with 6 months’ notice, I recommend the term of each license be 5 years. The current rental rates are \$1,100 per month for exclusive use of a classroom/portable (or equivalent), or \$550 for shared use. I recommend that the current rental rates be maintained for year 1 of the renewed agreements and then increase as follows to reflect cost inflation:

Year	Exclusive Use Rate	Shared Use Rate
1	\$1,100	\$550
2	\$1,125	\$562.5
3	\$1,150	\$575
4	\$1,175	\$587.5
5	\$1,200	\$600

The new agreement template may or may not change the applicability of GST to rental payments, which we are currently investigating. GST, if applicable, would be in addition to rental payments.

Note that Policy 2 (Role of the Board) now includes that the Board will engage the community, on an ongoing basis, to assess the need for childcare programs on Board property, and how the Board will support principles of Indigenous reconciliation in childcare; and inclusive childcare. With the implementation of new Childcare Operator agreements, it would be appropriate for the Board to plan community engagement regarding childcare needs. This could be a discussion that occurs when the Board approves its next Annual Work Plan next September.

Staff Recommendation

That the Board approve the implementation of the new License agreement template for the renewal of childcare space agreements.

With respect,



Jason Reid
 Secretary Treasurer

JR/klg

- Attachments: Attachment 1 - School Act Sections 85.1 to 85.4
- Attachment 2 - Ministerial Order M326 – Childcare Order
- Attachment 3 - December 2021 Letter to Childcare Operators
- Attachment 4 – Draft License of Occupation Template

Attachment 1 – School Act Sections 85.1 to 85.4

Policies respecting child care programs

85.1 (1) In this section and in sections 85.2, 85.3 and 85.4:

"board property", in relation to a board, means land or improvements

- (a) that are owned or leased by the board,
- (b) that are within the board's school district, and
- (c) that are, have been or are intended to be used for educational activities;

"business day" means a day other than Saturday or a holiday;

"educational activities" means the provision of educational programs, early learning programs and extracurricular school activities;

"licensee", in relation to a child care program, means the person licensed under the *Community Care and Assisted Living Act* to provide the child care program.

(2) A board must establish a policy that

- (a) promotes the use of board property by licensees, between the hours of 7 a.m. and 6 p.m. on business days, for the purpose of providing a child care program, and
- (b) addresses the matters set out in any orders of the minister.

Boards may provide child care programs

85.2 (1) A board may provide a child care program on board property to students enrolled with the board if both of the following apply:

- (a) the board is a licensee;
- (b) the child care program is provided only on school days before or after school hours.

(2) If a board provides a child care program referred to in subsection (1), the board may charge fees to a student to whom the child care program is provided if the fees are not more than the direct costs incurred and to be incurred by the board in providing that child care program.

Child care programs provided by others

85.3 (1) A board may permit a licensee to use board property for the purpose of providing a child care program.

(2) If a board permits a licensee to use board property for the purpose of providing a child care program, the board must ensure that any revenue obtained by the board from that use is not more than the direct and indirect costs incurred and to be incurred by the board in making the board property available to the licensee for that use.

Attachment 1 – School Act Sections 85.1 to 85.4

Use of board property for child care programs

85.4 If a child care program is provided on board property by the board or by a licensee other than the board, the board must ensure

- (a) that the child care program is provided in accordance with the board's policy established under section 85.1 (2) and any orders of the minister, and
- (b) that the provision of the child care program does not disrupt or otherwise interfere with educational activities.

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE MINISTER OF EDUCATION


School Act

Ministerial Order No. M326

I, Rob Fleming, Minister of Education, order that the Child Care Order is made as set out in the attached schedule.

August 31, 2020

Date



Minister of Education

(This part is for administrative purposes only and is not part of the Order.)

Authority under which this Order is made:

School Act, R.S.B.C. 1996, c. 412, s. 168.001

Schedule

CHILD CARE ORDER

Interpretation

1 In this order,

“**board**” includes a francophone education authority;

“**board property**” means board property as defined in section 85.1(1) of the *School Act*;

“**child care program**” means a child care program as defined in section 1(1) of the *School Act*;

“**licensee**” means a licensee as defined in section 85.1(1) of the *School Act*;

Provision of child care program on board property

2 Where a board decides to change the use of board property that is being used for providing a child care program, the board must, without delay, provide the Minister with written notification of the decision in a form and with the information specified by the Ministry.

Board policies regarding the provision of child care programs

3 The board policy that promotes the use of board property by licensees for the purpose of providing child care programs must include:

- (a) the board’s process for assessing community need for child care programs on board property;
- (b) a description of how the board will support
 - (i) principles of Indigenous reconciliation in child care; and
 - (ii) inclusive child care;
- (c) steps for determining if a board will renew a lease with a licensee providing child care on board property, including:
 - (i) considering if a board should provide a child care program directly, and whether
 - i. it is appropriate for the board to become a licensee; and
 - ii. the board has space and staffing capacity to offer before and after school child care; and
 - (ii) a description of the board’s criteria for selecting a licensee to provide a child care program;
- (d) standards for the written contractual relationship to be entered into between the board and a licensee providing a child care program;
- (e) a requirement for ongoing engagement with the individuals or groups described in section 4 regarding the use of board property for the provision of child care programs

4 When establishing a policy regarding the use of board property for the provision of child care programs, a board must consider the results of the board's engagement with individuals or groups the board considers are representative of

(a) employees of the board,

(b) child care operators,

(c) parents and guardians, and

(d) Indigenous communities, rightsholders, and service providers.

5 Boards must submit their policies respecting the use of board property for the provision of child care to the Ministry on a date specified by the Minister.



December xx, 2021

[Operator/Address/Attention: Contact]

Dear [Contact 1st name],

RE: Renewal of [Agreement Type] at [Facility]

I am writing to inform you of the process for renewal of the agreement[s] to access space at [facility] for the purpose of delivering childcare services, in compliance with new requirements established by legislation and Ministerial order. The current agreement[s] expire on June 30, 2022.

Background

In March 2020, Bill 8 repealed the former section 85.1 of the *School Act* and replaced it with four new sections: sections 85.1, (Policies respecting child care programs), 85.2 (Boards may provide child care programs), 85.3 (Child care programs provided by others), and 85.4 (Use of board property for child care programs). And in August 2020 the new Ministerial Order M326 (Childcare Order) established additional Board policy requirements.

In the Saanich School District, changes to Board policy and administrative procedure were implemented in April 2021 to meet these new requirements. [Board Policy 2](#) was amended to include that the Board shall engage the community, on an ongoing basis, to assess the need for child care programs on Board property, including and how the Board will support principles of Indigenous reconciliation in child care, and the principles of inclusive child care. And [Administrative Procedure 551](#) was created with a number of new procedures related to childcare programs including the following:

- In selecting licensees to operate a child care program, the District will give special consideration to the candidates' proposals to foster Indigenous reconciliation in child care, and provide inclusive child care.
- Any contract with a licensee to provide a child care program on District property must be in writing and subject to review no less than every 5 years. The contract must containa requirement for the licensee to maintain appropriate standards of performance including the expectation that the program fosters Indigenous reconciliation in child care; and provides inclusive child care.
- Prior to entering into or renewing a contract with a licensee to provide a child care program on board property, the District will consider:
 - whether it is preferable for the District to become a licensee and operate a child care program directly;
 - the availability of District staff to provide before and after school care; and
 - whether, with respect to a licensee seeking renewal or extension of a contract, the licensee has performed its obligations under Board policy, District procedure, and its contract with the District, with specific regard to performance in respect of providing an

inclusive child care program and one that promotes indigenous reconciliation in child care.

New Contractual Relationship

The school district is in the process of developing a new operating agreement template reflecting the new requirements for school districts entering into agreements with childcare operators. Note that subject to Board approval, we also intend to adjust the rental rates to reflect inflationary cost pressures. Section 85.3 of the School Act requires that rental rates do not exceed the cost of making the property available for use by a childcare operator.

Prior to renewal of a new agreement, the school district must evaluate how your program will promote Indigenous reconciliation in child care, and provide for an inclusive child care program. Prior to February 28, 2022, please provide a proposal/program description of how your program is inclusive and promotes Indigenous reconciliation, and confirm your willingness to partner with the Saanich School District in the delivery of a childcare programs that is responsive to need as informed by community engagement, including the development of programs supporting the principles of Indigenous reconciliation in child care, and inclusive child care.

An inclusive child care program is one that is open to all students and that has the supports required for children with diverse needs, such that all students are supported in reaching their full potential. A childcare program that promotes Indigenous reconciliation in childcare is operated consistently with the following principles of the British Columbia *Declaration on the Rights of Indigenous Peoples Act*: (i) Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions, including in the area of education; and (ii) “Indigenous peoples have the right to the dignity and diversity of their cultures, traditions, histories and aspirations which shall be appropriately reflected in education”.

Your proposal/program description should speak to specific programming with examples. Your description of an inclusive program should include: specific examples of the programs and/or services that support the unique needs of children including collaboration with supporting agencies; and examples of specific training for staff to support inclusive childcare. Your description of a program that promotes Indigenous reconciliation in childcare should include: specific examples of the programs and/or services that promote Indigenous reconciliation such as inclusion of Elders and integration of traditional practices; examples of specific training for staff to support Indigenous reconciliation; and where applicable collaboration with Indigenous families and communities.

We look forward to continuing our important partnership supporting families in the Saanich School District. If you have any questions please contact me at 250-652-7304.

Sincerely,

Jason Reid
Secretary Treasurer

LICENSE OF OCCUPATION

This LICENSE OF OCCUPATION is made effective as of the ____ day of _____, 202__.

BETWEEN:

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 63
(Saanich)**
2125 Keating Cross Road
Saanichton, British Columbia, V8M 2A5
(the “**Licensor**”)

AND:

[INSERT LICENSEE]
[insert description of the type of entity]
[insert address]
[insert address]
(the “**Licensee**”)

WHEREAS the Licensor is the registered owner of the lands located at the following address and improvements thereon (the “**Premises**”), at which the **[insert school name]** is located (the “**School**”):

[insert municipal description of property]

AND WHEREAS the Licensee wishes to obtain, and the Licensor wishes to grant to the Licensee, a non-exclusive license (the “**License**”) to occupy that portion of the Premises indicated on Schedule “A” attached hereto (the “**License Area**”), or such other area as may be designated by the Licensor hereunder, on the terms and conditions set forth herein.

1. Grant of Non-Exclusive License

In consideration of and subject to the terms and conditions of this License, the Licensor hereby grants the License to the Licensee. The interest granted pursuant to this License constitutes a license only and does not constitute a lease or a sublease, nor create any other interest in land, nor any partnership, joint venture or agency relationship between the Licensor and the Licensee (collectively, the “**Parties**”, and individually, a “**Party**”). The Licensor may in its discretion relocate the License Area to a comparable area of the Premises upon reasonable notice to the Licensee.

The Licensee shall have a right of access, in common with the Licensor and invitees of the Licensor, over those portions of the common areas of the Premises that are reasonably required by the Licensee for proper use of the License Area. The Licensor may stipulate access limits and routes, and the Licensee shall ensure that its staff and invitees respect those stipulations.

2. Term

Subject to early termination or renewal as may be provided herein or otherwise agreed in writing, the License shall be as set out in Section 2 of Schedule “A” hereto (the “**Term**”).

The Term may be extended by letter of agreement between the Licensor and the Licensee. Such an extension is subject to the terms and conditions of this License. There is no obligation on the part of the Licensor to renew or extend this License at the expiry of the term.

3. License Fees

The Licensee will pay to the Licensor during the Term in lawful money of Canada, without any setoff, compensation or deductions whatsoever, the fees (excluding GST, if applicable) set out in Section 3 of Schedule "A" hereto payable in equal monthly installments on the 1st day of every month during the Term (the "**License Fees**"), with the first such payment due on the 1st day of the Term, plus applicable taxes that may be proclaimed in the future, plus any other additional costs set out in this License.

The License Fees are inclusive of the Licensee's proportionate share of the following expenses paid by the Licensor:

- a) any taxes levied by any governmental authority on the Premises and on any buildings, improvements and fixtures thereon;
- b) the Licensor's cost of insurance for the land, building, improvements and fixtures of which the Premises forms a part; and
- c) all the Licensor's reasonably operating costs such as maintenance, repairs, water, gas and electrical power and lighting expenses, waste removal, cleaning, painting and administrative expenses.

Interest will accrue on any overdue amounts owing under this License at the rate of 1.5% per month from the date due until paid.

4. Licensee Agreements

The Licensee agrees with the Licensor:

- a) to pay the License Fees in advance;
- b) to repair the License Area (including, without limitation, repair of damage to inside walls, ceilings, floor coverings, and fixtures), and that the Licensee will repair according to notice from the Licensor, PROVIDED HOWEVER that this repair obligation will not require the Licensee to make any repairs of a structural nature for which the Licensor will be responsible;
- c) to leave the License Area and all improvements thereon in good repair;
- d) to pay any services contracted for or provided at the request of the Licensee;
- e) to pay any taxes and rates imposed in respect of the Licensee's fixtures or property installed in the License Area;
- f) not to carry on any business or permit anything to be done or kept on or around the Premises that shall be deemed a nuisance on the Premises and the Licensor's decision as to what constitutes a nuisance, if exercised in good faith, shall be final;

- g) that if the Term hereby granted shall be at any time seized or taken in execution or in attachment by any creditor of the Licensee, or if the Licensee shall make any assignment for the benefit of creditors, or becoming bankrupt or insolvent shall take the benefit of any legislation that may be in force for bankrupt or insolvent debtors, the Term shall immediately become forfeited and void;
- h) to use the License Area only for the operation of a fully licensed before and after school care facility for children registered to attend the School, unless otherwise agreed to in writing by the Licensor;
- i) to comply with all fire, safety, health and other governmental requirements applicable to its before and after school care facilities;
- j) to comply with all rules and regulations promulgated by School administrators with respect to the Premises;
- k) to not accept enrolment of more than the legally permissible number of children at the License Area having regard to those governmental requirements and School rules and regulations referred to herein;
- l) to not erect any signs at the License Area without the written approval of the Licensor;
- m) to keep the License Area clean and tidy, maintaining a standard consistent with that set by the School administration and the Licensor on the adjoining School premises, acknowledging that the Licensor will not be providing janitorial services to the License Area unless arranged under separate contract with the Licensor or by unpaid volunteers and the Licensee shall not employ for wages or other remuneration any person or firm to provide janitorial service to the License Area;
- n) to not register this License at the Land Title Office;
- o) at the expense of the Licensee, to ensure that any employee, agent, contractor or person retained by the Licensee to assist in performing its services shall successfully complete a criminal records check, and the Licensee agrees not to allow any person who has failed a criminal record check (as determined solely by the Licensor) to be in attendance at the Premises and to provide acceptable proof of successful completion of criminal record checks as the Licensor may require;
- p) at the expense of the Licensee, to comply with all laws, regulations and requirements applicable to the Licensee, or to the License Area, of any and all authorities and all notices in pursuance of same;
- q) to comply with the legislation of the Ministry of Education that prohibits the use of tobacco and smoking in all school district buildings and on school district lands (the "**Smoking Ban**") and to use the Licensee's best efforts to enforce the Smoking Ban on the Premises;
- r) upon request of the Licensor, to provide financial information the Licensor may require including but not limited to proposed budgets and profit and loss statements; and

- s) to comply with the requirements of this License including the childcare program requirements set out in Section 7.

5. Licensor Agreements

The Licensor agrees with the Licensee:

- a) for quiet enjoyment;
- b) to provide the Licensee and all persons authorized by the Licensee at all times during the Term with reasonable access to the License Area and to include keys and/or access cards upon approval from the Licensee and upon deposit of \$20.00 per key and/or \$20.00 per access card;
- c) to permit the Licensee the reasonable use of water, hydro and sanitary/storm drains, provided the Licensee shall bear all costs with respect to telephone and internet service on the License Area; and
- d) to permit the Licensee the reasonable use of the garbage receptacles at the School.

6. "AS IS"

The Licensee acknowledges and agrees that the License Area is accepted by the Licensee on an "as is" basis and there is no representation or warranty by the Licensor as to the suitability or condition of the License Area for the permitted use set out herein.

7. Childcare Program Requirements

Prior to entering into this License, the Licensee has provided a proposal to the Licensor (a) describing how the childcare program fosters Indigenous reconciliation in childcare and provides inclusive childcare; and (b) confirming the Licensee's willingness to collaborate with the Licensor in the delivery of a childcare program that is responsive to the need for childcare as informed by community engagement (the "**Proposal**").

The Licensee hereby agrees to maintain appropriate standards of performance with a childcare program that fosters Indigenous reconciliation in childcare and provides inclusive childcare. The standard of performance should meet or exceed that which the Licensee set out in the Proposal. Annually, from the date hereof, the Licensee shall provide a report to the Licensor outlining how the program requirements are being satisfied with specific examples. Failure of the Licensee to comply with the program requirements stated herein shall constitute a default under this License and entitle the Licensor to terminate the License in accordance with the termination provisions of this License.

An inclusive childcare program is one that is open to all students and that has the supports required for children with diverse needs, such that all students are supported in reaching their full potential. A childcare program that promotes Indigenous reconciliation in childcare is operated consistently with the following principles of the British Columbia *Declaration on the Rights of Indigenous Peoples Act*: (i) Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions, including in the area of education; and (ii) Indigenous peoples have the right to the dignity and diversity of their cultures, traditions, histories and aspirations which shall be appropriately reflected in education.

8. Insurance

The Licensee during the Term of the License shall maintain, at the cost of the Licensee, the following:

- a) All risk property and boiler and machinery (if applicable) insurance in respect of the Licensee's inventory and stock in trade, furniture and fixtures and such other property in or forming part of the License Area (fixed improvements) to the full replacement cost value. The property insurance is to include business interruption insurance for a twelve (12) month period including rents. The policy shall waive its rights of subrogation against the Licensor and name the Licensor as loss payee with respect to its interest in the fixed improvements (the Licensor agrees to make available such proceeds towards the repair or replacement of the insured property if this License is not terminated pursuant to any other provision hereof).
- b) General liability insurance including bodily injury and property damage on an occurrence basis with respect to the Licensee's activities on the Premises and the business carried on or in or from the License Area and Licensee's use and occupancy thereof. The limit of such insurance shall be for not less than Two Million Dollars (\$2,000,000.00) inclusive per occurrence or such higher limits as may be required by the Licensor from time to time. This insurance shall name the Licensor as an additional insured, shall include a cross liability clause and licensee legal liability insurance in the minimum amount of One Million Dollars (\$1,000,000.00).
- c) Such other insurance as would be carried by a prudent operator of premises similar in use, type and location.

All such policies of insurance shall provide the Licensor with thirty (30) days notice of material change or cancellation and be placed with insurers licensed in British Columbia and with companies satisfactory to the Licensor and the Licensee. The Licensee shall provide the Licensor with evidence of all required insurance annually following renewal, in the form of an insurance certificate. If the Licensee fails to insure, or to file satisfactory proof of insurance promptly when so required, or should any such insurance not be approved by the Licensor and the Licensee does not rectify the deficiency within two (2) business days after notice by the Licensor, the Licensor, may without notice to the Licensee, purchase such insurance and recover any premiums paid therefore from the Licensee on demand. These certificates should be issued by the insurer or insurance broker of the Licensee and must contain the following information: name of the insurance company and the binder or policy number, name and address of the insured (user group), policy period (covering at least the period the License is in place), description of coverage, policy limits, description of insured operations and location(s) and signature of authorized representative and date.

The Licensor maintains general liability coverage as the owner of the Premises. The Licensee acknowledges that this policy does not protect the interests of the Licensee. The Licensee shall be responsible for securing its own property and the property of others in its care and control in the License Area, and for ensuring the safety of its staff and invitees, and hereby releases the Licensor from any and all liability whatsoever in respect thereof.

9. Risk and Liability for Persons or Property

The Licensee shall be responsible for securing its own property and the property of others in its care and control in the License Area, and for ensuring the safety of its staff and invitees, and hereby releases the Licensor from any and all liability whatsoever in respect thereof. The Licensor shall not be responsible in any way for any injury to any person or for the loss of or damage to any property belonging to the Licensee or to the employees, agents, invitees or licensees of the Licensee while such person or persons or property is in or about the buildings on the License Area or any part of the License Area, and the Licensee covenants to indemnify the Licensor against all loss, costs, claims or demands in respect of any injuries, loss or damage referred to in this paragraph.

The License Area and the fixtures and contents (including equipment) thereof at all times during the Term shall be at the risk of the Licensee and the Licensor shall not be bound to effect repairs or to compensate the Licensee for or indemnify the Licensee against any damages or expense which the Licensee shall suffer due to any cause whatsoever (including theft).

10. Damage to License Area

In the event that the License Area hereby demised or any part thereof shall at any time during the Term be damaged by fire or other casualty so as to render the same unfit for the purpose of the Licensee, then the License Fees hereby reserved and all remedies for recovering same shall be suspended and abated until the License Area at the option of the Licensor have been repaired or made fit for the purpose of the Licensee; provided, that the Licensor shall not be bound to rebuild the License Area, the decision as to which shall be in the sole discretion of the Licensor, and if the Licensor elects not the rebuild the License Area, this License and all obligations of the Licensor and the Licensee under it shall forthwith terminate.

11. Damage by Licensee

The Licensee shall pay the cost of any damage to any property of the Licensor arising from the use of the License Area or the Licensor's property by the Licensee or its employees, agents, invitees or licensees. Without limiting the foregoing, the Licensee shall reimburse the Licensor for costs incurred by the Licensor in making good any damage caused to the Premises or any part thereof as a result of the negligence or willful act or omission of the Licensee, its employees, agents, invitees or licensees or other persons from time to time in or about the Premises.

12. Indemnity

The Licensee shall indemnify and save harmless the Licensor (which indemnity shall survive the expiry or sooner termination of this License) from any and all liabilities, damages, costs, claims, suits, or actions, including all costs and actual legal fees and disbursements incurred, in connection with:

- a) any default under any term of this License by the Licensee;
- b) any act or omission of the Licensee;
- c) any damage to property while said property is in or about the License Area; or

- d) any injury to any licensee, invitee, agent or employee of the Licensee, including death resulting at any time therefrom, occurring in or about the Premises;

except to the extent such results from the wrongful act or failure to act or negligence of the Licensor or persons for whose actions the Licensor is lawfully responsible.

13. Termination

If the Licensee is in default in the performance of any obligation hereunder and such default has not been cured within fifteen (15) days of when such default first occurred or, if such default is not curable within a fifteen (15) day period, and that steps have not been taken to cure such default, the Licensor will be entitled to terminate this License upon written notice to the Licensee. If such written notice is given, the Licensee will surrender and vacate the License Area at or before the end of the month in which such notice is given.

Either Party may terminate this License upon six (6) months' written notice to the other Party. If such written notice is given, the Licensee will surrender and vacate the License Area at or before the end of the sixth month following the month in which such notice is given.

14. Licensor Obstruction

When necessary by reason of accident or other cause or in order to make repairs, alterations or improvements in or relating to the Premises, the Licensor may cause such temporary obstruction of the Premises and any areas licensed to the Licensee hereunder as may be reasonably necessary and may interrupt or suspend the supply of electricity, water and other services to the Premises until such repairs, alterations or improvements are completed and rent will not abate.

15. Licensor Access

The Licensor shall be entitled to enter, inspect and otherwise have access to the License Area throughout the Term, and upon the expiry or sooner determination of the Term, or of any renewal thereof, the Licensee shall forthwith peaceably vacate and cease occupancy of the License Area without notice from the Licensor.

16. Assignment or Subletting

This License is personal to the Licensee and may not be assigned or sublicensed, including by succession or operation of law, except with the prior written consent of the Licensor, which may be withheld in the absolute discretion of the Licensor. No assignment or sub-licensing will relieve the Licensee from its obligations under this License. Any change from the present control of the Licensee shall constitute an assignment of the License requiring the prior written consent of the Licensor.

17. Alterations, Installations and Fixtures

The Licensee shall not make any alterations, repairs, installations, removals or improvements in or about the License Area or the improvements thereon without the Licensor's prior written consent, in the Licensor's absolute discretion, as to suitability and acceptability and only after having submitted adequate plans and specifications thereof to the Licensor. Such consent shall be at the discretion of the Licensor, and if consent is given, all work shall be done in good and workmanlike manner to a standard acceptable to the Licensor. All such alterations and

improvements which are not capable of removal as Licensee fixtures as hereinafter provided shall be and be deemed to become part of the License Area and as such the property of the Licensor upon the installation thereof.

At the expiry or other termination of the License, all improvements erected or placed upon the License Area by the Licensee and all fixtures in or about the License Area placed by the Licensee shall be removed by the Licensee, provided that the Licensee shall make good any repairs occurring to the Premises by reason of such removal. The Licensor shall have the right upon the termination of this License by effluxion of time or otherwise to require the Licensee by written notice to remove the chattels and equipment located on the License Area and if the Licensee does not remove its personal property forthwith after written demand, the Licensor shall not be responsible for any loss or damage to such property.

18. Liens and Encumbrances

The Licensee covenants to forthwith discharge any liens and other encumbrances at any time filed against the Premises arising by reason of any work done or materials supplied at the direction of the Licensee, and to keep the said Premises free from any and all liens and other encumbrances, arising as a result of its acts or omission, and if the Licensee fails to do so, the Licensor may, but shall be under no obligation, to pay into court, the amount required to obtain a discharge of any such lien in the name of the Licensee and any amount so paid together with all disbursements and costs in respect of such proceedings on a solicitor and client basis shall be forthwith due and payable by the Licensee to the Licensor as additional license fees. The Licensee shall allow the Licensor to post and keep posted on the License Area any notices that the Licensor may desire to post under the provisions of the *Builders Lien Act* or any other legislation.

19. No Registration

The Licensee shall not in any circumstances apply to register this License or any other interest or notice of interest against or in respect of the License Area, the Premises or any part thereof. The Licensee further covenants not to mortgage or otherwise encumber this License or any interest hereunder.

20. Overholding

If the Licensee continues to occupy the License Area with the express consent of the Licensor after the expiry of the Term of this License without any further written agreement, the Licensee shall be a monthly licensee on the terms and conditions herein set out.

21. Expropriation

During the term of this License, if the whole of the License Area shall be expropriated, or otherwise taken by virtue of any power or authority having the power for such acquisition or condemnation, then the term of this License shall be deemed terminated from the date of entry of such authority without any liability to the Licensor or recourse by the Licensee to the Licensor whatsoever including, without limitation, for any costs or damages. Nothing herein contained shall prevent the

Licensor nor the Licensee or both from recovering damages from such authority for the value of their respective interests or for such other damages and expenses allowed by process of law.

22. Dispute Resolution

If a dispute arises out of or relates to this contract, or the breach thereof, and the dispute cannot be settled by negotiations between the Parties, the Parties agree first to try in good faith to settle the dispute by mediation. If the Parties are unable to resolve all issues in dispute in the mediation, the Parties agree that the remaining issues in dispute shall be determined by arbitration in accordance with the rules of the Vancouver International Arbitration Centre, or either Party may without further notice, commence litigation. The Parties agree to share equally the costs of the mediation and arbitration, which costs will not include costs incurred by a Party for representation by counsel.

23. General

- a) Time shall be of the essence hereof.
- b) This License contains the entire agreement between the Parties. There are no other conditions, representations or warranties, express or implied, and no amendment hereto shall be valid unless in writing signed by the Parties.
- c) This License and all the covenants and provisos and agreements herein contained shall enure to the benefit of and be binding upon the Parties hereto and each of their respective heirs, executors, administration, successors and permitted assigns.
- d) The Parties hereto acknowledge that this License will be governed and construed in accordance with the laws of the Province of British Columbia.
- e) Any notice to be given hereunder shall be sufficiently given if mailed in Canada by registered mail, postage prepaid, to the appropriate Party at the address first set out above for that Party, or such other address as may be designated by written notice given by that Party to the other Party in accordance with this provision. Any notice mailed as aforesaid shall be conclusively deemed to have been received on the third business day following the day on which such notice is mailed as aforesaid.
- f) The headings in this License have been inserted for reference and as a matter of convenience only and in no way define, limit or enlarge the scope or meaning of this License or any provision hereof.

IN WITNESS WHEREOF the Parties have duly executed and delivered this License effective as of the date first above written.

THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 63 (Saanich)

By: _____
Name: Jason Reid
Secretary-Treasurer

Signature of Witness Date of Signing

Witness Name

[NAME OF LICENSEE]

By: _____
Authorized Signatory Date of Signing
Name: _____
Title: _____

Signature of Witness Date of Signing

Witness Name

SCHEDULE A: LICENSE TERMS

1. Licensed Area

The License Area shall be the before and after school care space in the [eg. gymnasium, multipurpose space, Room A1] and the outdoor playground area shown outlined in red on the diagram attached hereto, provided, however, that the License Area is a shared use space that will be used by the School, the Licensor and the invitees of the School and Licensor. For greater certainty, the Licensor is not granting any exclusive access or rights whatsoever to the License Area. **[NTD: Wording where space is shared]**

OR

The License Area shall be the before and after school care building and the outdoor playground area shown outlined in red on the diagram attached hereto, provided, however, that the outdoor playground area is a shared use space that will be used by the School, the Licensor and the invitees of the School and the Licensor. **[NTD: Wording where space is not shared]**

2. Term

The Term of the License shall be for five (5) terms of ten (10) months from 202__ until 202__, between the hours of 6:00 a.m. and 8:00 p.m., Monday to Friday inclusive, from the 1st day of September until the 30th day of June. **[NTD: Wording where space is shared]**

OR

The Term of the License shall be for a five (5) year term commencing on the ___ day of _____, 202__ between the hours of 6:00 a.m. and 8:00 p.m., Monday to Friday inclusive. **[NTD: Wording where space is not shared]**

3. License Fees

The License Fees (Excluding GST, if applicable) are as follows:

Month	Year 1	Year 2	Year 3	Year 4	Year 5
September	\$	\$	\$	\$	\$
October	\$	\$	\$	\$	\$
November	\$	\$	\$	\$	\$
December	\$	\$	\$	\$	\$
January	\$	\$	\$	\$	\$
February	\$	\$	\$	\$	\$
March	\$	\$	\$	\$	\$
April	\$	\$	\$	\$	\$
May	\$	\$	\$	\$	\$
June	\$	\$	\$	\$	\$
July (if applicable)	\$	\$	\$	\$	\$
August (if applicable)	\$	\$	\$	\$	\$

Total License Fees per year	\$	\$	\$	\$	\$
------------------------------------	----	----	----	----	----

	Prior Year Actual 2020	Prior Year Actual 2021	Amended Budget	Current Budget	Revenue/ Expenditures to February 28, 2022	Projected Revenue and Expenditure	Variance From Budget	Notes
Revenue								
621 Consolidated Revenue Grants	(69,978,199)	(73,905,419)	(76,287,046)	(76,287,046)	(45,875,543)	(76,149,660)	(137,386)	Note 1
627 Indig. Northern Affairs Canada (INAC) Recovery	3,281,144	2,886,687	3,200,058	3,200,061	2,275,530	3,200,061	-	
629 Other Ministry Of Ed Grants <i>includes Pay Equity, Ad hoc MOE grants, Grad adult funding</i>	346,623	(3,400,931)	(1,130,084)	(1,130,084)	(486,432)	(1,255,070)	124,986	
629 Classroom Enhancement Fund (CEF)	(7,617,267)	(6,953,957)	(8,548,168)	(8,548,168)	(5,114,972)	(8,548,168)	-	
630 Federal Grants <i>French Odyssey Grant, Jordan's Principle</i>	(52,923)	-	-	(27,725)	(9,161)	(27,725)	-	
645 Instructional Cafeteria Revenue	(111,259)	(125,874)	(68,000)	(68,000)	(102,971)	(102,971)	34,971	
646 Local Education Agreements/Direct Funding Indig.	(3,281,144)	(2,886,687)	(3,200,058)	(3,200,061)	(2,275,530)	(3,200,061)	-	
647 International and Out of Province Students	(7,086,493)	(3,064,401)	(5,552,575)	(5,552,575)	(5,842,426)	(5,486,575)	(66,000)	
649 Misc. Fees & Revenues <i>includes ad hoc grants received, recovery revenue from shared services, funding from municipalities</i>	(439,018)	(666,238)	(274,882)	(363,269)	(285,638)	(363,269)	-	
651 Community Use Of Facilities	(12,874)	(8,694)	-	-	(18,709)	(18,709)	18,709	
659 Other Rentals & Leases	(378,889)	(357,692)	(390,000)	(417,000)	(321,361)	(417,000)	-	
660 Exchange (Gain) Loss	15,273	1,110	-	-	(2,342)	(2,342)	2,342	
661 Interest On Short Term Deposits	(369,858)	(218,358)	(200,000)	(200,000)	(103,365)	(200,000)	-	
662 Appropriated Surplus (prior years carry forward amounts)	-	-	(4,332,092)	(4,332,092)	-	(4,332,092)	-	
672 Student Fees/Certifications	(101,790)	(98,350)	(75,000)	(101,210)	(66,960)	(101,210)	-	
Total Revenue	(85,786,674)	(88,798,804)	(96,857,847)	(97,027,169)	(58,229,880)	(97,004,791)	(22,378)	
Expenses								
105 Salaries - P/VP	4,548,388	4,632,111	4,727,020	4,871,576	3,183,193	4,790,064	81,512	
111 Salaries - Teachers (incl. POSR)	35,048,397	38,742,007	39,819,774	40,053,553	24,409,893	40,166,724	(113,171)	Note 2
307 - Teacher remedy	973,130	987,367	1,513,019	1,513,019	501,029	1,842,565	(329,546)	Note 3
Teacher remedy unspent	-	-	-	-	-	-	-	
122 Salaries - Support Staff (incl. In Service, WCB and First Aid)	8,034,024	8,642,755	9,367,951	9,530,625	5,601,747	9,193,402	337,223	Note 4
123 Salaries - Other Professionals	3,076,688	3,303,738	3,169,536	3,248,358	1,922,682	3,178,367	69,991	
131 Salaries - Educational Assistants	4,910,856	5,434,859	5,916,282	5,932,803	2,999,687	5,563,110	369,693	Note 5
143 Support Staff Replacement Costs	390,629	566,773	452,000	394,200	350,241	615,598	(221,398)	Note 6
146 Teacher Replacement Costs	2,242,596	2,692,913	2,719,485	2,735,298	1,632,053	2,784,034	(48,736)	Note 7
	59,224,708	65,002,523	67,685,067	68,279,432	40,600,525	68,133,865	145,568	
200 Benefits	14,261,495	15,519,136	16,679,978	16,523,586	9,465,477	16,494,472	29,114	
	14,261,495	15,519,136	16,679,978	16,523,586	9,465,477	16,494,472	29,114	
Services & Supplies								
Services	4,650,249	2,950,331	4,884,234	4,939,562	3,154,107	4,939,562	-	
Pro-D & Travel	528,389	490,829	811,010	789,731	284,199	759,731	30,000	
Rentals & Leases	92,429	105,124	150,000	150,000	101,461	150,000	-	
Dues & Fees	336,159	353,722	368,457	390,457	359,515	390,457	-	
Insurance	167,891	157,887	172,000	174,000	162,401	174,000	-	
Supplies	1,960,575	1,083,497	3,318,348	2,541,713	2,109,357	1,041,713	1,500,000	Note 8

Projection for Discussion Purposes - Actual Results May Differ From Projected

Prepared by Megan Cimaglia

	Prior Year Actual 2020	Prior Year Actual 2021	Amended Budget	Current Budget	Revenue/ Expenditures to February 28, 2022	Projected Revenue and Expenditure	Variance From Budget	Notes
Utilities	1,357,815	1,534,300	1,736,535	1,677,500	928,293	1,931,646	(254,146)	Note 9
	9,093,507	6,675,690	11,440,584	10,662,963	7,099,333	9,387,109	1,275,854	
Total Expenses	82,579,710	87,197,349	95,805,629	95,465,981	57,165,335	94,015,446	1,450,535	
Transfer from operating for purchase of capital assets	1,677,301	1,280,575	969,968	1,478,938	-	1,478,938	-	
Transfer from operating to support special purpose funds	-	-	-	-	-	-	-	
Transfer to local capital for asset replacement reserve	92,138	82,250	82,250	82,250	-	82,250		
(Surplus)/Deficit	(1,437,525)	(238,630)	0	(0)	(1,064,545)	(1,428,157)	1,428,157	
					Opening Unrestricted Surplus	(2,584,616)		
					Estimated School and District Carry Forwards	1,500,000		
					Estimated Closing Unrestricted (Surplus)/Deficit	(2,512,773)		

Amended Budget is the February *Amended Annual Budget*, which is being prepared for board approval expected on February 16, 2022.

Current Budget is the current working budget.

Certain comparative figures have been restated to conform with current year's presentation

Variance comments:
Note 1 - February SIDES enrolment count was lower than projected.
Note 2 - Teacher salaries negative variance is due to a variety of small factors.
Note 3 - Remedy is forecasted to exceed budget due to higher than expected class size remedy (article D.1.5).
Note 4 - Support staff positive variance is due to hiring lag in replacing vacant positions and extremely competitive job market.
Note 5 - Education Assistant (EA) salaries positive variance is due to several factors: - Hiring lag in deployment of September EA funding. - Estimated continued understaffing due to inability to consistently fill all EA positions. - All positions are budgeted at the continuing rate of pay, but about 10% of positions are staffed with temporary employees who earn \$1.65 less per hour.
Note 6 - Support staff replacement costs negative variance is due to higher usage of sick and emergency leave and more replacement staff recently hired and available. This variance is subject to change based on need for replacements and continued ability to retain on call staff.
Note 7 - The negative variance in teacher replacement costs is due to higher than budgeted use of sick and emergency leave. Supplemental employment benefit top up is predicted monthly at the average of what we paid over the last fiscal year. This is a significant source of uncertainty in the forecast as payments vary significantly month to month based on number of leaves and timing of receipt of paperwork from staff.
Note 8 - Assumption made in preparing this forecast is that departments and schools will spend their services and supplies budgets as allocated, other than the following: (\$1,500,000) expected school and district carry forward

Note 9 - Utilities negative variance is due to:

\$ 85,047 sudden increase in fuel prices (affecting school bus fuel costs and white fleet vehicle fuel costs).

\$146,993 higher usage of natural gas for heat throughout the year (attributable to increasing fresh air intake in our HVAC systems during the pandemic) as well as 8% price increase taking effect in January 2022.

\$ 22,106 higher than budgeted Digital Services Recovery charged by Ministry of Education

\$254,146 total