



Alberni-Clayoquot Regional District

SPECIAL BOARD OF DIRECTORS MEETING PUBLIC CONSULTATION 2016-2020 FINANCIAL PLAN WEDNESDAY, MARCH 16, 2016, 6:00 PM

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

AGENDA

	PAGE #
1. <u>CALL TO ORDER</u>	
Recognition of Traditional Territories.	
2. <u>APPROVAL OF AGENDA</u> <i>(motion to approve, including late items required 2/3 majority vote)</i>	
3. <u>PUBLIC CONSULTATION</u>	
a. Introduction and Overview Alberni-Clayoquot Regional District – R. Dyson, CAO	
b. Overview of 2016-2020 Alberni-Clayoquot Regional District Financial Plan – A. McGifford, Acting Manager of Finance	
c. Overview of 2016-2020 Alberni-Clayoquot Regional Hospital District Annual Budget – A. McGifford, Acting Manager of Finance	
d. Public Input and Questions	
4. <u>PETITIONS, DELEGATIONS & PRESENTATIONS (10 minute maximum)</u>	
5. <u>2016-2020 REGIONAL DISTRICT FINANCIAL PLAN</u>	
a. Directors Consideration of Public Input	
b. Consideration of any changes from Directors	
c. The Need to Reduce Waste at the Alberni Valley Landfill	3-4
d. Request for Decision Bylaw No. F1125 – 2 nd Reading of the 2016-2020 Financial Plan (Financial Plan Attached Separately)	5-10

THAT the Alberni-Clayoquot Regional District Board of Directors give second reading to Bylaw cited as '2016 to 2020 Alberni-Clayoquot Regional District

Financial Plan Bylaw No. F1125'.

Review 2016-2020 Financial Plan page by page
(In order to make amendments to the 2016-2020 Financial Plan motions
required at this time)

6. **REPORTS**

7. **ADJOURN**

REQUEST FOR DECISION

To: Board of Directors

From: Andrew McGifford, Environment Services Manager

Meeting Date: March 16, 2016

Subject: The Need to Reduce Waste at the Alberni Valley Landfill

Recommendation:

THAT the Alberni-Clayoquot Regional District Board of Directors direct staff to complete waste reduction strategies as listed below at a cost of \$95,000.

Desired Outcome:

To reduce the amount of waste going into the Alberni Valley Landfill, with a strategy receptive to the cost efficiencies requested by the Board of Directors.

Summary:

The Province of British Columbia has set provincial waste disposal targets with a long-term goal of lowering the municipal solid waste disposal rate to 350 kg per person by 2020. The target disposal rate set for 2013 was 550 kg per person. The per-person disposal rate is an estimate of how many kilograms of solid waste one person sends to a landfill in a given year. The Alberni Valley's disposal rate is currently at 660 kg per capita.

The total disposal rate at the land fill continues to increase from year to year. If our overall landfill disposal rate continues to increase, the Province may require us to install a landfill gas recovery system. A landfill gas recovery system would be very expensive, with initial estimates in the range of \$8 – 9 million and ongoing operating costs. The amount of landfill gas that we would recover would have little or no practical purpose if collected and would be burnt off on site. It is expected to only be enough to heat a small shop although the infrastructure to set up this would be far from cost effective and would not be considered.

For the above reasons the Alberni Valley needs to reduce waste!

Organic waste diversion is one option that may help meet a portion of the goals set by the BC Ministry of Environment (MOE) to lower the provincial municipal solid waste disposal rate to 350 kilograms per person annually. The MOE is proposing that regional districts reduce or separate organics and recyclables out of the solid waste stream wherever practical.

The ACRD engaged Carey McIver and Associates to complete an Organics Diversion Strategy for the Alberni Valley. Her report, which was prepared in consultation with the PMAC, has been previously circulated to the Board. According to the report a collection and processing program operated by local

government it is not a practical solution at this time. The most cost effective, environmentally friendly means of reducing organics going to the landfill is reducing organics at the source – residential and ICI (Institutions, Commercial and Industrial).

The Organics Diversion Strategy report proposed a work plan including the hiring of a staff position to implement the plan with an overall cost of \$133,000 in 2016. Staff, at the request of the Board has revised the plan and propose the following and have budgeted a total of \$95,000:

1. Focus on an organics reduction program
2. Review wood waste processes throughout the valley
3. An accurate inventory of the waste received at the landfill to identify specific targets and support the initiatives
4. Confirm landfill gas options and costs
5. Develop organics options for the commercial and institutional sectors in consultation
6. Contract services to support the initiatives as required, with details to be shared with the Board in advance of implementation.

Any new program must be considered in the context of the other projects and priorities as expressed by the board or required for meeting our operating obligations. The following are current priorities for the Alberni Landfill Service:

1. Landfill monitoring and management
2. Landfill tenure
3. Landfill south-east expansion
4. Improved recycling services at Third Avenue depot
5. Infrastructure maintenance and upgrades at AVLF
6. Gravel source access
7. Landfill material bans – construction and demolition waste and investigate markets for wood waste

Time Requirements – Staff & Elected Officials:

There will be a significant amount of staff time dedicated to this project.

Financial:

Staff time allocated to the service as per ACRD 2016-2020 Financial Plan and possible use of contract services, budgeted and paid for by AVLF tipping fee revenues.



Submitted by: _____
Andrew McGifford, CPA, CGA, Manager of Environmental Services



Approved by: _____
Russell Dyson, Chief Administrative Officer

REQUEST FOR DECISION

To: Board of Directors

From: Andrew McGifford, CPA, CGA, Acting Manager of Finance

Meeting Date: March 16, 2016

Subject: 2nd Reading of 2016-2020 Financial Plan

Recommendation:

THAT the Alberni-Clayoquot Regional District Board of Directors give second reading to Bylaw cited as '2016 to 2020 Alberni-Clayoquot Regional District Financial Plan Bylaw No. F1125'. (Prior to voting on second reading staff will lead directors through any changes that are required of the attached budget document making any motions to amend and then vote on second reading as amended.)

Summary:

Attached separately is the draft of the five year Financial Plan for 2016-2020 for the Regional District that is provided for receipt at the March 9, 2016 regular Board meeting. The total tax requisition and parcel taxes for 2016 are currently set at \$7.29 million, which is 8.52% higher than the prior year when combined with the Alberni-Clayoquot Regional Hospital District. The AVRA expansion has the largest impact on the overall increase for 2016 and if this service was not increased we would have seen a 2.57% increase overall. A comparison of the residential tax rates has also been provided for your information at the end of this memo for the regional district, also the tax rate summary for all services is attached.

The "Financial Plan Balance" has been updated to reflect the amortization for capital assets in 2015, at the time of the first reading the review of the capital assets had not been completed and the calculation could not be performed. The financial plan balance ties our budget to our audited financial statements.

At the public consultation meeting on March 16 at 6:00 pm we can receive input and the Board provide further direction before second reading. Directors that have questions regarding the budget are encouraged to schedule a meeting with the CAO and the Acting Manager of Finance in order to provide further information about the specifics of the budget before the public consultation meeting.

Some of the highlights:

- **North Island 911** – The budget was amended as per board motion from March 9, 2016 for the 1% overall decrease in the total budget for 2016. The total impact was a reduction of \$3,947 for the ACRD.
- **General Government Services**
- Page 7, line 1 – Surplus increased significantly over the prior year and this was in part due to an increase in the annual unconditional grant from the province which was \$77,000 high than plan.

Another component was the reduced management staff in 2015 due to a position going unfilled and covered by other members of staff for the whole year.

- The 50th Anniversary celebration has \$5,000 set aside in the budget.
- Page 9, line 75 – Capital improvements at ACRD office includes duct cleaning \$8,000, proper wheel chair ramp at front entrance \$4,000, new signage for front of office \$5,000, complete windows replacement – CCCU leased area \$ 1,200, energy efficient lighting \$10,000 and shower/bathroom upgrade in basement \$8,000 planned for 2016.
- **Grant-in-Aid Island Corridor Foundation** – this grant was a two year commitment made in 2013 that included conditions such as the need to secure an agreement with VIA Rail to operate the railway. To date, this condition has not been met and therefore staff continues to recommend that we do not requisition the second half of the funding again in 2016 until all requirements are fulfilled. The Director for Bamfield has stated there may not be a desire for his area to participate in the second half of the grant. The board will be provided an update form ICF on the 23rd.
- **Regional Parks**, page 15 – The Board of Directors is currently reviewing the future of this service and has been presented a Regional Parks and Trails plan. Staff is working through the long term plan for this service and will present the board with a plan moving forward.
- **Regional Planning**, page 16 – The Agricultural Development Committee has been allocated \$45,000 again in 2016 for resources to support the implementation of the recommendations from the Agricultural Plan. There is an \$8,000 budget to support the build up to the 2017 Agricultural show that we are hosting.
- **Electoral Area Administration** – tax requisition has increased slightly due to the fact the surplus from election costs were used in the prior year.
- Lines 20-24 - The use of the Gas Tax funds for the Water Improvement Projects continues in 2015. Future funding from the Federal Government has been received and committed. Future gas tax allocations are currently under review and could be done after the budget process is complete through amendments to the budget at a later date in 2016.
- **Management of Development Rural Areas** – The planning department will be completing the zoning bylaw and subdivision servicing bylaw and starting the review process and minor updates of the South Long Beach OCP.
- **Alberni Valley Emergency Planning** – The purchase of a gen-set is in the financial plan and approved for purchase with a select contractor. Exercise Coastal Response will take place and there is \$30,000 of increased costs in 2016 in order to take full advantage of the training and experience this process will provide.

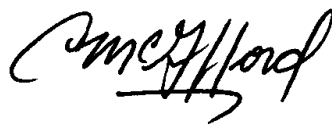
Line 12 – Emergency Social Service’s current capacity has been identified as an area of concern from the Emergency Plan updated in 2013. In 2014 (not spent) and 2015 \$30,000 budget was created to contract the City of Port Alberni Parks and Recreation staff to develop a plan as well as train appropriate staff and volunteers to provide functioning Reception Centers throughout the Alberni Valley. The work would not just be focused on the City of Port Alberni buildings but all of the Alberni Valley Reception centers. The agreements were signed late in 2015 with the Red Cross and early in January 2016 with the City of Port Alberni.

- **Alberni Valley Grants in Aid:**
- **Arrowsmith Radio Club** – Grant request of \$9,328 was requested for the digital upgrade of the radio equipment at the March 9, 2016 board meeting.
- **Log Train Trial** - The Kevin Hunter report identified issues that must be corrected to trail in 2016 and the budget has been increased to address these issues.
- **AV - GIA - Great Central Lake Rd Sani-Station**, This fund has been available for many years to assist with the costs of developing a Sani-Station at Sproat Lake. Staff presented a report to the Board of Directors in November of 2013 recommending that a letter be sent to the Province requesting the project be realized and offered the funds to assist with the costs. The report further recommended that if the Province does not commit to the project that the money be made available for other Alberni Valley Grants-in-Aid. A motion was made at that meeting to refer the report to the Sproat Lake Community Association for discussion and therefore the amount remains available for the Sani-Station project only. The province has yet to commit to the Sani-Station as offered and ACRD will explore other opportunities to utilize these funds to provide the intended result.
- **AV Waste Management** – The Solid Waste Management Plans for both the Alberni Valley and the West Coast completed in 2015. The SWMP initiatives will be undertaken in the year and are addressed in a separate memo for the Alberni Valley. Line 5 – Diversion and disposal bans will be initiated in 2016 and there will be addition costs and lower revenues. Staff will be proposing an increase from \$95 to \$115 per tonne for residential waste in April of this year. The increase in revenue reflects this increase for 2016. Future rate increases need to be structured to provide incentives to divert waste.
 - Lines 12 - 15 - The Bamfield transfer station operation will 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 in prior years and there is a planned contribution to the CPA of \$3,000 to install a water dispenser machine in the lobby of the Multiplex. This promotes the public to reduce reliance on bottled water in a public facility.
 - Line 26 – When disposal bans and increases in tipping fees are undertaken the possibility of increased illegal dumping may occur. Evaluation of how best to deal with illegal dumping within the Alberni Valley will be a priority - improve signage, public education and reporting tools will be explored. The budget has been increased provide more tools and resources moving forward.
 - Line 32 – Disposal Bans – there is a plan to further expand the material bans at the landfill for gyproc and construction waste for 2016, funds within this line item reflect possible cost.
- **WC Waste Management**
 - Line 5 – Tipping fees – the fees need to be reviewed and the fee structure needs to support the diversion of certain waste. The fee structure will be reviewed in 2016 and the plan is to have changes in place by the end of 2016. No increase in tipping fee revenue is planned.
 - Line 16 – reduced \$4,000 – Wages and benefits – staff completed the annual review and found time spent on WCLF required the reduction.
 - Line 21 – Central West Coast Forest Society – illegal dumping on Kennedy Flats – request to continue \$3,500 (letter attached) and \$1,500 will be for any other cleanup that may occur.
 - Line 22- School Program – Staff will plan to utilize these funds in 2016 to tie in with any organic diversion initiatives.
 - Line 25-30 – in 2016 staff will investigate options for the WCLF service, cardboard ban should

occur within a year and other initiatives will follow as they are discussed with the West Coast committee.

- Line 48 – increased the capital contribution by \$10,000, the outcome of the asset management plan should provide a clear annual contribution to capital once complete, based on the current budget it is recommended that we increase this in 2016 without increasing the tax requisition.
 - Line 35 & 38 – water monitoring and professional fees associated with that activity should increase slightly as a new site was added in 2015.
 - Line 52 – MOE design criteria – could have an impact on the WCLF, the 2016 cost are associated with the engineering cost to review impacts and the 2017 budget shows possible expenditures stemming from the possible changes. Expectation is that the impact will be minimal.
 - Line 53 – Sandhill creek – our geotechnical consultant requested the monitoring of the water flow and monitoring infrastructure may need to be installed.
- **Alberni Valley Regional Airport**
 - Line 2 – The maximum tax requisition increased from \$50,000 to \$0.1483 per taxable value of land and improvements when the bylaw 791-2 was adopted. In 2016, the current maximum for the AVRA service area tax requisition is \$450,747. The tax requisition is set at the maximum in the initial year in order to provide capital reserve funds to pay for anticipated capital projects. The opportunity to do this in future years will be limited, principle and borrowing costs would use much of the tax requisition moving forward
 - Line 9 – Admin staff time increased over the past year and is expected to continue this charge reflects in the \$8,000 increase over 2015.
 - Line 11 – Professional costs associated with the work currently ongoing at the airport is expected to continue in 2016, the budget amount in 2015 was very low compared to actual.
 - Line 22 – The airport water system requires some upgrade and some minor instrumentation additions are planned in 2016.
 - **Alberni Valley Regional Water Proposed Service** – Sproat Lake is being investigated as an option for an Alberni Valley supply of water in order to achieve the water regulations set out by Island Health. The feasibility of the water supply will be explored to assist in determining the future direction of the Alberni Valley water supply.
 - **Long Beach Airport**
 - Line 9 – Gas Tax funding of \$250,000 was allocated in 2014 to upgrades of the Long Beach Airport Water System. The remaining \$154,140 will be utilized to complete infrastructure upgrades associated with water and the possible connection to Parks Canada’s new water supply.
 - Line 11 – The Long Beach Airport Advisory Committee is investigating marketing initiatives to promote the airport and therefore a budget has been provided to assist with the initiatives and support the Committee. As identified in line 2 combined 2015 & 2016 amounts to budget \$20,000 in 2016.
 - Line 18 – The Airport will conducting Fire Department training in 2016 which will culminate in a Live Emergency Response Plan exercise scheduled for the fall of 2016. The aim is to have both participating jurisdictions Tofino and Ucluelet fire departments trained to respond to airport emergencies.
 - Consulting and legal fees budget will also be used for engineering fees associated with the development of grant applications for the Airport Capital Assistance Program (ACAP).
 - Line 61 references \$15,000 to conduct a LIDAR aerial survey of the Long Beach Airport and associated OLS surfaces within Parks Canada property. The aim of the program is to work with Parks Canada to lower the OLS clearing requirements / costs for future approach surface

- maintenance.
 - Line 63 references the BCAAP runway lighting program that has been awarded to Raylec Power for \$ 1,479,824.40. Tentative completion of the project, September 2016.
 - Line 70 & 71 – An ACAP application was approved in 2015 for the purchase of a new single axle 4x4 snow plow truck with 19’ plow blade. The Plow truck is nearing completion and delivery is expected prior to March 2016.
 - Due to the successful BCCAP navigational aid project grant the capital reserve fund will be significantly depleted in 2016, this will limit capital improvements at the LBA. Revenues are conservatively estimated and with the increased flights and improvements made the revenue should increase over time.
- **Millstream Water System**, page 53 – The operating costs of the Millstream Water System are continuing to rise as the infrastructure ages and repairs become more frequent. As a result, staff will be presenting a rate increase for consideration later this year.
- **Sproat Lake Marine Patrol** – The service continues to not have a tax requisition in 2016 and this is due the grant from Transport Canada. The purchase of a new boat is currently being undertaken and the budget for this should be well under plan.
- **Salmon Beach** – Amounts in the budget for the Salmon Beach services were made with the consultation of the Salmon Beach owners at their annual budget meeting and then confirmed by the SB committee at the budget meeting in February of this year. The management service of Salmon Beach has changed and currently a staff person oversees the maintenance worked completed by the contractors in the village.
- **Bamfield Water** – A \$1.5 million treatment plant is required for the water service and the water committee and staff are evaluating if a reapplication to the Build Canada fund is going to be made or other alternatives to fund the project. The THM and lack of secondary treatment have to be addressed in order to comply with Canadian Drinking water standards.
- **West Coast Multiplex service** – \$20,000 has been added to the budget for 2016 coming from the District of Tofino, District of Ucluelet and Area “C” and is based on land and improvements.



Submitted by: _____
 Andrew McGifford, CPA, CGA, Acting Manager of Finance



Approved by: _____
 Russell Dyson, Chief Administrative Officer



Alberni-Clayoquot Regional District

Bylaw No. F1125

A bylaw to adopt the 2016 to 2020 Financial Plan

The Board of Directors for the Alberni-Clayoquot Regional District in open meeting assembled enacts as follows:

1. This Bylaw may be cited as ***“Bylaw F1125, 2016 to 2020 Alberni-Clayoquot Regional District Financial Plan”***.
2. Schedule “A” attached hereto and forming part of this Bylaw is the 2016 to 2020 Alberni-Clayoquot Regional District Financial Plan.

Read a first time this **24th** day of **February**, 2016.

Read a second time this day of , 2016.

Read a third time this day of , 2016.

Adopted this day of , 2016.

Josie Osborne,
Chairperson

Russell Dyson,
Chief Administrative Officer