



# Alberni-Clayoquot Regional District

## ALBERNI VALLEY & BAMFIELD COMMITTEE – FINANCIAL PLANNING MEETING

WEDNESDAY, FEBRUARY 4, 2015, 10:00 AM

Regional District Board Room, 3008 Fifth Avenue, Port Alberni, BC

### AGENDA

	PAGE #
<b>1. <u>CALL TO ORDER</u></b>	
Recognition of Traditional Territories.	
<b>2. <u>APPROVAL OF AGENDA</u></b>	
(motion to approve, including late items requires 2/3 majority vote)	
<b>3. <u>CORRESPONDENCE FOR INFORMATION</u></b>	
a. <b>Alberni Valley Social Planning Council</b>	<b>4</b>
Re: Regional Emergency Coordinator	
<b>4. <u>REQUEST FOR DECISIONS &amp; BYLAWS</u></b>	
a. <b>REQUEST FOR DECISION</b>	<b>5-9</b>
Re: 2015-2019 Financial Plan – Alberni Valley & Bamfield Waste Management.	
<i>THAT the Alberni Valley Committee review the Alberni Valley and Bamfield Waste Management budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.</i>	
b. <b>REQUEST FOR DECISION</b>	<b>10-13</b>
2015-2019 Financial Plan – Alberni Valley Regional Airport.	
<i>That the Alberni Valley Committee review the Alberni Valley Regional Airport proposed budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.</i>	
c. <b>REQUEST FOR DECISION</b>	<b>14-50</b>
2015-2019 Financial Plan – Alberni Valley Regional Airport Runway Extension.	
<i>THAT the Alberni Valley Committee recommends the ACRD Board of Directors apply to the Build Canada Fund for the AVRA expansion based on an extension to the runway to the east and no lighting or fencing for a total project cost of \$5.9</i>	

*million as outlined in the Tetra Tech Report, Class A cost estimate.*

*THAT the Alberni Valley Committee recommends the ACRD Board of Directors fund its' 1/3 contribution (approximately \$2 million) for the AVRA runway expansion through borrowing.*

*THAT the Alberni Valley Committee recommends the ACRD Board of Directors amend the AVRA establishment bylaw to increase the maximum annual requisition to enable borrowing to a maximum amount of \$2 million dollars and associated operating costs for the 100' x 5000' runway, utilizing the alternate approval process.*

*THAT the Alberni Valley Committee recommends staff be instructed to consult with affected interests of the AVRA expansion including Greenmax, SD#70 (Alberni), Ministry of Forests Lands and Natural Resource Operations, Coulson Group of Companies and the AV Drag Racing Association.*

- d.     **REQUEST FOR DECISION** **51-54**  
2015-2019 Financial Plan – Alberni Valley Emergency Planning.

*THAT the Alberni Valley Committee review the Alberni Valley Emergency Planning proposed budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.*

- e.     **REQUEST FOR DECISION** **55-56**  
2015-2019 Financial Plan – Custom Transit.

*THAT the Alberni Valley Committee review the Custom Transit proposed budget and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.*

- f.     **REQUEST FOR DECISION** **57-59**  
2015-2019 Financial Plan – Alberni Valley Regional Water Proposed Service.

*THAT the Alberni Valley Committee review the Alberni Valley Regional Water – Proposed Service budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.*

- g.     **REQUEST FOR DECISION** **60-62**  
2015-2019 Financial Plan – Sproat Lake Marine Patrol.

*THAT the Alberni Valley Committee recommend that the Board of Directors authorize the transfer of the surplus amount contained within the Sproat Lake Community Parks budget that relates to the newly established Sproat Lake*

*Marine Patrol including the capital funds reserved for the purchase of a new patrol boat.*

*THAT the Alberni Valley Committee review the Sproat Lake Marine Patrol budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.*

5. **UNFINISHED BUSINESS**

6. **LATE BUSINESS**

7. **ADJOURN**



5115 Gordon Ave.,

Port Alberni, V9Y6T5

January 24, 2015

Russell Dyson, CAO

Alberni-Clayoquot Regional District

Re: Regional Emergency Coordinator

Dear Russell,

It has come to the attention of the AV Social Planning Council that you are advertising for a new Regional Emergency Coordinator. We are pleased to see that one of the responsibilities will be to update the emergency plans.

The purpose of the Alberni Valley Social Planning Council is to foster and enhance a vibrant, caring and healthy Alberni Valley through research, planning and action.

One of our key goals is to advise member agencies, various levels of government and government agencies as well as the general population on recommended courses of action to meet social needs.

In times of emergency, plans are only as good as their ability to address the needs of those with the least resources.

Our Board of Directors represent a number of organizations, agencies, groups and individuals within the community. We feel we have much to contribute to this discussion.

We would welcome the new Emergency Planning Coordinator to our regular meeting on the 3<sup>rd</sup> Wednesday of the month. We can be contacted at [avsocialplanning@gmail.com](mailto:avsocialplanning@gmail.com). We also have a website [www.avsocialplanning.org](http://www.avsocialplanning.org).

Yours truly,

Janis Nairne



## **REQUEST FOR DECISION**

**To:** Alberni Valley Committee

**From:** Teri Fong, CPA, CGA, Manager of Finance

**Meeting Date:** February 5, 2015

**Subject:** Alberni Valley & Bamfield Waste Management

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### **Recommendation:**

**That the Alberni Valley Committee review the Alberni Valley and Bamfield Waste Management budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.**

### **2014 Highlights:**

The Alberni Valley & Bamfield Waste Management service is a significant operation for the Regional District. The projects completed during the year included:

- The implementation of the Multi Material BC (MMBC) program resulted in the curbside recycling pickup costs being transferred away from the homeowner and now are financed by industry. This change was a result from the new BC Recycling Regulation. Although the program did create some changes in the service provided that initially caused some confusion among residents, the program is now running smoothly.
- A partnership was created with the Alberni Valley Bulldogs to assist in the advertising of our programs including advertising in the Alberni Valley Multiplex as well as feature game nights that focus on our recycling initiatives.
- The Solid Waste Management Committee was re-established and began looking at the plan that was developed in 2007. Initiatives that had not yet been implemented from the plan were identified and will be put into action in 2015.
- New contracts were advertised for proposals for both the AVL F operations contractor as well as the AV curbside recycling contractor.
- Renovations at the 3<sup>rd</sup> Avenue Recycle Depot were performed including exterior siding, electrical upgrades and necessary safety improvements.
- Safety upgrades and modifications to the AVL F transfer station.

### **Upcoming for 2015:**

The plan for 2015 includes:

- Lines 12 - 15 - The Bamfield transfer station operation is going to be investigated to determine whether a partnership with Huu-ay-aht First Nations, Uchucklesaht and the Bamfield Marine Station may be of benefit to all parties.
- Line 24 – The partnership with the Alberni Valley Bulldogs is planned to continue as well as the implementation of a recycling application that would link to resident's smart phones as well as be available on our website.

- Lines 32 – An cardboard disposal ban at the AVL is planned for this year.
- Line 37 – The implementation of the Solid Waste Management Plan is more of a operating expenditure than a capital expenditure and therefore it has been moved in 2015 to the operating section.
- The capital expenditure budget has been developed with assistance from McGill and Associates Engineering. There have been landfill criteria changes implemented by the Province and the engineer will explain the impacts of these changes on our future capital projects.

#### **Background:**

This budget was developed with input from the following people:

- The ACRD Environmental Services department and CAO
- Alberni Valley Landfill contractor – Berry and Vale Contracting Ltd
- Alberni Valley Landfill engineer – McGill and Associates Engineering
- Solid Waste Management Plan Consultant – Carey McIver

#### **Financial:**

The residential tax rates are as follows:

- Bamfield            2015 - \$0.301                      2014 - \$0.304    per \$1,000 of assessed value.
- All other areas   2015 - \$0.002                      2014 - \$0.000    per \$1,000 of assessed value.

The tax rate for Bamfield is different from the other areas because of the Alberni Valley Committee's direction in prior years was for the Bamfield Transfer Station costs to be covered by that Electoral Area only.

#### **Policy or Legislation:**

The Ministry of Environment sets the regulations for items such as closure/post closure plans, solid waste management plans, landfill criteria for municipal solid waste, operational certificates and annual reporting requirements.

#### **Disclosure:**

The prior year actual balances may yet change as 2014 invoices are still trickling in and year-end adjustments are still being completed.



Submitted by: \_\_\_\_\_

Teri Fong, CPA, CGA, Manager of Finance



Approved by: \_\_\_\_\_

Russell Dyson, Chief Administrative Officer



**ALBERNI-CLAYOQUOT REGIONAL DISTRICT**  
**2015-2019 FINANCIAL PLAN**  
**ALBERNI VALLEY & BAMFIELD WASTE MANAGEMENT**  
**PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'A', 'B', 'D', 'E', and 'F'**

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Draft for discussion  
purposes only

Line	History			Budget					Line
	2014 ACTUAL	2014 PLAN		2015	2016	2017	2018	2019	
			<b>REVENUE</b>						
1	\$ 517,832	\$ 517,831	Surplus (deficit) from prior years	\$ 523,883	\$ -	\$ -	\$ -	\$ -	1
2	59,069	59,069	Tax requisition	68,617	622,300	717,800	733,900	770,500	2
3			<i>Fees &amp; charges</i>						3
4	134,936	127,000	Curbside recycling	8,000	8,000	8,000	8,000	8,000	4
5	1,692,956	1,585,000	Tipping fees	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	5
6	1,827,892	1,712,000	Total fees & charges	1,508,000	1,508,000	1,508,000	1,508,000	1,508,000	6
7	1,612	1,000	Grant in lieu of taxes	1,000	1,000	1,000	1,000	1,000	7
8	219,125	157,000	Multi Materials BC funding	300,000	300,000	300,000	300,000	300,000	8
9	89,823	10,000	Other sources	10,000	10,000	10,000	10,000	10,000	9
10	<b>\$ 2,715,353</b>	<b>\$ 2,456,900</b>	<b>TOTAL REVENUE</b>	<b>\$ 2,411,500</b>	<b>\$ 2,441,300</b>	<b>\$ 2,536,800</b>	<b>\$ 2,552,900</b>	<b>\$ 2,589,500</b>	10
			<b>EXPENDITURES</b>						
11	\$ 72,000	\$ 72,000	Administration charge	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	11
12			<i>Bamfield transfer station</i>						12
13	61,156	57,000	Garbage - hauling & tipping fees	57,000	58,100	59,300	60,500	61,700	13
14	9,435	16,000	Recycling - depot operations	7,000	7,100	7,200	7,300	7,400	14
15	70,591	73,000	Total Bamfield transfer station	64,000	65,200	66,500	67,800	69,100	15
16	526,237	480,000	Capital fund contribution	480,000	480,000	480,000	480,000	480,000	16
17	138,741	120,000	Closure & post closure fund contribution	120,000	120,000	120,000	120,000	120,000	17
18			<i>Labour &amp; related costs</i>						18
19	3,328	5,000	Convention/professional development	5,000	5,000	5,000	5,000	5,000	19
20	49,754	50,000	Labour & benefits	52,000	53,000	54,100	55,200	56,300	20
21	1,149	2,000	Vehicle operation	2,000	2,000	2,000	2,000	2,000	21
22	54,230	57,000	Total labour & related costs	59,000	60,000	61,100	62,200	63,300	22
23			<i>Promotion &amp; education</i>						23
24	29,671	10,000	Advertising & promotion	30,000	30,000	30,000	30,000	30,000	24
25	-	2,500	Bear-human conflict management	2,500	2,500	2,500	2,500	2,500	25
26	2,584	12,000	Illegal dumping prevention/waived tipping	12,000	12,000	12,000	12,000	12,000	26
27	5,000	10,000	School program	10,000	10,000	10,000	10,000	10,000	27
28	37,255	34,500	Total promotion & education	54,500	54,500	54,500	54,500	54,500	28



ALBERNI-CLAYOQUOT REGIONAL DISTRICT

2015-2019 FINANCIAL PLAN

ALBERNI VALLEY & BAMFIELD WASTE MANAGEMENT (continued)

PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'A', 'B', 'D', 'E', and 'F'

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Line	History			Budget					Line
	2014 ACTUAL	2014 PLAN		2015	2016	2017	2018	2019	
			<b>EXPENDITURES (continued)</b>						
29			<i>Recycle, reduce, reuse</i>						29
30	\$ -	\$ 8,000	Backyard composting program (offset)	\$ 8,000	\$ -	\$ 8,000	\$ -	\$ 8,000	30
32	-	17,400	Disposal bans	18,000	10,000	10,000	10,000	10,000	32
31	-	-	Organics diversion strategy	30,000	-	-	-	-	31
33	29,645	80,000	Recycling attendant - AVL	-	-	-	-	-	33
34	44,654	35,000	Recycling depots - Alberni Valley	70,000	71,400	72,800	74,300	75,800	34
35	225,398	240,000	Residential recycling pickup	206,000	210,100	214,300	218,600	223,000	35
36	-	-	Share sheds	-	20,000	5,000	1,000	1,000	36
37	-	-	SWMP implementation	70,000	30,000	30,000	30,000	30,000	37
38	-	15,000	Yard waste depot	-	-	-	-	-	38
39	299,697	395,400	Total recycle, reduce & reuse	402,000	341,500	340,100	333,900	347,800	39
40			<i>Residual waste management</i>						40
41	46,702	200,000	Cover material sourcing	100,000	175,000	250,000	250,000	250,000	41
42	748,037	750,000	Operations contract	750,000	765,000	780,300	795,900	811,800	42
43	87,410	175,000	Other operating costs	205,000	209,100	213,300	217,600	222,000	43
44	48,021	27,000	Professional fees	22,000	17,000	17,000	17,000	17,000	44
45	16,409	18,000	Utilities	18,000	18,000	18,000	18,000	18,000	45
46	31,210	35,000	Water monitoring	36,000	35,000	35,000	35,000	35,000	46
47	19,011	20,000	Wood waste grinding	20,000	20,000	20,000	20,000	20,000	47
48	996,799	1,225,000	Total residual waste management	1,151,000	1,239,100	1,333,600	1,353,500	1,373,800	48
49	<b>\$ 2,195,550</b>	<b>\$ 2,456,900</b>	<b>TOTAL EXPENDITURES</b>	<b>\$ 2,411,500</b>	<b>\$ 2,441,300</b>	<b>\$ 2,536,800</b>	<b>\$ 2,552,900</b>	<b>\$ 2,589,500</b>	49
50	\$ 519,804	\$ -	<b>FINANCIAL PLAN BALANCE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	50
51	664,978	600,000	Add: Transfer to reserves	600,000	600,000	600,000	600,000	600,000	51
52		99,000	Deduct: Estimated amortization not included	99,000	99,000	99,000	99,000	99,000	52
53	517,832	517,831	Surplus from previous year	523,883	-	-	-	-	53
54	<b>\$ 666,949</b>	<b>-\$ 16,831</b>	<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>-\$ 22,883</b>	<b>\$ 501,000</b>	<b>\$ 501,000</b>	<b>\$ 501,000</b>	<b>\$ 501,000</b>	54
			(for Financial Reporting purposes)						





**ALBERNI-CLAYOQUOT REGIONAL DISTRICT**  
**2015-2019 FINANCIAL PLAN**  
**ALBERNI VALLEY & BAMFIELD WASTE MANAGEMENT (continued)**  
**PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'A', 'B', 'D', 'E', and 'F'**

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Line	History			Budget					Line
	2014 ACTUAL	2014 PLAN		2015	2016	2017	2018	2019	
	<b>CAPITAL FUND</b>								
55	\$ 3,602,504	\$ 3,602,504	Balance, beginning of year	\$ 3,051,804	\$ 2,155,604	\$ 2,005,404	\$ 1,758,804	\$ 2,263,804	55
56	480,000	480,000	Contribution from operating fund	480,000	480,000	480,000	480,000	480,000	56
57	46,237	41,300	Interest earnings	32,300	25,800	23,400	25,000	30,400	57
58			<i>Less - capital expenditures</i>						58
59	-	-	Access road upgrade	250,000	-	-	-	-	59
60	-	5,000	Alternate energy options	5,000	-	-	-	-	60
61	-	5,000	Bamfield transfer station	5,000	-	-	-	-	61
62	-	-	Compliance to new landfill criteria	10,000	100,000	-	-	-	62
63	8,346	70,000	Fencing repairs	80,000	-	-	-	-	63
64	-	100,000	Interception well by lagoon	187,000	-	-	-	-	64
65	2,560	75,000	Landfill gas management	7,500	-	-	-	-	65
66	7,198	50,000	Leachate interception	100,000	500,000	750,000	-	-	66
67	-	-	Leachate line valve replacement	50,000	-	-	-	-	67
68	83,600	100,000	North-east expansion	100,000	-	-	-	-	68
69	105,873	142,000	Recycling depot - 3620 3rd avenue	110,000	-	-	-	-	69
70		50,000	SCADA control system	70,000	-	-	-	-	70
71	-	250,000	Site security & sustainable development	250,000	-	-	-	-	71
72	10,169	70,000	Solid waste management plan & initiatives	-	-	-	-	-	72
73	-	-	Stephens Creek containment facility	14,000	56,000	-	-	-	73
74	92,906	80,000	Transfer station expansion	-	-	-	-	-	74
75	2,151	75,000	Water pumphouse upgrade	170,000	-	-	-	150,000	75
76	312,802	1,072,000	Total capital expenditures	1,408,500	656,000	750,000	-	150,000	76
77	<b>\$ 3,815,939</b>	<b>\$ 3,051,804</b>	<b>BALANCE, END OF YEAR</b>	<b>\$ 2,155,604</b>	<b>\$ 2,005,404</b>	<b>\$ 1,758,804</b>	<b>\$ 2,263,804</b>	<b>\$ 2,624,204</b>	77
	<b>CLOSURE &amp; POST CLOSURE FUND</b>								
78	\$ 1,444,877	\$ 1,444,877	Balance, beginning of year	\$ 1,583,618	\$ 1,724,118	\$ 1,866,418	\$ 2,010,518	\$ 2,156,418	78
79	120,000	120,000	Contribution from operating fund	120,000	120,000	120,000	120,000	120,000	79
80	18,741	18,800	Interest earnings	20,500	22,300	24,100	25,900	27,700	80
81		-	Less - closure costs	-	-	-	-	-	81
82	<b>\$ 1,583,618</b>	<b>\$ 1,583,677</b>	<b>BALANCE, END OF YEAR</b>	<b>\$ 1,724,118</b>	<b>\$ 1,866,418</b>	<b>\$ 2,010,518</b>	<b>\$ 2,156,418</b>	<b>\$ 2,304,118</b>	82



## **REQUEST FOR DECISION**

**To:** Alberni Valley Committee

**From:** Teri Fong, CPA, CGA, Manager of Finance

**Meeting Date:** February 5, 2015

**Subject:** Alberni Valley Regional Airport

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### **Recommendation:**

**That the Alberni Valley Committee review the Alberni Valley Regional Airport proposed budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.**

### **2014 Highlights:**

It was an exciting year for the Alberni Valley Regional Airport (AVRA) as Directors began investigating the possibility of a runway extension to improve the service provided to the Alberni Valley. The 2014-2018 Financial Plan was amended in the summer of 2014 to allow funding to become available for a runway extension study and design report to be developed by Tetra Tech EBA Inc. The original project request was presented to the Board by Coulson Aircrane who provided some funding toward the project and concept including its development has also been heavily support by City of Port Alberni Economic Development Manager, Pat Deakin. The initial report was received by the Board in the fall of 2014 and staff was instructed to proceed with the detailed pre-design report in order to have the project ready for grant applications including the Building Canada Fund that is currently open for applications. This is a major project that will be presented to the Directors separately as it requires some form of elector approval before proceeding and will take a significant amount of staff time in 2015.

The other main initiative that was focused on by Airport Superintendant, Mark Fortune, in 2014 was the implementation of a GPS system. This project takes time to complete as the runway approach must be free of obstacles before the approach can be established and registered with Transport Canada. In 2014 the initial obstacles limitation survey was completed and now staff are in the process of having the identified obstacles removed including work both within the airport boundaries as well as on surrounding land. This will continue to be a main focus of the Airport Superintendant's in 2015.

### **Upcoming for 2015:**

The following items are of note when reviewing the budget:

- Line 13 – An increase in oversight from the Airport Superintendent, Mark Fortune, began in 2014 and due to the projects that are planned for the AVRA 25% of Mark's time is allocated to this service as well as numerous other employees who are assisting with the GPS implementation and possible runway expansion.
- In order to keep the tax requisition under the \$50,000 annual allowable amount the contribution to capital for 2015 needed to be reduced to zero with the exception of the hope of

receiving a \$100,000 grant to complete some clearing required for the obstacle limitation requirements.

**Background:**

This budget was developed with input from the Airport Superintendant and Chief Administrative Officer.

**Financial:**

The requisition has essentially remained the same as the prior year as it is just below the maximum allowable requisition as per the establishing bylaw. The residential tax rate has remained the same at \$0.013 per \$1,000 of taxable assessed value.

**Policy or Legislation:**

The Alberni Valley Regional Airport establishing bylaw sets the maximum annual allowable requisition at \$50,000. Staff is preparing a separate report regarding the steps required to amend the maximum to allow for possible borrowing for a runway extension as well as increased operating costs due to the improvements being proposed for the airport.

**Disclosure:**

The prior year actual balances may yet change as 2014 invoices are still trickling in and year-end adjustments are still being completed.

Submitted by:



Teri Fong, CPA, CGA, Manager of Finance

Approved by:



Russell Dyson, Chief Administrative Officer



**ALBERNI-CLAYOQUOT REGIONAL DISTRICT**  
**2015-2019 FINANCIAL PLAN**  
**ALBERNI VALLEY REGIONAL AIRPORT**  
**PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'B', 'D', 'E', and 'F'**

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History				Budget												
2014		2014		2015		2016		2017		2018		2019				
ACTUAL		PLAN														
Line	REVENUE												Line			
1	\$	12,855	\$	15,026	Surplus (deficit) from prior years	\$	3,591	\$	-	\$	-	\$	-	\$	-	1
2		49,474		49,474	Tax requisition		49,909		83,720		84,454		85,203		85,968	2
3		-		-	Government and other grants		100,000									3
4		741		-	Grant in lieu of taxes		-		-		-		-		-	4
5		57,142		63,000	Sales of services		60,000		60,000		60,000		60,000		60,000	5
6		39,998		35,000	Leases and other sources		30,000		30,000		30,000		30,000		30,000	6
7	\$	160,210	\$	162,500	TOTAL REVENUE	\$	243,500	\$	173,720	\$	174,454	\$	175,203	\$	175,968	7
EXPENDITURES																
8	\$	12,000	\$	12,000	Administration charge	\$	7,000	\$	7,000	\$	7,000	\$	7,000	\$	7,000	8
9		-		1,000	Consulting, legal & legislation costs		4,000		1,000		1,000		1,000		1,000	9
10		53,764		56,000	Fuel system operation		60,000		60,000		60,000		60,000		60,000	10
11		-		-	GPS maintenance		-		5,000		5,000		5,000		5,000	11
12		2,946		4,000	Insurance		3,500		3,500		3,500		3,500		3,500	12
13		12,428		11,000	Labour & benefits		33,000		33,660		34,333		35,020		35,720	13
14		1,785		3,000	Office & weather station		3,000		3,060		3,121		3,184		3,247	14
15		12,900		14,000	Operation contracts		14,000		13,500		13,500		13,500		13,500	15
16		11,829		20,000	Repairs & maintenance		12,000		10,000		10,000		10,000		10,000	16
17		-		-	Travel & accomodation		500		500		500		500		500	17
18		3,531		4,500	Utilities		4,500		4,500		4,500		4,500		4,500	18
19		1,778		2,000	Water system operation		2,000		2,000		2,000		2,000		2,000	19
20		43,658		35,000	Capital fund contribution		100,000		30,000		30,000		30,000		30,000	20
21	\$	156,619	\$	162,500	TOTAL EXPENDITURES	\$	243,500	\$	173,720	\$	174,454	\$	175,203	\$	175,968	21
FINANCIAL PLAN BALANCE																
22	\$	3,591	\$	-		\$	-	\$	-	\$	-	\$	-	\$	-	22
23		43,658		35,000	Add: Transfer to reserves		100,000		30,000		30,000		30,000		30,000	23
24				16,000	Deduct: Estimated amortization not included		16,000		16,000		16,000		16,000		16,000	24
25		12,855		15,026	Surplus from previous year		3,591		-		-		-		-	25
26	\$	34,394	\$	3,974	ANNUAL SURPLUS/(DEFICIT)	\$	80,409	\$	14,000	\$	14,000	\$	14,000	\$	14,000	26



ALBERNI-CLAYOQUOT REGIONAL DISTRICT  
 2015-2019 FINANCIAL PLAN  
 ALBERNI VALLEY REGIONAL AIRPORT (continued)  
 PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'B', 'D', 'E', and 'F'

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Draft for discussion  
 purposes only

					History							Budget				
					2014	2014						2015	2016	2017	2018	2019
					ACTUAL	PLAN										
Line	CAPITAL FUND															Line
27	\$	315,486	\$	315,148	Balance, beginning of year	\$	253,355	\$	5,855	\$	855	\$	5,855	\$	10,955	27
28		40,000		35,000	Contribution from operating fund		-		30,000		30,000		30,000		30,000	28
29		-		-	Grants and other contributions		100,000		-		-		-		-	29
30		3,658		2,900	Interest earnings		1,000		-		-		100		100	30
31	Less - capital expenditures															31
32		9,825		7,500	Line painting & crack sealing		8,500		5,000		5,000		5,000		5,000	32
33		-		10,000	Drainage improvements & ditching		15,000		-		-		-		-	33
34		2,064		30,000	Fencing & access		15,000		-		-		-		-	34
35		-		50,000	GPS system		40,000		-		-		-		10,000	35
36		-		-	Infrastructure		40,000		30,000		20,000		20,000		20,000	36
37		-		10,000	Road construction		5,000		-		-		-		-	37
38		76,371		70,000	Runway extension study and design		20,000		-		-		-		-	38
39		-		5,000	Signage improvements		5,000		-		-		-		-	39
40		6,071		-	Sweeper		-		-		-		-		-	40
41		11,458		20,000	Tree clearing/brushing*		200,000		-		-		-		-	41
42		105,789		202,500	Total capital expenditures		348,500		35,000		25,000		25,000		35,000	42
43	\$	253,355	\$	150,548	BALANCE, END OF YEAR	\$	5,855	\$	855	\$	5,855	\$	10,955	\$	6,055	43

\*\$100,000 must be from grant funding



## REQUEST FOR DECISION

**To:** Alberni Valley Committee

**From:** Russell Dyson, Chief Administrative Officer

**Meeting Date:** February 4, 2015

**Subject:** Alberni Valley Regional Airport Runway Expansion

---

### Recommendation:

That the Alberni Valley Committee recommends:

1. THAT the ACRD Board of Directors apply to the Build Canada Fund for the AVRA expansion based on an extension to the runway to the east and no lighting or fencing for a total project cost of \$5.9 million as outlined in the Tetra Tech Report, Class A cost estimate.
2. THAT the ACRD Board of Directors fund its' 1/3 contribution (approximately \$2 million) for the AVRA runway expansion through borrowing.
3. THAT the ACRD Board of Directors amend the AVRA establishment bylaw to increase the maximum annual requisition to enable borrowing to a maximum amount of \$2 million dollars and associated operating costs for the 100' x 5000' runway, utilizing the alternate approval process.
4. THAT staff be instructed to consult with affected interests of the AVRA expansion including Greenmax, SD#70 (Alberni), Ministry of Forests Lands and Natural Resource Operations, Coulson Group of Companies and the AV Drag Racing Association.

### Desired Outcome:

To seek the ACRD Board direction on the process for moving forward on the expansion of the AVRA runway.

### Background:

The Alberni Valley Regional Airport (AVRA) is a registered airport with a single 3,952 x 75 foot runway (1205 metres in length). There is no published instrument approach at this time. Activity at the site includes a BC Forest Service crew base, Coulson Aviation, and recreational activities, including the

Members: City of Port Alberni, District of Ucluelet, District of Tofino, Yuułu?if?ath Government, Huu-ay-aht First Nations, Uchucklesaht Tribe

Electoral Areas "A" (Bamfield), "B" (Beaufort), "C" (Long Beach), "D" (Sproat Lake), "E" (Beaver Creek) and "F" (Cherry Creek)

Alberni Valley Flying Club, the Vancouver Island Soaring Centre and the Alberni Valley Soaring Association. Avgas and Jet A are sold at the airport via a card lock system. The airport was opened in 1993.

In 2014, the Board of Directors of the Alberni-Clayoquot Regional District provided direction to pursue a runway expansion with the completion of the detail design, business case and an application for funding to the Build Canada Fund.

The airport expansion was based on a pre-design report prepared by Tetra Tech, which outlined four options for the expansion, the direction was to proceed with an option whereby the runway would be extended by approx 500' off of either end and widened by 25' for the full length to provide for an 100' X 5,000' runway. The runway was to be provided with lighting and GPS capability. This would include the associated groundwork and fencing required for the expanded operation. The cost estimate of the pre-design was \$6.2 million.

The Board proposed that the application include lighting for the Long Beach Airport. This would have increased overall costs without a significant improvement to the business plan rational. Therefore this has not been pursued in this proposal.

Grant applications require a formal business case. Pat Deakin, City of Port Alberni Economic Development Manager agreed to oversee and fund this work. The attached Business Case has been prepared by Rob Beynon, it has evaluated the potential increase in airport operations from such an investment and the tangible economic spinoffs. The business case has determined that the investment is justified with the objective to extend the runway and retain and expand aerospace employment at AVRA, supporting the Canadian economy and its international competitiveness. Secondary objectives of this project include supporting other aerospace development at the site, tourism within the ACRD, regional economic development and transportation services.

The principle benefit of this project would be the result of accommodating increased opportunities for the Coulson Group of Companies retrofitting and servicing C130 Hercules for firefighting capacity at the AVRA. The expansion also provides for other benefits given the close association of services for the Long Beach Airport and the potential to secure scheduled services, but these benefits were less tangible.

The detailed design included an accurate survey of the airport and surrounding lands, preliminary results from the survey determined that the best option for expansion is in fact constructing the works off of the east end, rather than off both ends of the runway. It also determined that there is substantial clearing and groundwork to be completed to satisfy the obstacle limitation surfaces of the new runway and anticipated aircraft to be using such a facility. The detailed design has been completed on the basis of this configuration; it has enabled a Class A estimate of costs - \$8.3 million.

We have been advised that the Build Canada Fund has limits for the overall expenditures within each constituency; the advice is to keep the overall cost of the application below \$6 million. In order to accomplish this it is proposed that the application proceed without lighting or fencing. These

components can be considered at a later date and alternative funding pursued. The amended cost without lighting and fencing is \$5.9 million of which the regional district would be responsible for 1/3 - \$2 million.

The Board of Directors needs to determine spending limits for the AVRA Service. The annual limit in the AVRA establishing bylaw (791 & 791-1) is currently \$50,000.00 and new limits need to accommodate for increased operating costs and servicing anticipated debt.

### **Options to Consider:**

What is the level of capital investment to be funded by borrowing?

- a. \$2 million – this would enable the runway expansion subject to successful Build Canada grant.
- b. \$3 million - this would enable both phases to be realized subject to grants for both projects. (Phase I – expansion; Phase II – lighting and fencing).
- c. \$6 million – this would enable the runway expansion to be realized without grant funding.

Note: \$6 million is the maximum borrowing for the alternate approval (AAP) process, anything further would be subject to a referendum.

As per the *Local Government Act*, participating area approval is required for all of the above borrowing options as well as to increase the establishing bylaw's maximum annual requisition.

The following are the options for obtaining participating area approval:

- a. Municipalities: Municipal Council's can consent on behalf of the electors by a resolution of Council or can choose to proceed with an AAP or referendum.
- b. Electoral areas: Consent can be obtained by conducting an AAP or referendum. Regional District staff recommends conducting an AAP process. The AAP process is less time consuming and more cost effective at an approximate total cost of \$2,000.00. Conducting a referendum will require considerable staff resources and cost approximately \$8,000.00.

### **Time Requirements – Staff & Elected Officials:**

Substantial staff resources will be required for this project.

### **Financial:**

The costs of providing the service are apportioned by the participating areas on the basis of converted value of land and improvements. Participants of the service area are: City of Port Alberni and electoral areas "B" (Beaufort), "D" (Sproat Lake), "E" (Beaver Creek) and "F" (Cherry Creek).



**Policy or Legislation:**

Bylaw 791 and 791-1, *Port Alberni Airport Extended Service Area Establishment & Amendment*, *Local Government Act* and *Community Charter* apply. The establishment bylaw will require amendment to increase maximum allowable requisition in order to proceed with the project.



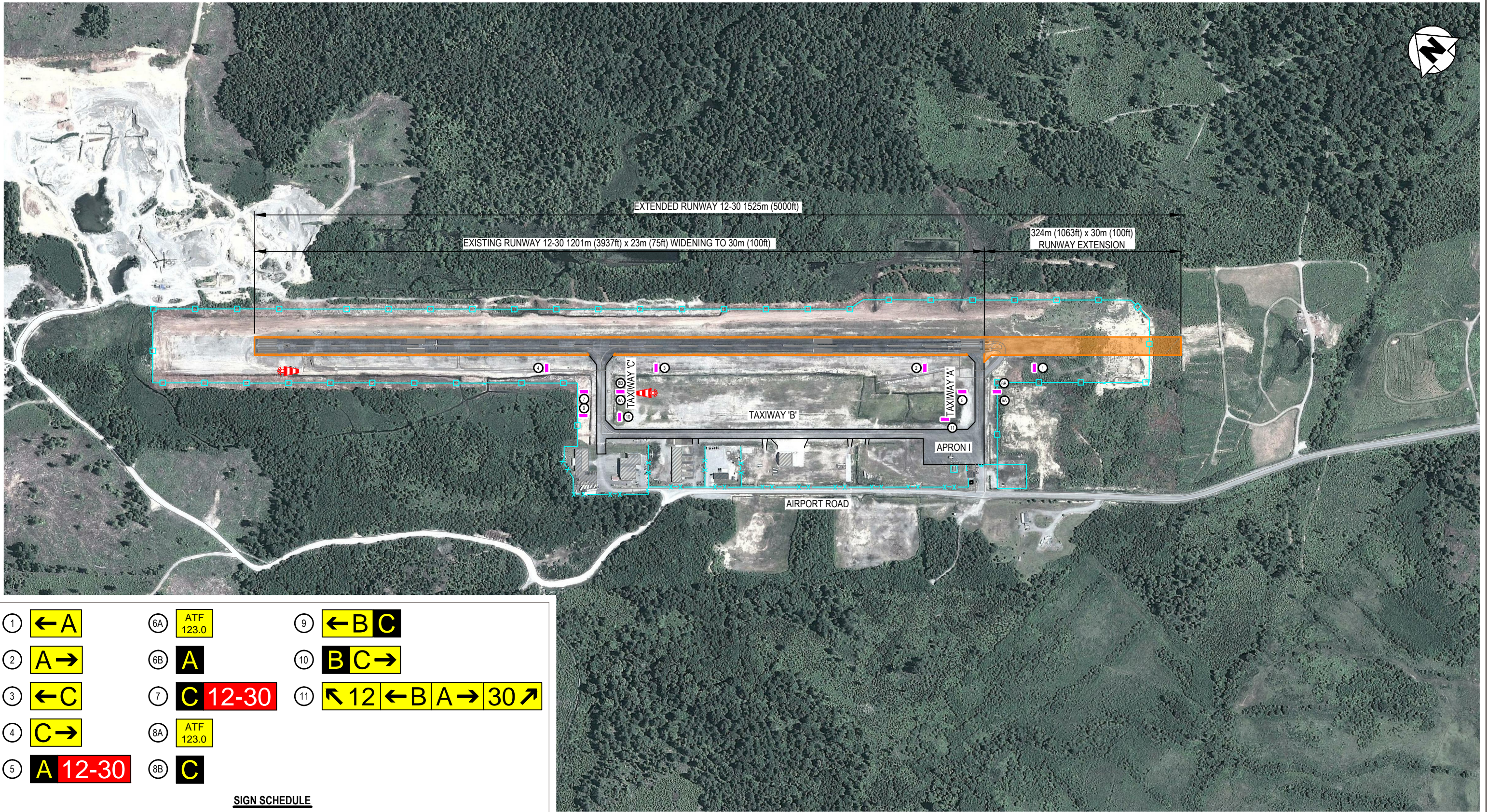
Submitted by:

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Russell Dyson, Chief Administrative Officer



G:\C311\C31103399-01 Alberni Valley Rwy Exten\Phase 002\Figures\C31103399-01-002 Figure 1.dwg [FIGURE 1] January 23, 2015 - 1:30:22 pm (BY: JOHNSON, TANNER)

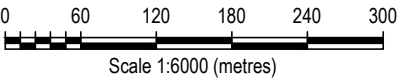


1	← A	6A	ATF 123.0	9	← B C
2	A →	6B	A	10	B C →
3	← C	7	C 12-30	11	↖ 12 ← B A → 30 ↗
4	C →	8A	ATF 123.0		
5	A 12-30	8B	C		

SIGN SCHEDULE

LEGEND:

- RUNWAY EXTENSION & WIDENING
- SIGN
- EXISTING WILDLIFE FENCING
- EXISTING CHAIN LINK FENCING
- EXISTING WINDSOCK



CLIENT



Alberni-Clayoquot  
Regional District



TETRA TECH EBA

RUNWAY EXTENSION DESIGN  
ALBERNI VALLEY REGIONAL AIRPORT (CBS8)

SITE PLAN

PROJECT NO. C31103399-01-002	DWN T.J.	CKD S.S.	REV 0
OFFICE CALGARY	DATE JANUARY 23, 2015		

Figure 1





**Alberni Valley Regional Airport (CBS8)**  
**Runway Extension**  
**Class 'A' Estimate of Probable Costs**  
**Runway 30 Extension 324m (1063 ft)**

January 23, 2015

Item	Estimate of Probable Costs Summary				Total
1.00	Civil General Requirements				\$ 360,000
2.00	Civil Site Works - Runway Extension (324m x 30m)				\$ 4,960,420
	<b>Total Estimate of Probable Construction Costs</b>				<b>\$ 5,320,420</b>
3.00	Estimated Engineering Costs - Design, Construction Inspection (rounded)			4%	\$ 212,800
4.00	Project Contingencies (rounded)			8%	\$ 425,600
	<b>Total Estimate of Probable Project Costs</b>				<b>\$ 5,958,820</b>

Item	Description	Unit	Est Quantity	Unit Price	Total Price
<b>1.00</b>	<b>Civil General Requirements</b>				
1.01	Temporary Facilities - Mob / Demob, Survey etc.	Lump Sum	1	\$ 150,000	\$ 150,000
1.02	Tree Clearing/Felling for Obstacle Limitation Surface (OLS) Compliance	Hectare	50	\$ 3,700	\$ 185,000
1.03	Conduct Testing & Commissioning	Lump Sum	1	\$ 25,000	\$ 25,000
	<b>Subtotal General Requirements</b>				<b>\$ 360,000</b>
<b>2.00</b>	<b>Civil Site Works - Runway Extension (324m x 30m)</b>				
2.01	Clearing, Grubbing for Rwy Strip Along Extension	m <sup>2</sup>	35,000	\$ 4	\$ 140,000
2.02	Topsoil Stripping and Stockpile for future reuse	m <sup>3</sup>	4,200	\$ 13	\$ 54,600
2.03	Milling Existing HMA (Approx. 50mm) for Butt Joint	m <sup>2</sup>	60	\$ 17	\$ 1,020
2.04	Removal and Dispose On-Site - Drag Strip Asphalt Facilities - (Full Depth)	m <sup>2</sup>	780	\$ 16	\$ 12,480
	Common Excavation and Dispose On-Site - Runway Footprint (710mm structure) and Graded Strip - Depth Varies Based on Existing Ground	m <sup>3</sup>	104,000	\$ 12	\$ 1,248,000
2.05	Place and Compact Fill	m <sup>3</sup>	1,400	\$ 40	\$ 56,000
2.06	Granular Subbase Course (GSBC) - 420mm thick	m <sup>3</sup>	4,100	\$ 55	\$ 225,500
2.07	Granular Base Course (GBC) - 200mm thick	m <sup>3</sup>	2,000	\$ 60	\$ 120,000
2.07	3.5m Granular Shoulder - 90mm thick	m <sup>3</sup>	220	\$ 60	\$ 13,200
2.08	Hot-Mix Asphalt Concrete Paving (HMAC) - 90mm thick	Tonne	2,200	\$ 160	\$ 352,000
	Eradicate All Existing Runway 12-30 Centerline Pavement Markings, Runway 30 Threshold and Aiming Point Marking, Runway 12 Threshold and Aiming Point Marking (Black Paint)	Lump Sum	1	\$ 20,000	\$ 20,000
	New Runway 12-30 Centerline Painting, Runway 30 Threshold, Aiming Point and Touchdown Zone Marking, Runway 12 Threshold, Aiming Point and Touchdown Zone Marking	Lump Sum	1	\$ 20,000	\$ 20,000
2.10					
2.11	Geotextile fabric, Non-woven (Provisional Item)	m <sup>2</sup>	5,000	\$ 4	\$ 20,000
2.12	Geogrid (Provisional Item)	m <sup>2</sup>	5,000	\$ 4	\$ 20,000
2.13	Finish Grading	m <sup>2</sup>	28,000	\$ 5	\$ 140,000
	<b>3.5m Runway Widening Each Side (Total RWY Width of 30m) Runway Strip 75m Each Side of Centerline</b>				
2.14	Clearing, Grubbing for Rwy Strip	m <sup>2</sup>	81,000	\$ 4	\$ 324,000
2.15	Topsoil Stripping and Stockpile for future reuse	m <sup>3</sup>	840	\$ 13	\$ 10,920
2.16	Milling Existing HMA (Approx. 50mm) for Butt Joint	m <sup>2</sup>	4,500	\$ 17	\$ 76,500
	Common Excavation (81,000cu.m) and Place as Common Fill (50,000cu.m) - Runway Footprint (710mm structure) and 150m Graded Strip - Depth Varies Based on Existing Ground	m <sup>3</sup>	130,000	\$ 10	\$ 1,300,000
2.17	Granular Subbase Course (GSBC) - 420mm thick	m <sup>3</sup>	3,600	\$ 55	\$ 198,000
2.18	Granular Base Course (GBC) - 200mm thick	m <sup>3</sup>	1,700	\$ 60	\$ 102,000
2.19	Hot-Mix Asphalt Concrete Paving (HMAC) - 90mm thick	Tonne	1,900	\$ 160	\$ 304,000
2.20	Eradicate Existing Pavement Markings	Lump Sum	1	\$ 3,000	\$ 3,000
2.21	New Pavement Markings (Edge Marking)	Lump Sum	1	\$ 3,000	\$ 3,000
2.21	New 600mm dia. CSP Extension	Lin.m.	85	\$ 140	\$ 11,900
2.22	New 900mm dia. CSP Extension	Lin.m.	110	\$ 180	\$ 19,800
	Supply and Install 1200mm DIA. MH c/w Bedding and Backfill, including Frame and Grate	Lump Sum	1	\$ 6,000	\$ 6,000
2.23	Geotextile fabric, Non-woven (Provisional Item)	m <sup>2</sup>	1,500	\$ 4	\$ 6,000
2.24	Geogrid (Provisional Item)	m <sup>2</sup>	1,500	\$ 5	\$ 7,500
2.25					
2.26	Finish Grading	m <sup>2</sup>	29,000	\$ 5	\$ 145,000
	<b>Subtotal Civil Works</b>				<b>\$ 4,960,420</b>



**Notes:**

- 1.0 Costs noted above are estimates based on similar works completed over the past five years. It is not to be interpreted as a guarantee by Tetra Tech of the actual project costs. The actual project cost shall be determined by the tender and construction process.
- 2.0 The estimates include 2-5% contingency to account for fluctuations between assumptions made and actual ground conditions.
- 3.0 Quantity under item 1.02 is an estimate to cover costs associated with clearing OLS protrusions as surveyed by SNC Lavalin. It has been extrapolated to include additional clearing for the runway extension options. Some localized clearing efforts may be required for areas of taller trees outside the main clearing footprint.
- 4.0 Quantity under item 2.03 is based on the cut required for the runway extension plus the required runway strip and OLS allowances beyond the current Airport boundary. Due to a lack of survey beyond the present Airport fence, 20% has been added to this value to account for what is expected to be additional ground cut on the tree farm property.
- 5.0 Temporary Facilities have been estimated at 3%(rounded) of the Subtotal Civil Site Works.

# Airport Runway Extension Business Case

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*Alberni-Clayoquot Regional District and City of Port Alberni*

*23 January 2015*

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## Checklist

The checklist below is provided in the Build Canada Program Guide. This table explains where each of these elements is addressed within this business case.

### Checklist of Business Case Elements

Business Case Element	Section Where Addressed
Problem statement	1.1
Identification and analysis of options (relevance, feasibility)	4.1
Rationale for chosen option	4.1
Project objective	1.2
Description of activities	4.2
Timelines and milestones	4.3
Expected benefits	5.3
Performance and progress measures	4.4
Project risks	4.5
Rationale	1.3

# 1. Overview

## 1.1. Problem Statement

An aerospace company based at the Alberni Valley Regional Airport (AVRA) has contracts to modify aircraft for international forest fighting and the company wants to conduct this work at its AVRA base. However, the company cannot conduct the work at AVRA now because the heavier versions of the modified aircraft, C130, are too large for the existing runway. To complete this work at AVRA requires a runway extension.

This high value aerospace work will not take place at Port Alberni, and probably not in Canada, unless the runway is extended. This is because the Coulson's already have operations and relationships in the U.S. and Singapore and it would be easier (read more profitable) to utilize them than to develop a new operation in Canada. The airport is also underutilized, and Port Alberni is the mid-size community in B.C. without scheduled air service. The Alberni-Clayoquot Regional District (ACRD) and the City of Port Alberni have therefore developed this business case for the extension and improvement of the runway.

Without an extended runway, confirmed high value aerospace work may be lost to another country, and the Alberni Valley will miss out on this and future significant opportunities.

## 1.2. Project Objective

The project objective of the ACRD and the City of Port Alberni is to extend the runway and retain and expand aerospace employment at AVRA, supporting the Canadian economy and its international competitiveness. Secondary objectives of this project include supporting other aerospace development at the site, tourism within the ACRD, regional economic development and transportation services.



### 1.3. Project Rationale

If the project is not approved, Port Alberni will lose potential aerospace activity in coming years. This immediate loss will probably lead to the loss of other as yet unidentified opportunities because the proponent will expand its operations somewhere else to complete the contracts it has signed. The loss of this opportunity could therefore become a significant “missed opportunity.”

The aerospace company, Coulson Aviation, a member of the Coulson Group of Companies, has been clear that it cannot complete the aerospace contracts it has signed without a longer runway at AVRA. The company already has multi-year contracts for this work in place and is seeking somewhere to complete its work. The Coulson Group’s first choice of location is AVRA.

## 2. Current Situation

### 2.1. Alberni Valley Regional Airport

AVRA is a registered airport with a single 3,952 x 75 foot runway (1205 metres in length). There is no published instrument approach at this time. Activity at the site includes a BC Forest Service crew base, Coulson Aviation, and recreational activities, including the Alberni Valley Flying Club, the Vancouver Island Soaring Centre and the Alberni Valley Soaring Association. Avgas and Jet A are sold at the airport via a card lock system. The airport was opened in 1993.

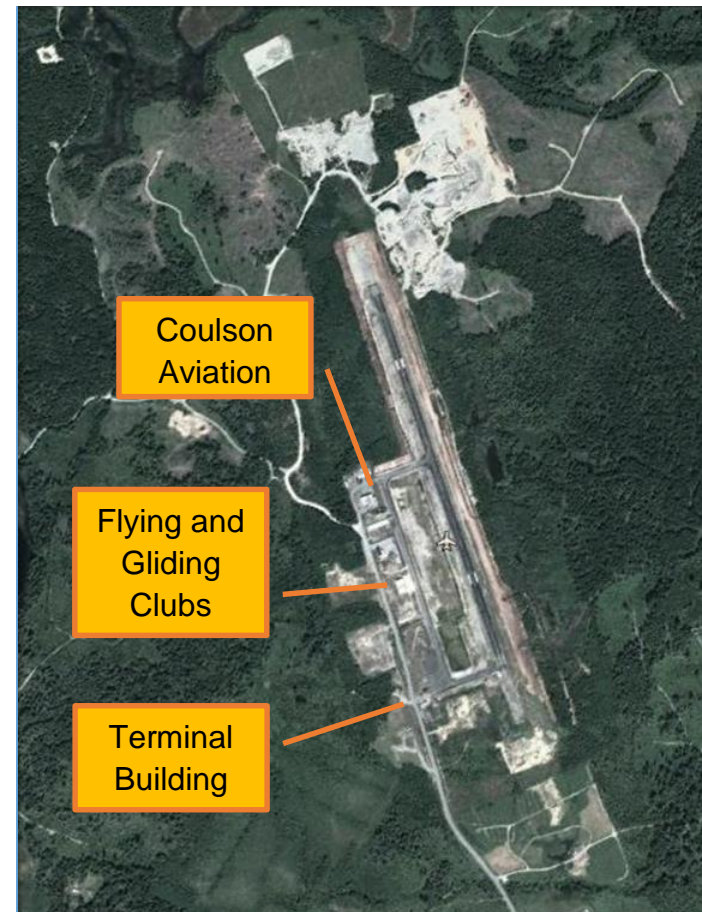
An overview of the site is shown in **Figure 2-1**. A quarry at the north end of the airport is shown on the map. The access road to Highway 4 is at the south end of the site.

### 2.2. Aerospace

Coulson Aviation is based at the north end of the airport taxiway. The company is part of the Coulson Group of Companies, based in Port Alberni. The company includes the following divisions:

- Forest Products
- Lumber Manufacturing

**Figure 2-1: AVRA Site**



Source: Google Earth, November 2014.

- Coulson Cedar, and
- Other developments.

The Coulson Group of Companies has been active in forestry in the area since the 1930s and diversified into aviation in the 1960s. Aviation companies owned by the group include Coulson Airplane Ltd., Coulson Airplane (U.S.A.) Inc., Coulson Flying Tankers, and Coulson Aero Technologies Ltd. The Group owns a fleet of fixed and rotary wing aircraft.

The Group has a long history of success and exports. The Group has been used by BDC (Business Development Bank of Canada) as a model which “positions itself as a global player.”<sup>1</sup> The example used by BDC is the project which requires the extended runway, modifying L100 (C130) Hercules to be water bombers.<sup>2</sup> The company also sold its successful helicopter maintenance operations to CHC Helicopter and it developed the operations into Heli One. CHC Helicopter is the Canadian-based, largest helicopter operator in the world. Heli-One is the largest helicopter support company in the world.

### 2.3. C130 Initiative

The Group’s current initiative driving the need for an extended runway at Port Alberni is the conversion of military C130 aircraft into water tankers. The Company has contracts with Lockheed Martin to complete the work and owns the Type Certificate for the C130. A type certificate is issued by a regulator such as the FAA or Transport Canada to show that a design is considered airworthy. It cannot be changed. Only companies that own a type certificate may modify an aircraft significantly.

The Coulson Group has signed contracts to complete the aerospace work. It is seeking a location for the work. The first aircraft was modified in the U.S.

<sup>1</sup> BDC, “Testimonial: Coulson Group of Companies,” provided in **Appendix A**.

<sup>2</sup> Civil versions of the aircraft are L100s and military versions are C130s.

The key activity that Coulson plans to undertake is the manufacturing and installation of tanking systems on C130 aircraft, transforming them into water bombers. The 4,000 US gallon tanks were designed by the Coulson Group and are manufactured in Port Alberni. There are also opportunities to do similar work for Airbus aircraft. Installing one tank kit requires 8,000 hours of labour. Each tanker install would be completed within 90 days. There are approximately 2100 C130s in the world and a significant number of these may be transformed into tankers in coming years. **Figure 2-2** shows the modified aircraft in flight.

**Figure 2-2: Modified C130 Water Bomber**



Source: The Coulson Group

Coulson already has three to five years of signed contracts (depending on how quickly they can be fulfilled) to complete aircraft modifications. The Group already has completed the first install and is planning the second; neither was (or will be) done in Canada. The first C130 work was done at San Bernardino, California and a second project will be completed in Singapore. The company already has the approvals to do the work in the U.S. if it cannot complete it in Canada.

The development could quickly generate up to 15 high paying aerospace positions in the Alberni Valley.

If Coulson can complete the work at AVRA, it would generate up to 15 new Aircraft Maintenance Engineer (AME) positions each paying approximately \$70,000 annually. The training of these new positions would create demand for services from North Island College (NIC) which would support its ongoing operations.

## 3. Potential Activity

### 3.1. Aerospace

The proposed development at AVRA by the Coulson Group will generate up to 15 AME full-time equivalent jobs.

**AME Description.** Canadian Aircraft Maintenance Engineers earn, not including overtime, approximately \$65,000 annually. AMEs are highly trained and must pass Transport Canada certified tests to be rated as M1 or M2 AMEs.<sup>3</sup> Minimum requirements for both designations include 1000 hours of theory (usually via college), 48 months of experience, and a log of all maintenance tasks required. After meeting these minimum requirements, AME candidates may take the tests for federal certification. These are skilled and high tech jobs. Canada and B.C. have both initiated programs to attract aerospace jobs.

AMEs are skilled, high tech workers earning \$65,000 or more annually.

**Additional Opportunities.** In addition to the Coulson Group C130 program, other aerospace opportunities may be created by the proposed infrastructure improvement. Coulson has spoken with other aerospace companies who have expressed an interest in completing work at AVRA if Coulson expands its operations there. These additional potential opportunities have not been included in the economic or taxation estimates in the Multiple Accounts Evaluation (MAE) in **Section Five**. Successful B.C. aerospace firms and potential targets for activity include Viking Air, Kelowna Flightcraft, Cascade Aerospace, and CHC.

<sup>3</sup> <https://www.tc.gc.ca/eng/civilaviation/standards/maintenance-aarpb-general-general-2535.htm>

### 3.2. Other

The proposed infrastructure could also support the following additional regional developments:

- **Alternate Airport.** With the additional runway length and new lighting, AVRA will be better able to act as an alternate airport for the Long Beach Airport (CYAZ) on the west coast. The airport has developed strongly in recent years, supporting the growing tourism cluster in the Tofino-Ucluelet region. The area suffers from seasonal fogging. When this occurs, aircraft cannot land at CYAZ. With the proposed improvements, AVRA will be better positioned to act as an alternate airport seasonally.
- **New Courier Service.** Coulson Aviation is already FedEx's third largest client on Vancouver Island. FedEx has advised Coulson that if it develops its proposed aerospace activity, FedEx may initiate a new non-stop courier service to AVRA. This new courier capacity would be a benefit to all economic activity in the region.
- **Tourism.** Local tourism operators have complained about difficulties flying aircraft into AVRA. The extended runway and new lighting would improve the usability of the site for tourism operators.
- **Transportation Services.** Improvements to the airport will support the development of scheduled air transport from AVRA to destinations such as Vancouver. This will assist the social and economic development of Port Alberni.
- **Container Terminal Development.** The proposed Port Alberni Transshipment Hub (PATH), an Alberni Inlet container terminal development, would benefit from improved airport and aviation services in the region. Projects and operations of this type require significant aviation support for the construction phase and ongoing operations.
- **LNG Terminal.** The proposed LNG terminal in Alberni Inlet would also benefit from an improved airport. Moving crews in and out of a project site is one of the key concerns for construction of an LNG plant. The proposed infrastructure improvements would facilitate this. On November 29, 2014, the Huu-ay-aht First Nation voted in favour of continuing to explore the benefits arising out of a proposed LNG plant and to offer

the Steelhead LNG proponents an opportunity to lease the Huu-ay-aht's Sarita Bay Treaty Settlement Lands for the project which is estimated at \$30 **billion**.



## 4. Proposed Infrastructure Improvement

### 4.1. Options Development

In September 2014 the ACRD contracted with Tetra Tech EBA Inc. to complete an options analysis.<sup>4</sup> The report identified five options to serve the identified demand:

- Option 1 - 1,063' (324m) Extension of Runway 12
- Option 2 - 1,063' (324m) Extension of Runway 30
- Option 3 - 531.5' (162m) Extension of both ends of Runway 12-30
- Option 4 - Extending and Widening Runway 12-30 by 100' (30m)
- Option 5 - Extending and Widening Runway 12-30 by 150' (45m)

After considering the options, the Alberni-Clayoquot Regional District has voted in support of Option 4.<sup>5</sup>

### 4.2. Proposed Activities

Activities proposed within this option include

- Extending the south end of the runway by 324m,
- Expansion of the runway width to 30m,
- Addition of a Medium Intensity Airfield Lighting System, and
- Related civil engineering work.

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<sup>4</sup> Tetra Tech EBA Inc., "Runway 12-30 Extension Pre-Design Report, Alberni Valley Regional Airport (AVRA)," September 2014.

<sup>5</sup> For those who may be unfamiliar with airport terminology, there is only one physical runway but from an operational perspective there are two runways because a pilot can approach the runway from either direction. The runway numbers represent the compass bearing of the runway's orientation.

### 4.3. Timelines and Milestones

With proper phasing, the proposed project can be completed in 2015.

The proposed project could be completed in 2015.

### 4.4. Performance and Progress Measures

The project is a relatively small capital project. It will require phasing but no interim progress measures should be required.

### 4.5. Project Risks

No significant risks for the project have been identified. The ACRD paid for geo-tech and soil testing which established that the conditions are suitable for the planned runway structures.

### 4.6. Project Budget

Tetra Tech completed a Class A estimate for the proposed project, which are shown in **Figure 4-1**. Including lighting, the total project cost is ~ \$6.0 million.

**Figure 4-1: Class A Project Estimates**

Line Item	Value
Estimated Construction Costs	\$ 5,533,220
Contingency (8%)	\$ 425,600
<b>TOTAL</b>	<b>\$5,958,820</b>

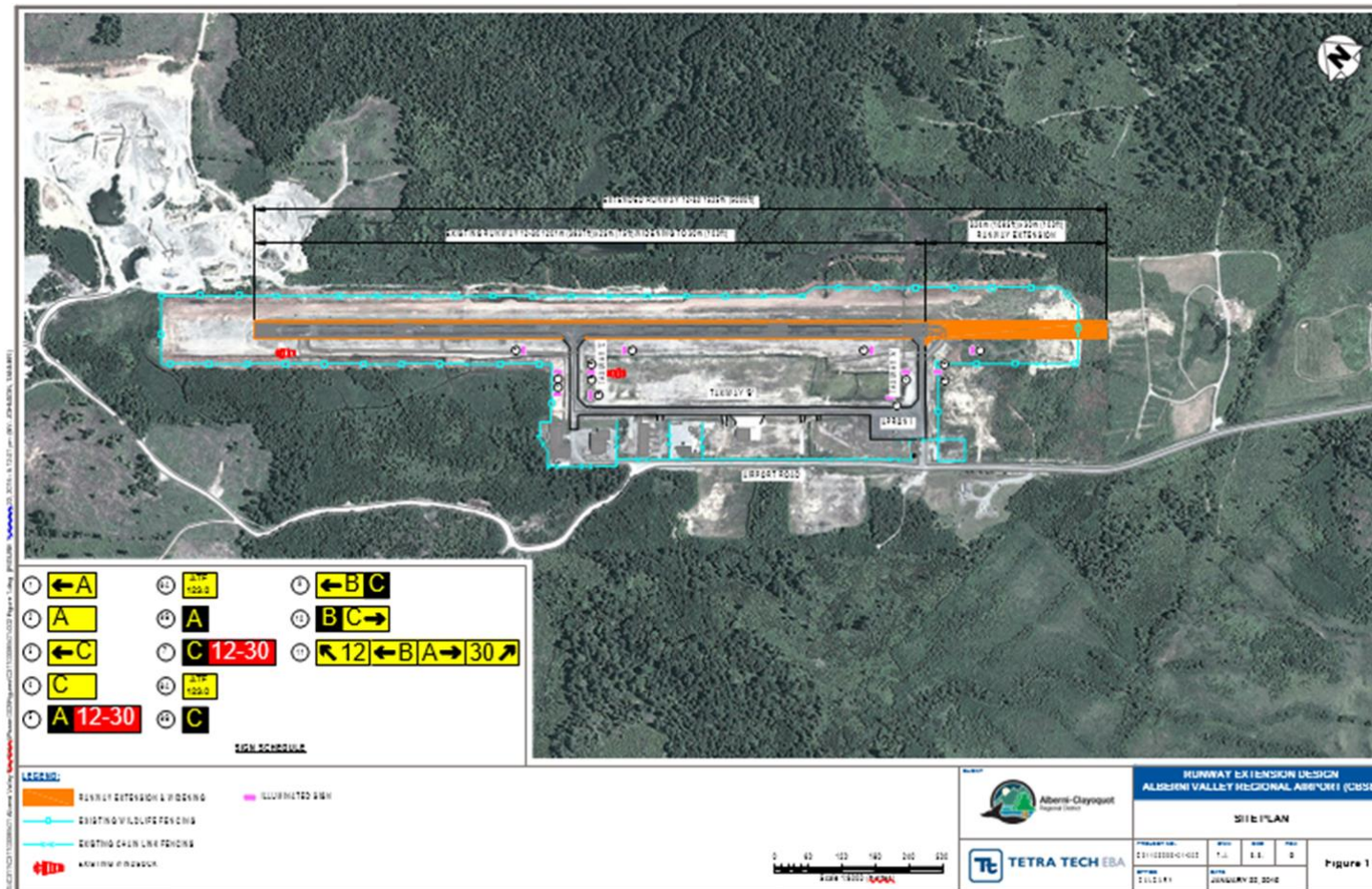
Source: Tetra Tech EBA

An illustration of the airport showing the proposed runway extension is shown in **Figure 4-2**. The proposed extension is displayed in orange.

#### **4.7. P3 Participation**

The ACRD seeks a partnership agreement with the federal and provincial governments to complete the proposed project. The proposed cost sharing would be one third each, or approximately \$2.0 million each.

Figure 4-2: Proposed Runway Extension



## 5. Multiple Accounts Evaluation

### 5.1. Methodology

Multiple account evaluation (MAE) is a decision matrix tool designed to provide a balanced perspective to infrastructure decision making. The BC Ministry of Transportation and Infrastructure has a formal MAE process it uses for highway development projects for example.

It is a simplified form of cost-benefit analysis. True cost-benefit requires that all costs and benefits be accurately given a dollar value, so that costs can be subtracted from benefits to determine the cost-benefit. The higher the resulting value the higher the value of the project, but it is very difficult to convert many accounts such as the environment into dollar values.

MAE analysis is a method of cost benefit analysis in which not all values are monetized. Accounts are compared in different scenarios so the potential impacts of projects can be understood.

### 5.2. Evaluation

**Table 5-1** offers a matrix evaluation of the proposed development by examining different accounts. The table compares the current situation with the potential impacts from the proposed airport expansion. In this evaluation, the following accounts are discussed:

- Capital Investment;
- Economic Impact;
- Aerospace
- Trade;

- Tourism;
- First Nation;
- Government Revenues;
- Regional Development;
- Environment;
- Social;
- Training;
- Transportation; and
- Political.

**Figure 5-1: MAE Analysis**

ACCOUNT	CURRENT SITUATION	AIRPORT DEVELOPMENT SCENARIO
<b>CAPITAL INVESTMENTS</b>	No capital investment	<p>Up to \$ 6.0 million in one-time capital investment. This estimate is for extending the main runway, constructing runway and taxiway lighting, and related preparatory work.</p> <p>The Coulson Group will be able to complete work at AVRA, work it has already contracted for, if these improvements are completed.</p> <p>The proposed construction would generate one-time direct impacts of up to:</p> <ul style="list-style-type: none"> <li>▪ 34 FTEs</li> </ul>

ACCOUNT	CURRENT SITUATION	AIRPORT DEVELOPMENT SCENARIO
<b>ECONOMIC IMPACTS</b>	Limited economic impact currently.	<ul style="list-style-type: none"> <li>▪ \$1.99 million in wages</li> <li>▪ \$2.6 million in GDP and</li> <li>▪ \$3.1 million in economic output</li> </ul> <p>The development of proposed C130 modification at AVRA would result in a variety of economic impacts in the region as well as making other opportunities possible.</p> <p>Jobs resulting from this would be primarily at the airport and support activities for aerospace activities. The activity generated by the Coulson Group directly and related activity would generate direct annual activity including up to</p> <ul style="list-style-type: none"> <li>□ 15 FTEs;</li> <li>□ \$1.0 million in wages;</li> <li>□ \$1.4 million in GDP; and</li> <li>□ \$4.3 million in economic output.</li> </ul> <p>Total economic outputs would be greater.</p>

ACCOUNT	CURRENT SITUATION	AIRPORT DEVELOPMENT SCENARIO
		<p>A scenario for scheduled air services to AVRA from Vancouver has also been developed. Assuming 70% loads on an 8-seat aircraft and two flights per weekday (one on weekend days), 8,176 one-way passengers per year would be served. In Port Alberni, the equivalent of 5 FTEs would be created by this activity. The impacts of this would be:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> 5 FTEs;</li> <li><input type="checkbox"/> \$193,000 in wages;</li> <li><input type="checkbox"/> \$276,000 in GDP; and</li> <li><input type="checkbox"/> \$480,000 in economic output.</li> </ul> <p>The total direct impacts of the aerospace and air transportation estimates are:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> 20 FTEs;</li> <li><input type="checkbox"/> \$1.2 million in wages;</li> <li><input type="checkbox"/> \$1.7 million in GDP; and</li> <li><input type="checkbox"/> \$4.8 million in economic output.</li> </ul>



ACCOUNT	CURRENT SITUATION	AIRPORT DEVELOPMENT SCENARIO
<b>AEROSPACE</b>	<p>The BDC says Coulson “positions itself as a global partner in forest fire fighting.” See Appendix A.</p> <p>Coulson will complete the planned C130 refits in the U.S. or overseas.</p>	<p>The proposed development will further numerous federal and provincial goals and initiatives.</p> <p>The proposed runway expansion will help retain high skill, high paying jobs in Port Alberni, which might otherwise got to another country.</p> <p>Coulson has already held talks with other B.C. aerospace firms who may contract additional work, that they have been unable to take on up to this point, to Coulson if the runway is extended.</p> <p>The B.C. government identified and committed to supporting the potential of aerospace and supporting it in the 2014 Budget by entering into a \$5 million partnership agreement with the Aerospace Industry Association of Canada (AIAC) Pacific.<sup>6</sup></p> <p>Development of aerospace trade opportunities is an explicit goal of the federal government and supported by the</p>

<sup>6</sup> [http://bcbudget.gov.bc.ca/2014/highlights/2014\\_Highlights.pdf](http://bcbudget.gov.bc.ca/2014/highlights/2014_Highlights.pdf)

ACCOUNT	CURRENT SITUATION	AIRPORT DEVELOPMENT SCENARIO
		federal government's mandated 2012 aerospace review. <sup>7</sup>
		Aerospace development is an explicit goal of the B.C. government's 2012 Aviation Strategy. <sup>8</sup>
<b>TRADE</b>	Limited impact.	The proposed aerospace activity is planned for trade to foreign countries. This activity would therefore support reducing Canada's current account balance deficit.
<b>TOURISM</b>	AVRA airport supports gliding activity.	A longer runway would allow larger aircraft to use the airport which may make it more attractive to charter tourism operators.  A scheduled air service to AVRA would further support tourism activity.
<b>FIRST NATION</b>	No impact.	Improvement of the airport is anticipated to be beneficial to initiatives local First Nations are partnering in, such as the development of the proposed PATH container and LNG terminals.

<sup>7</sup> Aerospace Review mandated by the Government of Canada, "Beyond the Horizon: Canada's Interest and Future in Aerospace," November 2012.

<sup>8</sup> BC Ministry of Transportation and Infrastructure, "Connecting with the World."

ACCOUNT	CURRENT SITUATION	AIRPORT DEVELOPMENT SCENARIO
<b>GOVERNMENT REVENUES</b>	Airport supports limited tax revenue.	<p>The proposed runway extension is not on land subject to comprehensive treaty negotiations.</p> <p>The planned aerospace activity at AVRA would generate significant tax revenue for the federal and provincial governments paid by employees and employers.</p> <p>Estimated annual ongoing incremental tax increases from the 20 direct employees by level of government would be</p> <ul style="list-style-type: none"> <li>▪ Federal: \$150,000; and</li> <li>▪ Provincial: \$54,000.</li> </ul> <p>This includes CPP and EI but does not include other forms of direct taxation, but does not include other forms of taxation such as corporate income tax.</p>
<b>REGIONAL DEVELOPMENT</b>	Limited impact.	<p>The proposed infrastructure improvements will create new opportunities for aerospace development at AVRA by the Coulson Group, a company with decades of recognized success in this sector.</p> <p>Other B.C. aerospace companies have said in confidence that they may contract additional work to companies at AVRA if there is improved infrastructure.</p>

ACCOUNT	CURRENT SITUATION	AIRPORT DEVELOPMENT SCENARIO
		<p>This improvement will ensure high tech aerospace jobs in a region struggling with unemployment and with a desperate need for high paying jobs..</p> <p>The activity generated by Coulson may result in a direct daily courier service from FedEx which will support other opportunities in the region. Coulson is FedEx's third largest client on Vancouver Island today.</p> <p>The proposed airport development would support the development of the proposed LNG and container terminals in Alberni Inlet by making transportation to and from the area easier.</p>
ENVIRONMENT	Limited impact.	<p>Limited environmental impact has been identified, including increased noise and emissions.</p> <p>The airport may be required to prepare an Environmental Screening (ES) for the proposed project.</p>
SOCIAL	Limited impact.	<p>The lengthened runway and new lighting will make it more likely that medevac flights could fly directly into AVRA with fixed wing</p>

ACCOUNT	CURRENT SITUATION	AIRPORT DEVELOPMENT SCENARIO
		aircraft, resulting in significant savings from the current helicopter medevac operations.
<b>TRAINING</b>	Limited	The new aerospace workers at AVRA would require ongoing training. This demand for training would support aerospace training activity at North Island College, and help ensure that program's sustainability. The program already works with Coulsons.
<b>TRANSPORTATION</b>	Limited impact.	<p>Based on the proposed improvements, the airport's importance to transportation in the Alberni Valley would develop significantly.</p> <p>A scenario for scheduled air services to AVRA from Vancouver is two flights per weekday (one on weekend days) with 70% loads on an 8-seat aircraft. This would transport 8,176 one-way passengers per year. This activity would support the social and economic development of the region.</p>
<b>POLITICAL</b>	Regional political support for airport development.	The City of Port Alberni and the Alberni-Clayoquot Regional District support the proposed runway expansion. Regional First Nations and the Port Alberni Port Authority also support the initiative.

## Appendix A: BDC Coulson Testimonial

TESTIMONIAL



**COULSON GROUP OF COMPANIES**  
THE COMPANY POSITIONS ITSELF AS A GLOBAL PLAYER  
IN FOREST FIRE FIGHTING

**PROFILE**  

The Coulson Group of Companies is a privately owned family business based in Port Alberni, British Columbia. The company began operations in 1960 with forestry and then expanded into aviation and lumber manufacturing. Coulson Aircrane Ltd. in Canada has been in the aviation business for over 25 years and operates a fleet of light and heavy lift helicopters, and aircraft such as the Martin Mars and the C130 Hercules. The Coulson Group also has companies registered in the U.S. and Australia.

**Need**  

The company needed financing to purchase a C130 Hercules and refit the aircraft to convert it into a next generation air tanker for use in fire fighting efforts. This was crucial for the company, which was looking to partner with the U.S. Forest Service and develop this new market initiative.



**Solution**  

The Corporate Financing team, a business line of BDC, provided long-term high ratio financing to the Coulson Group of Companies for both the purchase and refitting of the aircraft. BDC also ensured that the terms and conditions of the sizeable loan, such as postponing capital payments at the start of the loan, protected Coulson's cash flow during a critical growth period.

**Results**  

The Coulson Group of Companies was able to purchase and refit the aircraft, positioning itself as a global leader in fire fighting technologies. Today, the company carries out fire fighting operations in Canada, the U.S., Mexico and Australia. This initiative has helped the company develop business in new markets and set the stage for further growth. The repayment terms and conditions of the loan also helped the company retain vital capital for growth opportunities.

*Converting the C130 Hercules into a next generation air tanker was a real game changer for us. The Corporate Financing team recognized how important this project was for our business. They came through with the financing, which showed their confidence in our excellent track record and our vast experience in this field. BDC gave us the breathing room we needed to reposition ourselves and grow our business. That's invaluable for any entrepreneur!*

**WAYNE COULSON**  
President  
Coulson Group of Companies  
[www.coulsongroup.com](http://www.coulsongroup.com)

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## Appendix B: Tetra Tech Estimates

Tetra Tech Class A Estimates are provided on the following pages.



Albany Valley Regional Airport (CBS8)  
Runway Extension  
Class 'A' Estimate of Probable Costs  
Runway 30 Extension 324m (1063 ft)

January 22, 2015

Estimate of Probable Costs Summary						Total
Item						
1.00	Civil General Requirements					\$ 360,000
2.00	Civil Site Works - Runway Extension (324m x 30m)					\$ 4,960,420
	<b>Total Estimate of Probable Construction Costs</b>					<b>\$ 5,320,420</b>
3.00	Estimated Engineering Costs - Design Construction Inspection (rounded)				4%	\$ 212,800
4.00	Project Contingencies (rounded)				8%	\$ 425,600
	<b>Total Estimate of Probable Project Costs</b>					<b>\$ 5,958,820</b>
Subtotal General Requirements						\$ 360,000
Item	Description	Unit	Est Quantity	Unit Price	Total Price	
1.00	Civil General Requirements					
1.01	Temporary Facilities - Mobil/Demob. Survey etc.	Lump Sum	1	\$ 150,000	\$ 150,000	
1.02	Tree Clearing/Grading for Obstacle Limitation Surface (OLS) Compliance	Hectare	50	\$ 3,700	\$ 185,000	
1.03	Conduct Testing & Commissioning	Lump Sum	1	\$ 25,000	\$ 25,000	
<b>Subtotal General Requirements</b>						<b>\$ 360,000</b>
2.00	Civil Site Works - Runway Extension (324m x 30m)					
2.01	Clearing, Grubbing for Rwy Strip Along Extension	m <sup>2</sup>	35,000	\$ 4	\$ 140,000	
2.02	Topsoil Stripping and Stockpile for future reuse	m <sup>2</sup>	4,200	\$ 13	\$ 54,600	
2.03	Milling Existing HMA/C (Approx. 50mm) for Butt Joint	m <sup>2</sup>	60	\$ 17	\$ 1,020	
2.04	Removal and Dispose On-Site - Drag Strip Asphalt Facilities - (Full Depth)	m <sup>2</sup>	780	\$ 16	\$ 12,480	
2.05	Common Excavation and Dispose On-Site - Runway Footprint (710mm structure) and Graded Strip - Depth Varies Based on Existing Ground	m <sup>3</sup>	104,000	\$ 12	\$ 1,248,000	
2.06	Place and Compact Fill	m <sup>3</sup>	40	\$ 56,000	\$ 2,240,000	
2.07	Granular Subbase Course (GSBC) - 420mm thick	m <sup>3</sup>	1,400	\$ 55	\$ 77,000	
2.08	Granular Base Course (GBC) - 200mm thick	m <sup>3</sup>	4,100	\$ 55	\$ 225,500	
2.09	3.5m Granular Shoulder - 90mm thick	m <sup>3</sup>	2,000	\$ 60	\$ 120,000	
2.10	Hot-Mix Asphalt Concrete Paving (HMAC) - 90mm thick	Tonne	220	\$ 60	\$ 13,200	
2.11	Eradicate All Existing Runway 12-30 Centreline Pavement Markings, Runway 30 Threshold and Aiming Point Marking, Runway 12 Threshold and Aiming Point Marking (Black Paint)	Lump Sum	1	\$ 20,000	\$ 20,000	
2.12	New Runway 12-30 Centreline Painting, Runway 30 Threshold, Aiming Point and Touchdown Zone Marking, Runway 12 Threshold, Aiming Point and Touchdown Zone Marking	Lump Sum	1	\$ 20,000	\$ 20,000	
2.13	Geotextile fabric, Non-woven (Provisional item)	m <sup>2</sup>	5,000	\$ 4	\$ 20,000	
2.14	Geogrid (Provisional item)	m <sup>2</sup>	5,000	\$ 4	\$ 20,000	
2.15	Finish Grading	m <sup>2</sup>	28,000	\$ 5	\$ 140,000	
<b>3.5m Runway Widening Each Side (Total Rwy Width of 30m) Runway Strip 7m Each Side of Centreline</b>						
2.16	Clearing, Grubbing for Rwy Strip	m <sup>2</sup>	81,000	\$ 4	\$ 324,000	
2.17	Topsoil Stripping and Stockpile for future reuse	m <sup>2</sup>	840	\$ 13	\$ 10,920	
2.18	Milling Existing HMA/C (Approx. 50mm) for Butt Joint	m <sup>2</sup>	4,500	\$ 17	\$ 76,500	
2.19	Common Excavation (81,000cu m) and Place as Common Fill (40,000cu m) - Runway Footprint (710mm structure) and 150m Graded Strip - Depth Varies Based on Existing Ground	m <sup>3</sup>	130,000	\$ 10	\$ 1,300,000	
2.20	Granular Subbase Course (GSBC) - 420mm thick	m <sup>3</sup>	3,600	\$ 55	\$ 198,000	
2.21	Hot-Mix Asphalt Concrete Paving (HMAC) - 90mm thick	Tonne	1,700	\$ 60	\$ 102,000	
2.22	Eradicate Existing Pavement Markings	Lump Sum	1	\$ 3,000	\$ 3,000	
2.23	New Pavement Markings (Edge Marking)	Lump Sum	1	\$ 3,000	\$ 3,000	
2.24	New 600mm dia. CSP Extension	Lm.m.	85	\$ 140	\$ 11,900	
2.25	Supply and install 1200mm DIA. MH c/w bedding and Backfill, including Frame and Grate	Lump Sum	1	\$ 6,000	\$ 6,000	
2.26	Geotextile fabric, Non-woven (Provisional item)	m <sup>2</sup>	1,500	\$ 4	\$ 6,000	
2.27	Geogrid (Provisional item)	m <sup>2</sup>	1,500	\$ 5	\$ 7,500	
2.28	Finish Grading	m <sup>2</sup>	29,000	\$ 5	\$ 145,000	
<b>Subtotal Civil Works</b>						<b>\$ 4,960,420</b>

Class 'A' Estimate - September 15/2014.doc





**Notes:**

- 1.0 Costs noted above are estimates based on similar works completed over the past five years. It is not to be interpreted as a guarantee by Tetra Tech of the actual project costs. The actual project cost shall be determined by the tender and construction process.
- 2.0 The estimates include 2-5% contingency to account for fluctuations between assumptions made and actual ground conditions.
- 3.0 Quantity under item 1.02 is an estimate to cover costs associated with clearing OLS protrusions as surveyed by SNC Lavalin. It has been extrapolated to include additional clearing for the runway extension options. Some localized clearing efforts may be required for areas of taller trees outside the main clearing footprint.
- 4.0 Item 1.03 is intended to estimate the cost of reducing the existing deteriorated wildlife fence along the all sides of the airfield as well as to extend it to the new runway strip limits as dictated by a Code D Runway. Should a chain link security fence be required, the final metre unit cost per metre is estimated at \$ 140 per final metre.
- 5.0 Quantity under item 2.03 is based on the cut required for the runway extension plus the required runway strip and OLS allowances beyond the current lease of the airport. Due to a lack of survey beyond the fence of the airport, 20% has been added to this value to account for what is expected to be additional ground cut on the tree farm property.
- 6.0 Temporary Facilities have been estimated at 3%(rounded) of the Subtotal Civil Site Works.

Costs Expressed in Millions (\$M) 12/12/2014

2 of 2

TETRA TECH



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## **REQUEST FOR DECISION**

**To:** Alberni Valley Committee

**From:** Teri Fong, CPA, CGA, Manager of Finance

**Meeting Date:** February 5, 2015

**Subject:** Alberni Valley Emergency Planning

---

### **Recommendation:**

**That the Alberni Valley Committee review the Alberni Valley Emergency Planning proposed budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.**

### **2014 Highlights:**

The following are highlights from 2014:

- The Alberni Valley Emergency Planning service recognized the 50<sup>th</sup> anniversary of the 1964 Tsunami in March of 2014 with a series of events including public presentations on the science of tsunamis as well as training of City and Regional District staff in an emergency exercise.
- The service also underwent changes including former Emergency Planning Coordinator, Laurie L'Heureux, moving onto a different position with the City of Port Alberni and the Regional District deciding to go with an independent contractor instead of contracting through the City.
- On December 9, 2014 a significant rain event occurred resulting in the activation of the EOC Level 1. Some costs were incurred to mitigate and repair damage that occurred and staff is in the process of working with EMBC to recover those costs.

### **Upcoming for 2015:**

The 2015 budget includes the following items:

- Line 7 – The costs of the emergency planning coordinator have been displayed on a separate line in 2015 to recognize the change to an independent contractor. The request for proposal for this coordinator closed on January 30<sup>th</sup> and we are hoping to fill the contract shortly.
- Line 8 – A spreadsheet detailing the emergency planning costs for the year has been attached to this report for your information.
- Line 10 – Emergency Social Service's current capacity has been identified as an area of concern from the Emergency Plan updated in 2013. In 2014 a \$30,000 budget was created to contract the City of Port Alberni Parks and Recreation staff to develop a plan as well as train appropriate staff and volunteers to provide functioning Reception Centers. The work would not just be focused on the City of Port Alberni buildings but all of the Alberni Valley Reception centers. This was not done in 2014 due to changes in staff and is planned to occur this year.
- Line 13 – Further investigation was done in 2014 to determine the requirements for installation of a generator to support the EOC operation located in the ACRD office building. During the installation of the HVAC system in the summer of 2014, significant electrical upgrades were identified as needing to

be completed prior to the installation of the generator. These upgrades account for the estimate increase.

**Background:**

This budget was developed with input from the Property Maintenance Coordinator and Chief Administrative Officer.

**Financial:**

The requisition has risen by 15.9% from the prior year. The residential tax rate has increased from \$0.027 in the prior year to \$0.031 per \$1,000 of assessed value.

**Policy or Legislation:**

Emergency Management BC is the regulatory body for this service.

**Disclosure:**

The prior year actual balances may yet change as 2014 invoices are still trickling in and year-end adjustments are still being completed.



Submitted by: \_\_\_\_\_  
Teri Fong, CPA, CGA, Manager of Finance



Approved by: \_\_\_\_\_  
Russell Dyson, Chief Administrative Officer



ALBERNI-CLAYOQUOT REGIONAL DISTRICT  
2015-2019 FINANCIAL PLAN  
ALBERNI VALLEY EMERGENCY PLANNING  
PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'B', 'D', 'E', and 'F'

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Draft for discussion  
purposes only

			History		Budget						
			2014	2014	2015	2016	2017	2018	2019		
			ACTUAL	PLAN							
Line										Line	
				<b>REVENUE</b>							
1	\$	31,017	\$	31,017	\$	69,111	\$	-	\$	-	1
2		102,508		102,508		118,789		110,500		110,500	2
3		8,944		-		-		-		-	3
4		1,539		500		500		500		500	4
5	\$	<b>144,008</b>	\$	<b>134,025</b>	\$	<b>188,400</b>	\$	<b>111,000</b>	\$	<b>111,000</b>	5
				<b>TOTAL REVENUE</b>							
				<b>EXPENDITURES</b>							
6	\$	10,000	\$	10,000	\$	12,000	\$	12,000	\$	12,000	6
7		-		-		42,000		42,000		42,000	7
8		15,984		25,025		29,400		25,000		25,000	8
9		8,944		-		-		-		-	9
10		-		30,000		30,000		20,000		20,000	10
11		10,000		10,000		10,000		10,000		10,000	11
12		29,969		44,000		2,000		2,000		2,000	12
13		-		15,000		63,000		-		-	13
14	\$	<b>74,897</b>	\$	<b>134,025</b>	\$	<b>188,400</b>	\$	<b>111,000</b>	\$	<b>111,000</b>	14
				<b>TOTAL EXPENDITURES</b>							
15	\$	69,111	\$	-	\$	-	\$	-	\$	-	15
				<b>FINANCIAL PLAN BALANCE</b>							
16		31,017		31,017		69,111		-		-	16
17	\$	38,094	-\$	31,017	-\$	69,111	\$	-	\$	-	17
				<b>ANNUAL SURPLUS/(DEFICIT)</b>							
				(for Financial Reporting purposes)							

Emergency Planning			2015 Budget - Cost Breakdown		
Staff/Volunteer Training					
Course	Location	Dates		Registration	Expenses
Emergency Operations Centre	Port Alberni	TBA			\$ 3,000.00
ESS training	Various	TBA			\$ 2,500.00
Staff training for EOC roles	EOC	TBA			\$ 1,000.00
Sub Total				\$ -	\$ 6,500.00
Public Education					
	Location	Date			Expenses
Brochures					\$ 2,000.00
Tsunami Awareness Campaign	TBA	May thru July			\$ 1,500.00
Fall Fair	Port Alberni	September			\$ 1,500.00
Emergency Preparedness Week	Port Alberni	May (tentative)			\$ 500.00
Bulldogs Program	Port Alberni				\$ 3,500.00
Sub Total				\$ -	\$ 9,000.00
Emergency Plan Exercises					
	Location	Dates	Attendees	Registration	Expenses
EOC set up drill	Port Alberni	TBA	City/ACRD staff		\$ 1,000.00
Functional Exercise - topic TBA	Port Alberni		EPC, Stakeholders		\$ 3,000.00
Sub Total				\$ -	\$ 4,000.00
Emergency Operations Centre					
Audio Visual Upgrades					\$ 1,400.00
Storage and shelving					\$ 1,000.00
Office operations					\$ 5,500.00
EOC IT upgrades					\$ 2,000.00
					\$ 9,900.00
Total Budget					\$ 29,400.00



## **REQUEST FOR DECISION**

**To:** Alberni Valley Committee

**From:** Teri Fong, CPA, CGA, Manager of Finance

**Meeting Date:** February 5, 2015

**Subject:** Custom Transit

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**Recommendation:**

**That the Alberni Valley Committee review the Custom Transit proposed budget and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.**

**Background:**

The Custom Transit service is provided by BC Transit who oversees our local operator, Diversified Transportation. The proposed budget is based on the 3 year plan provided by BC Transit. The service was in a deficit position at the end of 2014 of \$27,600. Staff is trying to determine the cause of the deficit and will contact BC Transit in advance of the meeting.

**Financial:**

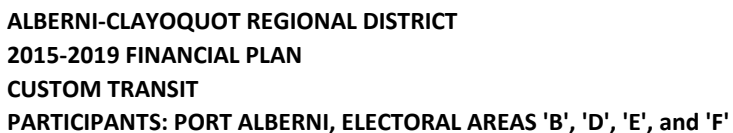
The requisition has increased by 85.6% from the prior year. This increase is partly due to having to fund the deficit from the prior year as well as the increased costs in 2015. The residential tax rate has increased from \$0.029 to \$0.052 per \$1,000 of assessed value.

Submitted by: \_\_\_\_\_

Teri Fong, CPA, CGA, Manager of Finance

Approved by: \_\_\_\_\_

Russell Dyson, Chief Administrative Officer

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## **REQUEST FOR DECISION**

**To:** Alberni Valley Committee

**From:** Teri Fong, CPA, CGA, Manager of Finance

**Meeting Date:** February 5, 2015

**Subject:** Alberni Valley Regional Water Proposed Service

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### **Recommendation:**

**That the Alberni Valley Committee review the Alberni Valley Regional Water – Proposed Service budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.**

### **Background:**

The Alberni Valley Directors instructed that we investigate water supply from Sproat Lake in consideration of securing a filtration deferral for the potential supply for the City of Port Alberni (CPA), Cherry Creek and Beaver Creek. In 2014 we met with Catalyst and secured their cooperation and willingness to share relevant information and access to their works for the purpose of exploring a system that may utilize their infrastructure. Detail drawings were accessed and a site inspection of the intake was conducted. Terms of reference for developing the concept and costing have been prepared and this work will continue in 2015 with the assistance of McElhanney Engineering. We continue to work with the CPA City Manager and City Engineer. Information will be shared with the three water purveyors as it becomes available.

### **Financial:**


The requisition has decreased slightly from the prior year. The residential tax rate has gone down from \$0.014 in 2014 to \$0.012 per \$1,000 of taxable assessed value.


### **Policy or Legislation:**

This is a proposed service and once the preliminary information is determined an establishing bylaw will need to be created including receiving appropriate approvals.

### **Disclosure:**

The prior year actual balances may yet change as 2014 invoices are still trickling in and year-end adjustments are still being completed.

Submitted by:   
Teri Fong, CPA, CGA, Manager of Finance

Approved by:   
Russell Dyson, Chief Administrative Officer



ALBERNI-CLAYOQUOT REGIONAL DISTRICT  
 2015-2019 FINANCIAL PLAN  
 ALBERNI VALLEY REGIONAL WATER - PROPOSED SERVICE  
 PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'E', and 'F'

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Line	History			Budget					Line
	2014 ACTUAL	2014 PLAN		2015	2016	2017	2018	2019	
			<b>REVENUE</b>						
1	\$ 19,790	\$ 19,790	Surplus (deficit) from prior years	\$ 33,910	\$ -	\$ -	\$ -	\$ -	1
2	-	-	Grants and other contributions	-	-	-	-	-	2
3	40,210	40,210	Tax requisition	34,090	-	-	-	-	3
4	-	-	Grant in lieu of taxes	-	-	-	-	-	4
5	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>TOTAL REVENUE</b>	<b>\$ 68,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	5
			<b>EXPENDITURES</b>						
6	\$ 10,000	\$ 10,000	Administrative charge	\$ 15,000	\$ -	\$ -	\$ -	\$ -	6
7	-	-	Alberni Valley Water Study	-	-	-	-	-	7
8	11,989	20,000	Labour & benefits	23,000					8
9	4,101	30,000	Operating costs	30,000					9
10	<b>\$ 26,090</b>	<b>\$ 60,000</b>	<b>TOTAL EXPENDITURES</b>	<b>\$ 68,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	10
11	\$ 33,910	\$ -	<b>FINANCIAL PLAN BALANCE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	11
12	19,790	19,790	Deduct: Surplus from previous year	33,910	-	-	-	-	12
13	<b>\$ 14,120</b>	<b>-\$ 19,790</b>	<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>-\$ 33,910</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	13

(for Financial Reporting purposes)



## **REQUEST FOR DECISION**

**To:** Alberni Valley Committee

**From:** Teri Fong, CPA, CGA, Manager of Finance

**Meeting Date:** February 5, 2014

**Subject:** Sproat Lake Marine Patrol

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### **Recommendation:**

**That the Alberni Valley Committee recommend that the Board of Directors authorize the transfer of the surplus amount contained within the Sproat Lake Community Parks budget that relates to the newly established Sproat Lake Marine Patrol including the capital funds reserved for the purchase of a new patrol boat.**

**That the Alberni Valley Committee review the Sproat Lake Marine Patrol budget, make amendments if required, and approve to be included in the first reading of the 2015-2019 Alberni-Clayoquot Regional District Financial Plan.**

### **Background:**

The Sproat Lake Marine Patrol was previously operated within the Sproat Lake Community Parks budget with a grant in aid contribution to fund the program being provided by all areas within the Alberni Valley. In 2014, in conjunction with the general municipal election, the existence of the Sproat Lake Marine Patrol (SLMP) was presented to the electors as a referendum and the service was officially established independently of the Sproat Lake Community Park. As a result, the first recommendation of staff is that the surplus amounts and capital reserve funds that are related to the SLMP program that is contained within the Sproat Lake Community Parks function be reallocated to this newly established service.

### **2014 Highlights:**

Some of the highlights of the 2014 SLMP season include:

- Provided Boating Safety Education to 705 students
- Provided assistance to boaters in launching their boats at the Sproat Lake Provincial Park
- Assisted boaters by providing 17 jump starts and 9 boat tows
- Loaned out over 80 life jackets
- Performed 69 Pleasure Craft Courtesy Checks on boats
- Filmed a Shaw Cable show with José Araujo on boating safety
- Participated at community events – Sproat Lake Boat Regatta, “Our Town” and Cougar Smith Park Open House.

### **Upcoming for 2015:**

The following items are of note when reviewing the budget:

- Line 4 - A grant from Transport Canada has been secured for both 2015 and 2016 in the amount of \$24,787 annually.
- The operations of the program remain the same as prior years when managed within the Sproat Lake Community Parks function.
- Line 22 – The patrol boat is a zodiac and the pontoons are at the end of their life cycle. The boat required constant maintenance this past summer and staff recommends that we investigate the purchasing of new pontoons for the boat.

**Background:**

This budget was developed with input from the Environmental Services Coordinator and Chief Administrative Officer.

**Financial:**

Due to the surplus being carried over from the prior year and the Transport Canada grant already secured there is no requisition required in 2015.

**Policy or Legislation:**

The Sproat Lake Marine Patrol service establishing bylaw was adopted in the fall of 2014 after a successful referendum in conjunction with the 2014 general municipal elections.

**Disclosure:**

The prior year actual balances may yet change as 2014 invoices are still trickling in and year-end adjustments are still being completed.

Submitted by: \_\_\_\_\_



Teri Fong, CPA, CGA, Manager of Finance

Approved by: \_\_\_\_\_



Russell Dyson, Chief Administrative Officer



**ALBERNI-CLAYOQUOT REGIONAL DISTRICT**  
**2015-2019 FINANCIAL PLAN**  
**SPROAT LAKE MARINE PATROL**  
**PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'B', 'D', 'E', and 'F'**

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Line	History			Budget					Line
	2014 ACTUAL	2014 PLAN		2015	2016	2017	2018	2019	
			<b>REVENUE</b>						
1	\$ -	\$ -	Surplus (deficit) from prior years	\$ 3,571	\$ 17,466	\$ -	\$ -	\$ -	1
2	-	-	Surplus transferred from Sproat Lake Parks	36,564	-	-	-	-	2
3	10,000	10,000	Tax requisition	-	447	43,300	43,900	44,500	3
4	-	-	Government grants	24,787	24,787	-	-	-	4
5	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<b>TOTAL REVENUE</b>	<u>\$ 64,922</u>	<u>\$ 42,700</u>	<u>\$ 43,300</u>	<u>\$ 43,900</u>	<u>\$ 44,500</u>	5
			<b>EXPENDITURES</b>						
6	\$ -	\$ -	Administrative charge	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	6
7	-	-	Boat operations	2,000	2,000	2,000	2,000	2,000	7
8	-	-	Capital fund contribution	10,356	5,000	5,000	5,000	5,000	8
9	-	-	Labour & benefits	30,500	31,100	31,700	32,300	32,900	9
10	-	-	Other operating costs	4,500	4,500	4,500	4,500	4,500	10
11	6,429	10,000	Referendum	-	-	-	-	-	11
12	<u>\$ 6,429</u>	<u>\$ 10,000</u>	<b>TOTAL EXPENDITURES</b>	<u>\$ 47,456</u>	<u>\$ 42,700</u>	<u>\$ 43,300</u>	<u>\$ 43,900</u>	<u>\$ 44,500</u>	12
13	\$ 3,571	\$ -	<b>FINANCIAL PLAN BALANCE</b>	\$ 17,466	\$ -	\$ -	\$ -	\$ -	13
14	-	-	Add: Transfer to reserves	10,356	5,000	5,000	5,000	5,000	14
15	-	-	Deduct: Surplus from previous year	3,571	17,466	-	-	-	15
16	<u>\$ 3,571</u>	<u>\$ -</u>	<b>ANNUAL SURPLUS/(DEFICIT)</b>	<u>\$ 24,251</u>	<u>-\$ 12,466</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	16
			(for Financial Reporting purposes)						
			<b>CAPITAL FUND</b>						
17	\$ -	\$ -	Balance, beginning of year	\$ -	\$ 5,000	\$ 10,100	\$ 15,300	\$ 20,500	17
18	-	-	Transfer from other services	19,644	-	-	-	-	18
19	-	-	Contribution from operating fund	10,356	5,000	5,000	5,000	5,000	19
20	-	-	Interest earnings	-	100	200	200	300	20
21	-	-	Less - capital expenditures						21
22	-	-	Patrol boat	25,000	-	-	-	-	22
23	-	-	Total capital expenditures	25,000	-	-	-	-	23
24	<u>\$ -</u>	<u>\$ -</u>	<b>BALANCE, END OF YEAR</b>	<u>\$ 5,000</u>	<u>\$ 10,100</u>	<u>\$ 15,300</u>	<u>\$ 20,500</u>	<u>\$ 25,800</u>	24