



# Alberni-Clayoquot Regional District

## ALBERNI VALLEY & BAMFIELD SERVICES COMMITTEE MEETING WEDNESDAY, JULY 21, 2021, 1:30 PM

Due to COVID-19, the meeting will be held via Zoom Video Conferencing and will be livestreamed on the ACRD website at <https://www.acrd.bc.ca/events/21-7-2021/>

**Public Attendance:** the public are welcome to attend the meeting via Zoom Webinar by registering at: [https://portalberni.zoom.us/webinar/register/WN\\_gQRZRQIDS5GkPbluX4B\\_HA](https://portalberni.zoom.us/webinar/register/WN_gQRZRQIDS5GkPbluX4B_HA)

Click here to view the [2021 – 2024 ACRD Strategic Plan](#)

### AGENDA

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	PAGE #
<b>1. <u>CALL TO ORDER</u></b>	
<b>Recognition of Territories.</b>	
Notice to attendees and delegates that this meeting is being recorded and livestreamed to YouTube on the Regional District Website.	
Welcome members of the City of Port Alberni Council, Hupacasath First Nation and Tseshaht First Nation.	
<b>2. <u>APPROVAL OF AGENDA</u></b> <i>(motion to approve, including late items requires 2/3 majority vote)</i>	
<b>3. <u>MINUTES</u></b>	
a. <b>Alberni Valley &amp; Bamfield Services Committee Meeting held May 5, 2021</b>	3-5
<i>THAT the minutes of the Alberni Valley &amp; Bamfield Committee meeting held on May 5, 2021 be received.</i>	
<b>4. <u>REQUEST FOR DECISIONS &amp; BYLAWS</u></b>	
a. <b>REQUEST FOR DECISION</b> Replacement of the Echo Aquatic and Fitness Centre	6-57

*THAT the Alberni Valley & Bamfield Services Committee recommend to the Board of Directors that the participants of Alberni Valley Aquatic Facility proposed service be defined as the City of Port Alberni, Electoral Area 'B' – Beaufort, Electoral Area 'D' – Sproat Lake, Electoral Area 'E' – Beaver Creek and Electoral Area 'F' – Cherry Creek for the purpose of investigating the service prior to drafting the service establishing bylaw.*

*THAT the Alberni Valley & Bamfield Services Committee recommend to the Board of Directors that the apportionment method of the Alberni Valley Aquatic Facility proposed service be defined as net costs based on converted improvements only for the purpose of investigating the service prior to drafting the service establishing bylaw.*

*THAT the Alberni Valley & Bamfield Services Committee recommend to the Board of Directors that the governance of the Alberni Valley Aquatic Facility proposed service be set at 11 votes to carry a decision (subject to finalizing participation of Treaty and Non-Treaty First Nations) for the purpose of investigating the service prior to drafting the service establishing bylaw.*

*THAT the Alberni Valley & Bamfield Services Committee recommend that the Board of Directors direct staff to undertake the process to secure a consultant(s) to proceed with a feasibility study including location, conceptual design, capital costs and operating costs of a new Alberni Valley Aquatics Facility, building off of the City of Port Alberni's 2011 report.*

*THAT the Alberni Valley & Bamfield Services Committee recommend that the Board of Directors direct staff to undertake the process to secure a consultant(s) to proceed with community engagement.*

**5. LATE BUSINESS**

**6. QUESTION PERIOD**

**Questions/Comments from the public participating in the Zoom meeting.**

**Questions/Comments from the Public, respecting an agenda item, can be emailed to the ACRD at [responses@acrd.bc.ca](mailto:responses@acrd.bc.ca) and will be read out by the Corporate Officer at the meeting.**

**7. ADJOURN**



# Alberni-Clayoquot Regional District

## MINUTES OF THE ALBERNI VALLEY & BAMFIELD SERVICES COMMITTEE MEETING HELD ON WEDNESDAY, MAY 5, 2021, 10:00 AM

Due to COVID-19 pandemic, meeting conducted via Zoom video/phone conferencing

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- DIRECTORS PRESENT:** John McNabb, Chairperson, Director, Electoral Area “E” (Beaver Creek)  
Bob Beckett, Director, Electoral Area “A” (Bamfield)  
Tanya Shannon, Director, Electoral Area “B” (Beaufort)  
Penny Cote, Director, Electoral Area “D” (Sproat Lake)  
Dianne Bodnar, Director, Electoral Area “F” (Cherry Creek)  
Ron Paulson, Councillor, City of Port Alberni  
Wilfred Cootes, Councillor, Uchucklesaht Tribe Government
- REGRETS:** John Jack, Councillor, Huu-ay-aht First Nation  
Sharie Minions, Mayor, City of Port Alberni
- STAFF PRESENT:** Douglas Holmes, Chief Administrative Officer  
Jenny Brunn, General Manager of Community Service  
Wendy Thomson, General Manager of Administrative Services  
Janice Hill, Executive Assistant  
Jodie Frank, Organics Diversion Coordinator  
Teri Fong, Chief Financial Officer

The meeting can be viewed on the Alberni-Clayoquot Regional District website at:

<https://www.acrd.bc.ca/events/5-5-2021/>

### 1. **CALL TO ORDER**

The Chairperson called the meeting to order at 10:00 am.

The Chairperson recognized the meeting today is being held throughout the Nuu-chah-nulth territories.

The Chairperson reported this meeting is being recorded and livestreamed to YouTube on the Regional District website.

### 2. **APPROVAL OF AGENDA**

*MOVED: Director Beckett*

*SECONDED: Director Shannon*

*THAT the agenda be approved as circulated.*

**CARRIED**

### 3. MINUTES

#### a. **Alberni Valley & Bamfield Services Committee Minutes – February 25, 2021**

*MOVED: Director Cootes*

*SECONDED: Director Bodnar*

*THAT the minutes of the Alberni Valley & Bamfield Committee meeting held on February 25, 2021 be received.*

**CARRIED**

### 4. REQUEST FOR DECISIONS

#### a. **Request for Decision regarding Bylaw R1029-4 Tipping fee for Organics at the Alberni Valley Landfill.**

*MOVED: Director Bodnar*

*SECONDED: Director Beckett*

*THAT the Alberni Valley and Bamfield Committee recommend that the Alberni-Clayoquot Regional District Board of Directors approve adopting Bylaw R1029-4, Alberni Valley Landfill Tipping Fee and Regulation Amendment, 2021 that includes a new fee for the disposal of Organics at \$115/tonne an increased rate for Commercial Mixed Recyclables and Cardboard at \$350/tonne; and a reduced rate for the minimum charge for Asbestos Containing Materials at \$25.*

**CARRIED**

### 5. REPORTS

#### a. **2020 Alberni Valley Landfill Annual Reports – J. Brunn, General Manager of Community Services**

The General Manger of Community Services presented the 2020 Annual Report for the Alberni Valley Landfill.

*MOVED: Director Shannon*

*SECONDED: Director Paulson*

*THAT this report be received.*

**CARRIED**

### 6. LATE BUSINESS

**7. QUESTION PERIOD**

Questions/Comments from the public. The Corporate Officer advised there were no questions or comments from the public respecting an agenda topic from Zoom webinar attendees or submissions received by email at [responses@acrd.bc.ca](mailto:responses@acrd.bc.ca).

**8. ADJOURN**

*MOVED: Director Shannon*

*SECONDED: Director Beckett*

*THAT the meeting be adjourned at 11:21 am.*

**CARRIED**

Certified Correct:



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John McNabb,  
Chairperson



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Wendy Thomson,  
General Manager of Administrative Services



## REQUEST FOR DECISION

**To:** Alberni Valley and Bamfield Services Committee

**From:** Douglas Holmes, CAO

**Meeting Date:** July 21, 2021

**Subject:** Replacement of the Echo Aquatic and Fitness Centre

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### Recommendation:

That the Alberni Valley & Bamfield Services Committee recommend to the Board of Directors that the participants of Alberni Valley Aquatic Facility proposed service be defined as the City of Port Alberni, Electoral Area 'B' – Beaufort, Electoral Area 'D' – Sproat Lake, Electoral Area 'E' – Beaver Creek and Electoral Area 'F' – Cherry Creek for the purpose of investigating the service prior to drafting the service establishing bylaw.

That the Alberni Valley & Bamfield Services Committee recommend to the Board of Directors that the apportionment method of the Alberni Valley Aquatic Facility proposed service be defined as net costs based on converted improvements only for the purpose of investigating the service prior to drafting the service establishing bylaw.

That the Alberni Valley & Bamfield Services Committee recommend to the Board of Directors that the governance of the Alberni Valley Aquatic Facility proposed service be set at 11 votes to carry a decision (subject to finalizing participation of Treaty and Non-Treaty first nations) for the purpose of investigating the service prior to drafting the service establishing bylaw.

That the Alberni Valley & Bamfield Services Committee recommend that the Board of Directors direct staff to undertake the process to secure a consultant(s) to proceed with a feasibility study including location, conceptual design, capital costs and operating costs of a new Alberni Valley Aquatics Facility, building off of the City of Port Alberni's 2011 report.

That the Alberni Valley & Bamfield Services Committee recommend that the Board of Directors direct staff to undertake the process to secure a consultant(s) to proceed with community engagement.

### Desired Outcome:

To engage the Alberni Valley communities to undertake an informed conversation to determine its future needs for an aquatic center.

## **Summary:**

The Echo Aquatic Centre is very near the end of its service life. Stakeholders from the Alberni Valley including most of the elected officials have expressed their wish to cooperatively examine its replacement through conversations with the communities who benefit from this amenity. To support this, the Board will need to conclude upon the main discussion points and assumptions for an informed community conversation. At a minimum, these would include:

- Proposed location
- Preferred conceptual design (with 1 or, preferably, 2 alternative conceptual designs)
- Order of magnitude (Class D) costing for construction of each conceptual design
- Order of magnitude costing for operation of each conceptual design
- Operating model (operated by City of Port Alberni)
- Governance model including the participation of Non-Treaty First Nations
- Cost recovery model for net costs

The Board will also need to determine other matters such as:

- the timing of important milestones (e.g. referendum date, construction schedule)
- resourcing for project management
- reliance on grants

Prior to undertaking any of these discussions, the elected officials of the Alberni Valley will need to conclude upon which taxpayers would assume the financial and operational risks of a new aquatic centre.

## **Background:**

On December 4<sup>th</sup>, 2019, elected leaders from the Alberni Valley gathered to continue discussions related to the replacement of the pool in Port Alberni.

The consultant's summary of that meeting is attached. The conclusions by the parties for next steps were as follows:

- undertaking in 2020 a full feasibility study, cost-shared by the Alberni Valley jurisdictions, on a new, sub-regional aquatic facility service
- engaging the broader Alberni Valley community in discussions on a new facility as part of the feasibility study exercise

Examining the undertaking of these steps was delayed by the COVID-19 Pandemic and staff shortages. The Board has included this initiative in its Strategic Plan and budgeted \$100,000 in 2021 to fund the next steps.

Staff recommend the next steps in the following order:

### **Step 1: Determine who bears the operational and financial risks of the next Aquatic Centre**

A fundamental determination of any new service is who bears the operational and financial risks of the service (note that, while a related topic, this is a different question than how to apportion costs, which is discussed later). Another way to examine this is to ask, 'Is it acceptable for the taxpayers of one participant to bear all the financial and operational risks while contributions to the service by other participants is fixed?'

There is no right or wrong answer to this question. Rather, the outcome must be fair under the circumstances in the eyes of the elected leaders whose jurisdiction benefits from the service and must be subsequently viewed as acceptable to the electorate in the assent process (referendum, in this case).

The current model for the existing Echo Centre has the taxpayers of the City of Port Alberni bearing all the risk for the existing pool. There are historical reasons for this that no longer exist (the size industry in the 1960's and its additional non-tax impact such as voluntary contributions plus the relatively minor impact the rural contribution would have been in 1966, which was the year the ACRD was incorporated).

Determining who bears the risk is distinct from and a prerequisite to a discussion about Governance and Net-Cost Allocation. The staff recommendation included at the beginning of the report suggests the proposed areas of the City of Port Alberni as well as Beaufort, Sproat Lake, Beaver Creek and Cherry Creek. Staff have not recommended the inclusion of any of the Treaty Nations at this time as only limited conversations have occurred with any of the Nations at this time. Staff would be happy to present to either Uchucklesaht Tribe Government or Huu-ay-aht First Nations if they wish to explore options in participating in the new proposed service.

## **Step 2: Determine Governance and Net-Cost Apportionment**

Governance and the apportionment of net costs are usually considered together as those who pay should be able to decide how the service is administered. The options for both net-cost apportionment and governance are many.

For example, because the default for Governing (administering) a service is the weighted votes of the participants and the City of Port Alberni has 9 votes on the Board, the participants may wish to have a custom voting formula for this service so that the City cannot unilaterally control the financial decisions of all of the participants. For example, the recommendation is for the Board to stipulate that a decision would require a minimum of 11 votes (which means that the City could veto a decision but would need two other participants to carry a vote). Alternatively, a formula could also be established on some different weighted basis to avoid a veto by any one party.

Over the years, leaders from both Hupacasath and Tseshaht First Nations have expressed their support for this project. While discussions need to take place as to how each Nation could or might participate, the options for governance are confined to the current legislative limitations as to the role a Non-Treaty First Nation may undertake, (the ACRD in partnership with the Central Coast RD are working to modernize the legislation to be inclusive but any changes will take time). A current option for participation could include a service agreement as well as participation on a commission.

As for cost apportionment, the following examples demonstrate some options. We have used \$4 million as the estimated requisition for few reasons: It is an easy number to work with, it is likely to be high (it allows for approximately twice the 2011 estimate on capital calculated for 20 years at today's interest rates and \$1.5M for operations) and we would rather work with a number that is higher than we would expect to present to the electorate in a referendum. These numbers should be independently determined and any analysis subsequently updated.

## **Step 3: Direct Staff to prepare 'process' documents and procure consultants**

It is important to note that, while there is not a legally binding bylaw in place at this juncture, each participant will be relying on every other participant to work constructively in tackling the numerous decisions that will follow. That includes maintaining a commitment to the process. It is understood, however, that certain junctures will provide legitimate opportunities to confirm the collective intentions of the group. For example, if cost estimations were to come in materially higher than the numbers used for the analysis, it would be important to assess the impact of that information.

If the elected representatives of the Alberni Valley have come to an agreement in principle on risk, governance, and net-cost allocation (i.e. completed steps 1 and 2), those who intend to participate will want to begin directing the preparation of materials.

### 3.1 Staffing resources

This project is large and will need its own project lead. Additional staff or contractor resources should be identified for the first phase (leading up to and including the community conversations and potentially followed by the referendum) and the much more demanding/time-intensive phase of construction *if* the process is leads to that.

### 3.2 Operating Model

The City of Port Alberni has successfully operated and maintained the Echo Centre for decades. They have the staff, collective agreement provisions and management structure to continue the operations of an aquatic centre and ACRD staff (with City staff concurrence) recommends this operating model on a cost recovery basis.

### 3.3 Proposed location with Design/Program Options with Class D Costing for construction and 'all-in' operations (i.e. direct costs plus administration, overhead, asset management, etc.)

In 2011, the City of Port Alberni prepared three conceptual plans with related budgets and these documents will be good starting points. However, the ACRD should retain consultants with expertise in aquatic facilities to comment on these options and to support the conversations that assess location and design options. This is especially important since the site heavily affects design choices and the program profoundly impacts both construction costs and operating costs.

Clear design/program choices each with their specific cost profiles and related taxation impacts will be major focus areas of the community conversations.

### 3.4 Administrative matters to be tentatively settled before the community conversation

Some matters should be presented as tentatively settled prior to the community conversations. That does not mean that the results of these community conversations would not impact or update one or more matters. These could include:

- the timing of a referendum (including as part of or separate from the general election)
- any planned reliance on grants
- how to receive feedback from the public including preferences on design options tied to costing
- nature of public engagement (e.g. 'placespeak' or similar software, public open houses etc.)

### 3.5 Administrative matters that can be settled after the community conversation

- Construction methodology (e.g. design/build, general contractor, construction management)
- Staffing for construction phase (discussed above)
- Construction schedule
- One referendum in the entire service area versus in each jurisdiction

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

Significant time will be required to conclude on cost recovery and governance and to engage the community.

### **Financial:**

The financial effects will be firmed up over time in accordance the process recommended in this report. The estimates at this time are presented earlier in the report.

**Strategic Plan Implications:**

Strategy 5.3 under “Partnerships and Alignment” includes the target of engaging resources in Spring 2021 for community engagement with respect to the Alberni Valley Aquatic Centre.

**Policy or Legislation:**

The Local Government Act allows for the broad definition of services including locally customized options for cost apportionment and governance. The Act also allows participants to requisition for the purposes of examining the feasibility of a service.

**Options Considered:**

- a) Do not proceed at this time. This option is available but could leave the community without a pool for several years if, when the existing pool fails, there is no plan underway to replace it. The Board would also need to adjust its strategic plan targets, specifically in Strategy 5.3.

Submitted/  
Approved by:



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Douglas Holmes, BBA, CPA, CA, Chief Administrative Officer

## ACRD AV Aquatics Facility - Apportionment Options

Estimated Annual Requisition \$ 4,000,000.00

### Average Assessed Value 2021

Jurisdiction	Average Assessed
Port Alberni	323,916
Area B - Beaufort	521,403
Area D - Sproat Lake	749,326
Area E - Beaver Creek	452,716
Area F - Cherry Creek	398,411

### Option 1: Converted Land & Improvements

Jurisdiction	Converted Land & Improvements	Converted Land & Improvements as %	Converted Land & Improvements Requisition by Area	Residential Tax Rate	Estimated Household Cost based on Average Assessed Value
Port Alberni	345,818,084	56%	2,248,426	0.650	211
Area B - Beaufort	17,279,388	3%	112,346	0.650	339
Area D - Sproat Lake	138,513,007	23%	900,578	0.650	487
Area E - Beaver Creek	55,494,523	9%	360,812	0.650	294
Area F - Cherry Creek	58,113,171	9%	377,838	0.650	259
Totals	615,218,173	100%	4,000,000		

### Option 2: Converted Improvements Only

Jurisdiction	Converted Improvements Only	Converted Improvements as %	Converted Improvements Only Requisition by Area	Residential Tax Rate	Estimated Household Cost based on Average Assessed Value
Port Alberni	243,567,653	69%	2,758,566	0.798	258
Area B - Beaufort	7,696,347	2%	87,166	0.504	263
Area D - Sproat Lake	42,831,336	12%	485,093	0.350	262
Area E - Beaver Creek	28,664,975	8%	324,650	0.585	265
Area F - Cherry Creek	30,419,802	9%	344,525	0.593	236
Totals	353,180,113	100%	4,000,000		

This option would exclude all vacant land including Private Managed Forest Land

### Option 3: Population Apportionment and Recovery by Property Value Tax

Jurisdiction	Population (2016 Census)	Population as %	Population Apportionment Requisition by Area	Residential Tax Rate	Estimated Household Cost based on Average Assessed Value
Port Alberni	18,679	70%	2,816,602	0.814	264
Area B - Beaufort	468	2%	70,570	0.408	213
Area D - Sproat Lake	2,294	9%	345,912	0.250	187
Area E - Beaver Creek	3,033	11%	457,345	0.824	373
Area F - Cherry Creek	2,053	8%	309,571	0.533	212
Totals	26,527	100%	4,000,000		

Relies on census numbers released once every 5 years

### Option 4: Hybrid of 50% Population and 50% Land and Improvements

Jurisdiction	Population Apportionment Requisition by Area	Converted Land & Improvements Requisition by Area	Hybrid of 50% Population and 50% Land and Improvements	Residential Tax Rate	Estimated Household Cost based on Average Assessed Value
Port Alberni	2,816,602	2,248,426	2,532,514	0.732	237
Area B - Beaufort	70,570	112,346	91,458	0.529	276
Area D - Sproat Lake	345,912	900,578	623,245	0.450	337
Area E - Beaver Creek	457,345	360,812	409,079	0.737	334
Area F - Cherry Creek	309,571	377,838	343,705	0.591	236
Totals	4,000,000	4,000,000	4,000,000		

### Option 5: Hybrid of 50% Population and 50% Improvements Only

Jurisdiction	Population Apportionment Requisition by Area	Converted Improvements Only Requisition by Area	Hybrid of 50% Population and 50% Improvements Only	Residential Tax Rate	Estimated Household Cost based on Average Assessed Value
Port Alberni	2,816,602	2,758,566	2,787,584	0.806	261
Area B - Beaufort	70,570	87,166	78,868	0.456	238
Area D - Sproat Lake	345,912	485,093	415,503	0.300	225
Area E - Beaver Creek	457,345	324,650	390,998	0.705	319
Area F - Cherry Creek	309,571	344,525	327,048	0.563	224
Totals	4,000,000	4,000,000	4,000,000		



**Alberni-Clayoquot Regional District  
Sub-Regional Discussion on an Aquatic Facility**

# SUMMARY OF 2019 DISCUSSION

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## INTRODUCTION

In June, 2018, local elected officials from the City of Port Alberni, Electoral Areas, and First Nations in the Alberni Valley sub-region of the Alberni-Clayoquot Regional District (ACRD) met for facilitated discussions on the future of the Echo Aquatic Centre. Over two half-days, participants considered the recreation needs and interests of the sub-regional community, and explored the potential to jointly build, fund, and govern a new, sub-regional aquatic facility.

Participants reached consensus on the need for a new aquatic facility to replace the existing Echo Centre. Participants also expressed a common interest in developing the new facility through a sub-regional service, and considered different options related to the service structure.

On December 4, 2019, local elected officials from the Alberni Valley ACRD jurisdictions, joined by an Elected Councillor of the Tseshaht First Nation, came together to continue the earlier 2018 discussions.

## Report

This report, titled *Summary of 2019 Discussion*, provides a written record of the December 4, 2019, session. The report outlines the elements of a potential sub-regional service, identifies points of consensus, and sets out the next steps put forward by participants.

The structure of the report follows that of the agenda that was created to guide the session. In

accordance with this agenda, the text is presented into the following sections:

- Stage Setting
- Review of 2018 Discussion
- Confirmation of Consensus Reached
- Service Governance
- Service Cost
- Summary and Next Steps

A copy of the session agenda is provided as *Attachment I*. The slides presented by the session facilitator are reproduced in *Attachment II*. *Attachment III* provides a copy of the press release that was issued by the ACRD following the session.

## STAGE SETTING

### Introductions

The session began with introductions of persons present. The list of attendees from the ACRD's Alberni Valley jurisdictions included:

- Director, Electoral Area B — Beaufort
- Director, Electoral Area D — Sproat Lake
- Director, Electoral Area E — Beaver Creek
- Alternate Director, Area F — Cherry Creek
- Municipal Director (Mayor), City of Port Alberni
- Municipal Director (Councillor), City of Port Alberni
- Councillor, City of Port Alberni
- Councillor, City of Port Alberni
- Councillor, City of Port Alberni

In addition to these representatives from ACRD jurisdictions, an Elected Councillor of the Tseshaht First Nation participated in the session. The session was facilitated by local government consultant Allan Neilson, of Neilson Strategies Inc.

### **Purpose**

The facilitator explained that participants had come together to explore the potential to collectively develop, fund, and govern a new aquatic centre in the Alberni Valley. The group was not present to make decisions or commit to any final service structure. Rather, elected officials were present to:

- revisit and understand concerns, needs, and interests
- explore options, determine consensus, and narrow the range of possibilities
- set out next steps for jurisdictions to pursue

### **Expectations**

The facilitator asked participants to share their expectations for the session. Participants made the following points:

- the current economic conditions in the community provide some context for the discussion that should be recognized
- current conditions are important; but so, too, are the long-term needs and long-term economic development of the community
- important to hear what colleagues from all Alberni Valley jurisdictions have to say
- important to consider the needs of the youngest generation (grandchildren)
- community engagement on the initiative is essential
- there needs to be financial fairness among jurisdictions
- Tseshaht First Nation wants to understand how it can help — the broader community cannot afford to *not* proceed
- the physical and mental health benefits for residents of the broader community (especially youth) need to be recognized
- a new facility would promote social equity by providing opportunities for all groups
- desire to understand "where to" from here

- a hope that group understands need for a new facility
- the group should talk as if the current Echo Centre does not exist (in its current state, it may not exist for much longer)
- past facility planning work done by the City is not relevant — the Alberni Valley jurisdictions, as a collective, need to lead a new planning process that engages with, and considers the needs of, the broader community

### **2018 DISCUSSION**

The facilitator provided a brief review of the key points from the 2018 discussion, including:

- the purpose of the 2018 session
- the participants' sense that "community" is the entire Alberni Valley
- participants' listing of health, economic, social, educational, and other benefits associated with a new aquatic centre
- a statistical profile of the Alberni Valley community population, including population, assessment base, number of parcels, and other factors
- an overview of the existing Echo Aquatic Centre, including the services it offers, its age, state of repair, operating cost, ownership, governance, and (limited) cost-sharing
- items on which participants reached consensus in 2018 (see next section)

All of these points are addressed in the slides from the 2019 discussion (see *Attachment II*).

### **ITEMS OF CONSENSUS IN 2018**

The review of items on which consensus was reached in 2018 began by reiterating (from 2018) the four elements of every shared service:

- service participants (i.e., which jurisdictions)
- service definition (i.e., the scope of functions, activities, and facilities included in the service)
- service governance
- service cost, including cost-sharing

Figure 1 presents six items on which consensus was reached. The figure shows that five of the six relate to the common service elements. One item of consensus speaks to the need for the service.



Figure 1 also identifies which items of consensus reached in 2018 were confirmed by elected officials in the 2019 discussion.

### SERVICE GOVERNANCE

Considerable discussion occurred around the desire for joint governance — more specifically, the interest on the part of the Alberni Valley electoral areas to have a "seat at the table" for decisions on the operation and administration of a new shared

aquatic facility. The value of moving decisions from Port Alberni Council Chambers to the ACRD Board table was questioned by some electoral area directors. The concerns expressed were related, in part, to the understanding that all votes for the new centre would be weighted votes in which *de facto* control rested with the City.

The facilitator explained that use of weighted votes is, indeed, the default mechanism in place in the

**Figure 1**  
**2018 Items of Consensus**

Item	Consensus Established in 2018	2019 Discussion
Future Aquatic Centre	<ul style="list-style-type: none"> <li>– need for a new facility</li> <li>– explore further the potential for share, sub-regional aquatic facility service</li> <li>– whole Alberni Valley benefits, and that City not able on its own to develop and operate new centre</li> </ul>	<ul style="list-style-type: none"> <li>– consensus confirmed</li> </ul>
Service Participation	<ul style="list-style-type: none"> <li>– all ACRD jurisdictions of Alberni Valley (City, Areas B, D, E, F)</li> <li>– desire on part of Uchucklesaht First Nation to support initiative</li> </ul>	<ul style="list-style-type: none"> <li>– list of ACRD jurisdictions confirmed</li> <li>– Tseshaht First Nation supports initiative (Uchucklesaht Director not present)</li> </ul>
Service Definition	<ul style="list-style-type: none"> <li>– specifics on facility to be determined through community engagement</li> <li>– focus on new aquatic facility, not existing Echo Centre, not other parks and recreation assets or services</li> <li>– shared service would include facility development <i>and</i> facility operation</li> </ul>	<ul style="list-style-type: none"> <li>– consensus confirmed, with emphasis on role of community in determining specifics about any new facility</li> </ul>
Service Governance	<ul style="list-style-type: none"> <li>– support for alternative decision-making structure with one vote per Director on service stakeholder votes</li> <li>– no delegation to separate commission</li> </ul>	<ul style="list-style-type: none"> <li>– confirmed consensus (see section on governance in report)</li> </ul>
Cost Recovery	<ul style="list-style-type: none"> <li>– rely on user fees as one funding source</li> <li>– maximize lease, concession, sponsorships, and grants</li> <li>– contributions from non-participants</li> </ul>	<ul style="list-style-type: none"> <li>– consensus confirmed</li> <li>– Tseshaht will consider annual contribution</li> </ul>
Cost Allocation	<ul style="list-style-type: none"> <li>– focus of further discussion</li> </ul>	<ul style="list-style-type: none"> <li>– detailed formula to be determined as part of next steps</li> <li>– consensus to focus on mix of bases so that do not unfairly burden either City or Area D</li> </ul>

*Local Government Act*. The *Act* was changed in the early 2000s, however, to allow service participants to design different voting arrangements to allow for a more meaningful sharing of control. The facilitator outlined one such arrangement that is used in some other places. This arrangement assigns one vote for each Director from the participating jurisdictions. In the Alberni Valley sub-region, this approach would provide two votes to the City (one per Municipal Director), and a total of four votes to the four Electoral Areas (one per Electoral Area Director). This arrangement is designed to eliminate the potential for one jurisdiction to dominate votes. It is also designed to promote compromise among jurisdictions.

The desire to include the Tseshaht First Nation in decision-making in some form was also discussed. At present, the Tseshaht First Nation is not a member jurisdiction of the ACRD — a situation that makes it impossible under current provincial legislation for the Tseshaht to participate in the service, and to share in governance. ACRD's Chief Administrative Officer noted, however, that discussions are underway with the Province to provide a mechanism for non-member First Nations to participate.

### Consensus on Governance

The group reached consensus on two points:

- that all Alberni Valley jurisdictions participate in service governance for any new sub-regional aquatic facility service
- that the parties select a governance model that eliminates the potential for one jurisdiction to control decision-making, and that promotes compromise

### SERVICE COST

The cost of a new sub-regional aquatic facility service would include two components:

- *Capital* — The capital cost is the cost that would be incurred to develop the new facility. To fund this cost, efforts would be made to obtain federal and provincial grant dollars, as well as donations from other jurisdictions that may choose to contribute. A significant

portion of the development cost, however, would need to be borrowed by the participants. Annual debt servicing costs (principal plus interest) would be incurred to pay the debt.

- *Operating* — This cost would be incurred each year to run the facility. The total operating cost would be partly offset by user fee revenues, any lease and sponsorship revenues generated, and contributions from non-participant jurisdictions (e.g., Tseshaht First Nation). A portion of the total operating cost, however, would be paid using tax revenues that would be raised across participating jurisdictions each year.

The elected officials at the 2019 discussion agreed that the annual tax burden required to fund with both capital and operating costs should be shared by all of the Alberni Valley jurisdictions. The way in which to share this burden needs to be determined.

### Cost Sharing

The facilitator identified and explained a range of different bases on which the tax burden could be shared. Converted assessment (land *and* improvements), converted assessment (land *or* improvements) population, usage, and a fixed percentage were all reviewed, as was the use of a parcel tax.

Different pie charts were used to present the tax implications of different cost sharing bases for each jurisdiction. All pie charts assumed — for the purpose of illustration only — an annual debt servicing payment of \$1.21 million (to service capital borrowing of \$18.0 million), and an annual net operating cost of \$225,000.

### Consensus on Cost Sharing

Further, more detailed study of the cost sharing methods and their implications for jurisdictions and households is required before an approach can be established. The group did agree in principle, however, that costs should be shared on a combination of bases, such as population and converted assessment (land *and* improvements). The pie charts showed clearly that:



- reliance on single basis (e.g., converted assessment only, population only) would unfairly burden either Electoral Area D or the City of Port Alberni
- the use of a combination of bases moderates the impacts on both jurisdictions
- the implications for each of the other jurisdictions are very similar under all scenarios

#### **NEXT STEPS**

The elected officials at the December, 2019, discussion proposed the following next steps:

- undertaking in 2020 a full feasibility study, cost-shared by the Alberni Valley jurisdictions, on a new, sub-regional aquatic facility service
- engaging the broader Alberni Valley community in discussions on a new facility, as part of the feasibility study exercise

ACRD staff, with input from staff at the City of Port Alberni, will provide a report to the Board on these proposed next steps.



**Alberni-Clayoquot Regional District  
Sub-Regional Discussion on Aquatic Facility  
December 4, 2019**

# AGENDA

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**TIME & PLACE:** Wednesday, December 4, 2019  
9:00 am – 3:00 pm  
Regional District Board Room  
3008 Fifth Avenue, Port Alberni  
(lunch and refreshments will be provided)

**BACKGROUND:** In June, 2018, Regional District Directors from the City of Port Alberni, Electoral Areas and First Nations in the Alberni Valley sub-region met for facilitated discussions on the future of the Echo Aquatic Centre. Over two half-days, participants considered the recreation needs and interests of the sub-regional community, and explored the potential to jointly build, fund, and govern a new, sub-regional aquatic facility.

At the end of the first day of discussions, participants reached consensus on the need for a new aquatic facility to replace the existing Echo Centre. Participants also expressed a common interest in developing the new facility through a sub-regional service. During the second half-day of discussions, participants considered different options related to the structure of a new sub-regional service, including governance, scope, cost-recovery, and cost-sharing.<sup>1</sup> Consensus was reached on some issues; the need for further discussion was highlighted for others.

On December 4, 2019, Directors from the Alberni Valley ACRD jurisdictions will reconvene to continue the earlier discussions. Leaders from the Tsehshat and Hupacasath First Nations have been invited to join the session. Participants, it is hoped, will be able to explore and reach agreement in principle on the key service elements, as well as the next steps to take.

**SESSION OBJECTIVE:** The primary objective of the December 4 session is to reach agreement-in-principle on the structure of a new, sub-regional aquatic facility service. An additional goal is to agree on next steps.

It should be emphasized that leaders are not expected — indeed, are not able — to make final decisions at the December 4 session. Agreement-in-principle is the goal.

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<sup>1</sup> The Director from the Uchucklesaht First Nation attended a portion of the session to voice support for the initiative.

**FACILITATOR:** Allan Neilson (Neilson Strategies Inc.) will facilitate the session. Allan facilitated the earlier 2018 discussion.

**AGENDA:**

**1. Introductions & Stage Setting**

Participants will introduce themselves, identify their expectations for the day, and provide any additional opening comments they wish. The facilitator will outline of session agenda and propose a set of desired outcomes.

**2. Review of 2018 Discussion**

It is important to begin by reviewing the key points and outcomes from the earlier 2018 discussion, including:

- the reasons why leaders came together in 2018
- views on the broader, Alberni Valley community
- the assessment of the Echo Aquatic Centre
- points of consensus that were reached by participants
- points that were identified for further discussion

The *Summary of Discussion* and *Press Release* from the 2018 session have been distributed to participants.

**3. Confirmation of Consensus Reached**

The facilitator will review with participants the various points on which leaders reached consensus in 2018, including:

- the need for new aquatic facility in Alberni Valley
- support for exploring further the provision of a new facility through shared, sub-regional service
- the set of supportive jurisdictions
- the preferred definition of any sub-regional service definition (i.e., what would be included in a new service)

Participants will be asked to comment on and, if possible, confirm these points.

**4. Service Governance**

In the 2018 discussion leaders spent some time exploring the topic of service governance (i.e., who makes decisions for the service), and the different options that could be considered in order to ensure fairness for all jurisdictions. On December 4, service governance options will be explored further in the hopes of identifying a preferred model.

**5. Service Cost**

Recreation service costs are recovered using a variety of revenue sources, the two most significant of which are property taxes and user fees. User fees are paid in the form of general admission to the facility, program registration fees, and facility rentals. Property taxes are paid by property owners in jurisdictions that comprise the service area. A major challenge facing every shared service is

to determine how to share the tax burden among participating jurisdictions — or, put differently, to figure out "who should pay what".

In 2018, leaders tackled this question and explored some of the possibilities. These possibilities will be explored on December 4, along with their implications for taxpayers in Alberni Valley jurisdictions. If possible, a preferred method of cost-sharing will be identified.

**6. Summary and Next Steps**

The facilitator will summarize the outcomes of the December 4 discussion. Collectively, the group will consider and set out next steps.

**7. Adjourn — 3:00 pm**

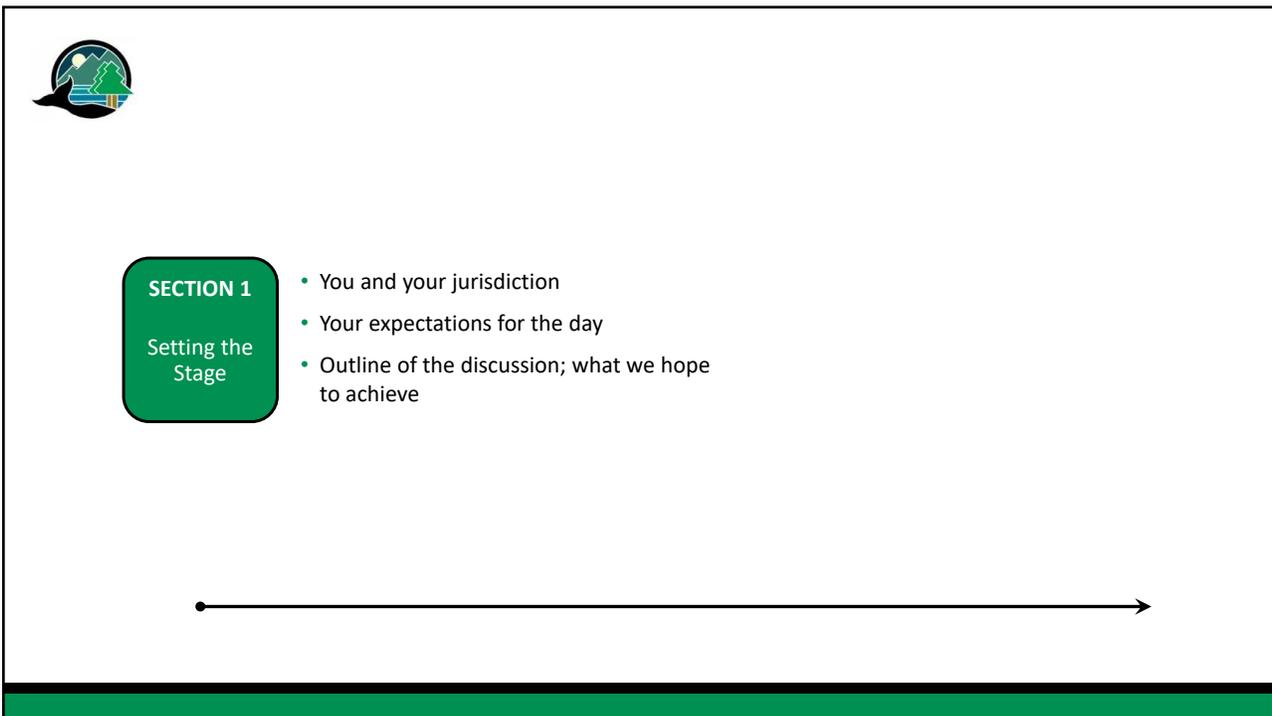
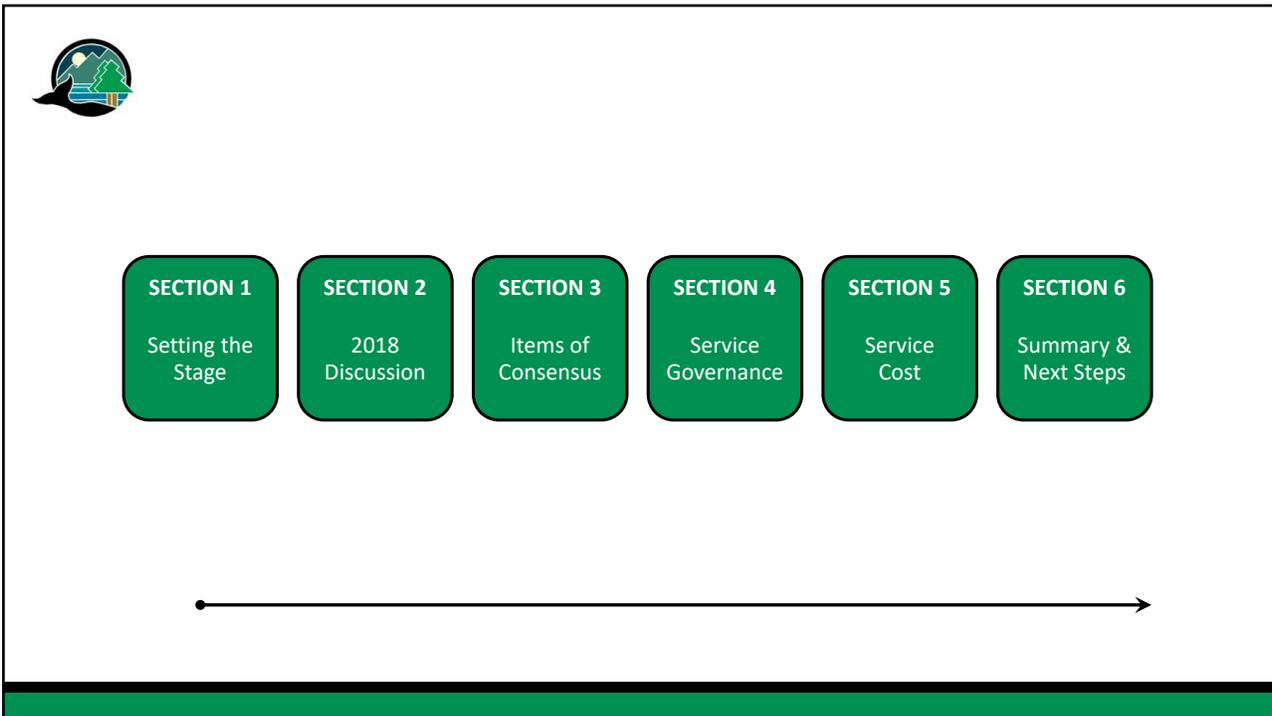


## **ALBERNI VALLEY AQUATIC FACILITY SUB-REGIONAL DISCUSSION ON POTENTIAL**

Alberni Clayoquot Regional District  
December 4, 2019



## **GAME PLAN**





**SECTION 2**  
2018  
Discussion

- Purpose and impetus of 2018 Discussion
- Alberni Valley community
- Echo Aquatic Facility
- Points of consensus; points for further work



**SECTION 3**  
Items of  
Consensus

- new aquatic facility in Alberni Valley
- support for idea of sub-regional, shared service
- list of participants and others
- service definition





- review of ideas raised in 2018
- models to consider to ensure meaningful "say" for all parties
- consensus of group

**SECTION 4**  
Service  
Governance



- review of cost recovery methods
- consideration of cost-sharing methods
- where is the best chance for consensus

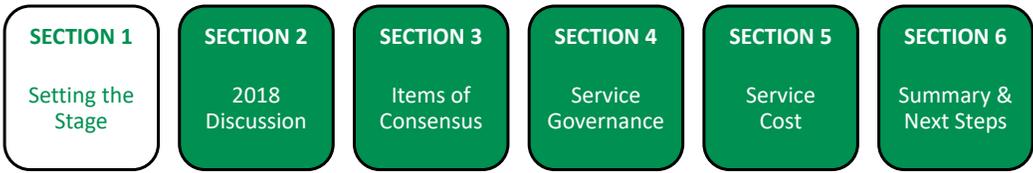
**SECTION 5**  
Service  
Cost





- what did we achieve today
- what do we need to work on
- what are our "next steps"

**SECTION 6**  
Summary &  
Next Steps





## SETTING THE STAGE

- ▶ Is there a desire to collectively develop, fund and govern a new aquatic centre in the Alberni Valley?
- ▶ Not here to make decisions; not here to commit to any definitive service design
  - ✓ here to revisit and understand concerns, needs, and interests
  - ✓ here to explore some options, determine consensus, narrow the range of possibilities



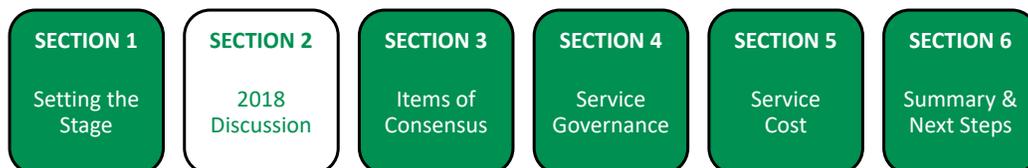
## SETTING THE STAGE

- ▶ Primary objective is to reach agreement-in-principle on structure of a new, sub-regional service to build and operate an Alberni Valley Aquatic Centre
  - ✓ want to also agree on some next steps



## SETTING THE STAGE

- ▶ My role is to ensure that everyone contributes to discussion, and that all key points explored
- ▶ Your role is to think critically, give your views and ideas, keep an open mind, and represent interests of your local community within broader sub-regional community





## 2018 DISCUSSION

- Came together, despite some historical, mutual mistrust, to consider needs of broader community
- Clear sense that Alberni Valley as a whole is the community
- Shared recognition – stronger among some than others – of need to replace Echo Aquatic Centre



**Alberni-Clayoquot Regional District**  
Sub-Regional Discussion on an Aquatic Facility

### SUMMARY OF DISCUSSION

---

**INTRODUCTION**

Over two half-days, on June 28 and 29, 2018, elected representatives of the local government jurisdictions in the Alberni Valley sub-region of the Alberni-Clayoquot Regional District (ACRD) participated in discussions on aquatic recreation. The discussions were aimed, specifically, at exploring the potential for working together to build, fund and govern a new aquatic facility for the broader Alberni Valley community.

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  - Alberni Valley Community
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**Introductions**

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ALBERNI-CLAYOQUOT REGIONAL DISTRICT  
SUB-REGIONAL DISCUSSION ON AQUATIC FACILITY

SUMMARY OF DISCUSSION  
JULY 2018 - PAGE 1



## 2018 DISCUSSION

- Desire for fairness in paying for services that benefit the Alberni Valley
- Want to share control, in part so that have a say over in managing costs



**Alberni-Clayoquot Regional District**  
Sub-Regional Discussion on an Aquatic Facility

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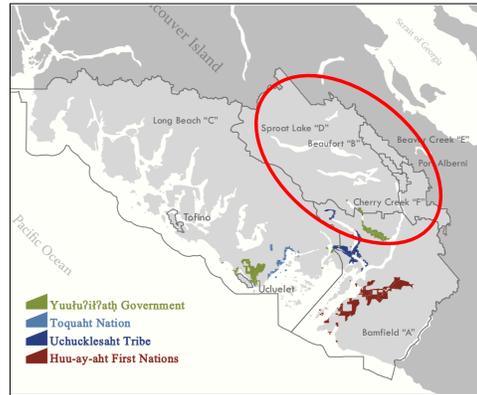
SUMMARY OF DISCUSSION  
JULY 2018 - PAGE 1



## 2018 DISCUSSION

➤ How do you want to be able to describe Alberni Valley ten years from now?

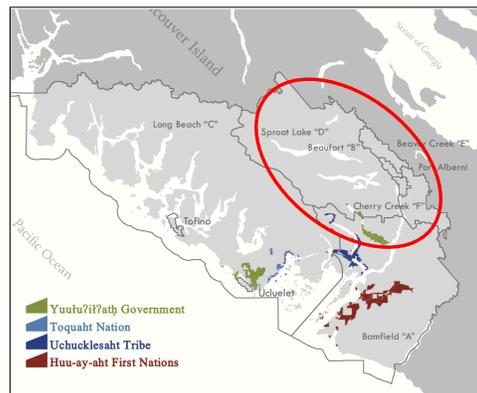
- ✓ vibrant
- ✓ affordable and safe
- ✓ welcoming and inclusive
- ✓ sense of community
- ✓ a place with amenities for people
- ✓ healthy population



## 2018 DISCUSSION

➤ What are the benefits of recreation facilities in the Valley?

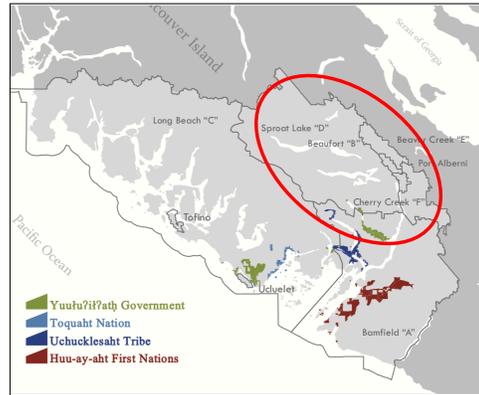
- ✓ physical and mental health
- ✓ physical literacy
- ✓ economic benefits (keep people here to recreate)
- ✓ gathering place
- ✓ social equity
- ✓ draw for new residents
- ✓ educational benefits
- ✓ sport tourism
- ✓ community expectations met





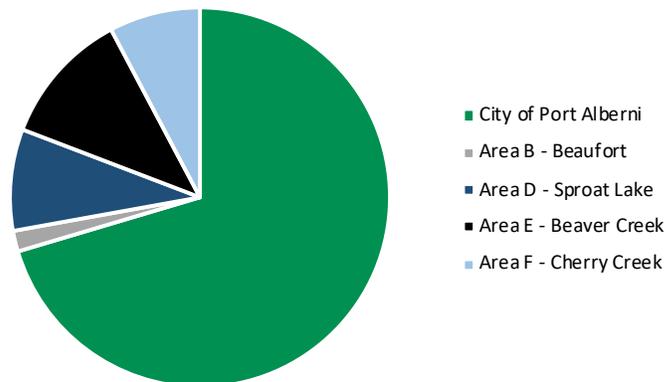
## 2018 DISCUSSION

- Would it matter if the Valley did not have an aquatic facility?
  - ✓ need pool to be welcoming to new residents
  - ✓ yes – builds community
  - ✓ if we want families, yes (seniors, too, perhaps)
  - ✗ matters little (jobs matter)



## 2018 DISCUSSION

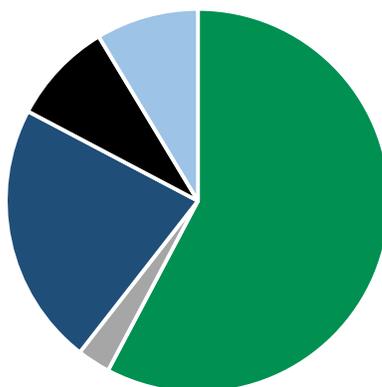
- 2016 Census





## 2018 DISCUSSION

➤ 2019 Assessment

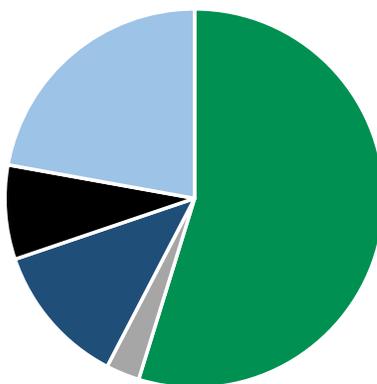


- City of Port Alberni
- Area B - Beaufort
- Area D - Sproat Lake
- Area E - Beaver Creek
- Area F - Cherry Creek



## 2018 DISCUSSION

➤ 2018 Parcels



- City of Port Alberni
- Area B - Beaufort
- Area D - Sproat Lake
- Area E - Beaver Creek
- Area F - Cherry Creek



## 2018 DISCUSSION

**HOURS OF OPERATION:**  
Monday - Friday: 6:00 am - 9:00 pm  
Saturday: 8:00 am - 8:00 pm  
Sunday: 8:00 am - 8:00 pm

**Echo Aquatic & Fitness Centre**



**Main Pool:**

- Length 121' x Width 45'
- Max depth 12, Min depth 3'
- 262,000 US gallons
- Temp 82° F / 28° C
- Pool Deck Temp 85° F / 29° C
- 1 high & 1 low springboard

Every 4 1/2 hours the amount of water equal to the pool volume is passed through the filter system.

**Tot's Pool:**

- Length 20' x Width 12'
- Depth 2 1/2' - 3'
- Temp 90° F / 32° C



**Special Features:**

- 3 Family change rooms, one with overhead lift
- Pool lift and Special Needs access in Main and Tots pool.



**Whirlpool & Sauna:**

- Whirlpool 1,444 US gallons - temp 104° F / 40° C
- Dry Sauna 180° F / 82° C
- Showers at entrance



**Fitness Gym:**

Featuring:

- 2 Elliptical trainers
- 2 Stationary bikes
- 1 Treadmill
- Paramount Circuit machine
- Free motion dual cable cross over machine
- Free weights, bosu and stability balls.

Open to ages 16 and over. Ages 13-15 welcome when accompanied by an adult.



Echo Aquatic Centre  
 Port Alberni Parks and Recreation Department
 
 4255 Wallace Street, Port Alberni BC V9Y 3Y6  
 Phone: 250 720-2514 Fax: 250 723-1035



## 2018 DISCUSSION

Factor	Details
Year Built	1967, Canada's Centennial Year
Owner	City of Port Alberni
Operator	City of Port Alberni Recreation



## 2018 DISCUSSION

Factor	Details
Services	<ul style="list-style-type: none"> <li>✓ 7 days per week</li> <li>✓ Various classes and instruction (all ages)</li> <li>✓ Fully accessible</li> <li>✓ Tsunami Swim Club</li> <li>✓ Main pool, tot pool, whirlpool, bleachers, attached fitness and gymnasium</li> <li>✓ Various amenities (e.g., slides, springboards)</li> </ul>



## 2018 DISCUSSION

Factor	Details
Capital Costs	City of Alberni
Operating Costs	Users (user fees) City of Port Alberni (property taxes)
Contributions	Electoral Areas (limited)
Governance	City of Port Alberni



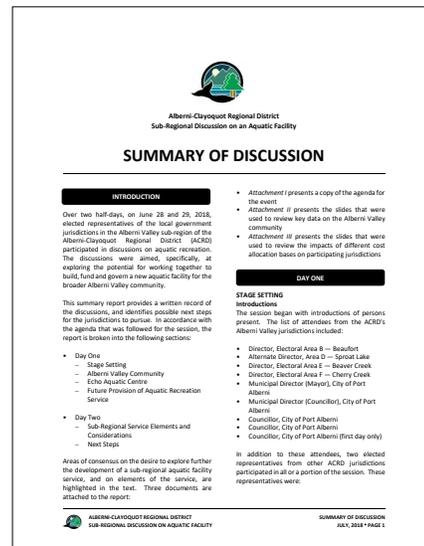
## 2018 DISCUSSION

- Oldest unrenovated aquatic centre in Canada
- Closure period for annual maintenance higher than before (and other places)
- Costs to maintain and repair climbing



## 2018 DISCUSSION

- Points of consensus
  - ✓ sub-regional service worth exploring
  - ✓ service participants include whole of Alberni Valley
  - ✓ service defined as new aquatic facility, to include both development and operation





## 2018 DISCUSSION

- Points of consensus
  - ✓ rely on user fees; and maximize leases, contributions from non-participants, capital grants
  - ✓ alternative decision-making structure, with one vote per Director



**Alberni-Clayoquot Regional District**  
Sub-Regional Discussion on an Aquatic Facility

### SUMMARY OF DISCUSSION

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**SUMMARY OF DISCUSSION**  
JULY 2018 - PAGE 1

ALBERNI-CLAYOQUOT REGIONAL DISTRICT  
SUB-REGIONAL DISCUSSION ON AQUATIC FACILITY



## 2018 DISCUSSION

- Point for further discussion
  - ✓ cost allocation – who pays what



**Alberni-Clayoquot Regional District**  
Sub-Regional Discussion on an Aquatic Facility

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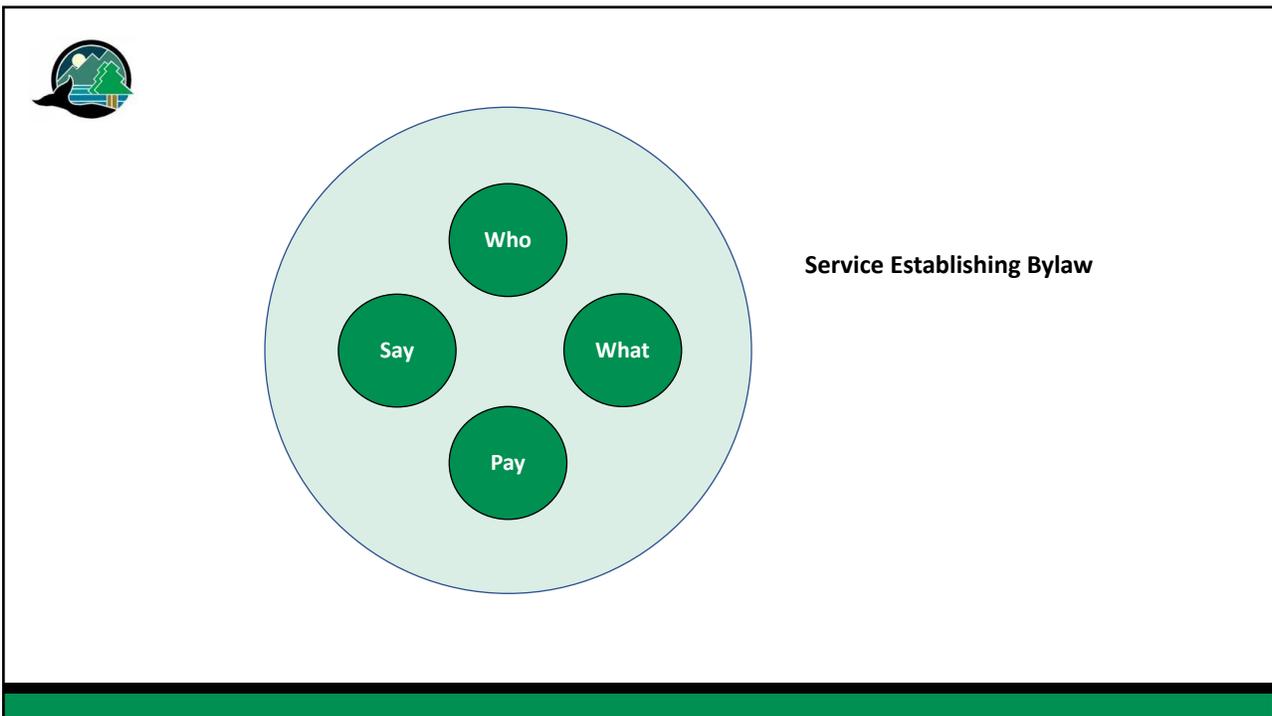
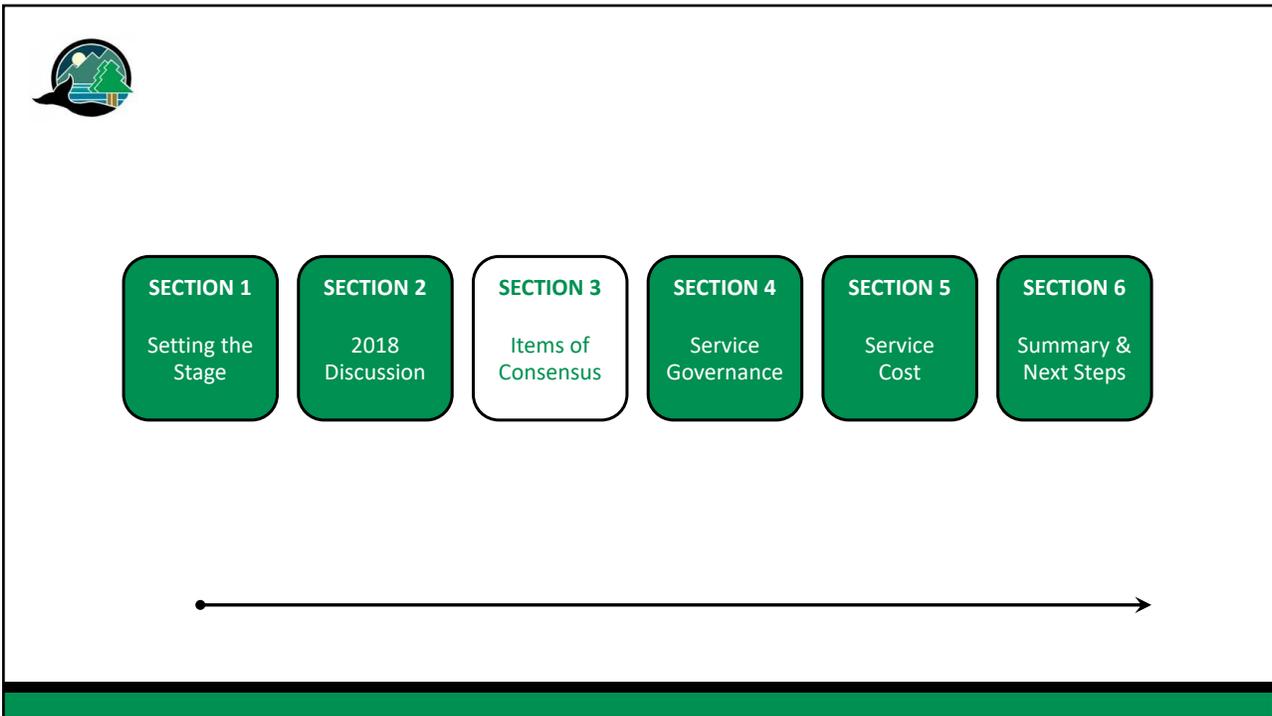
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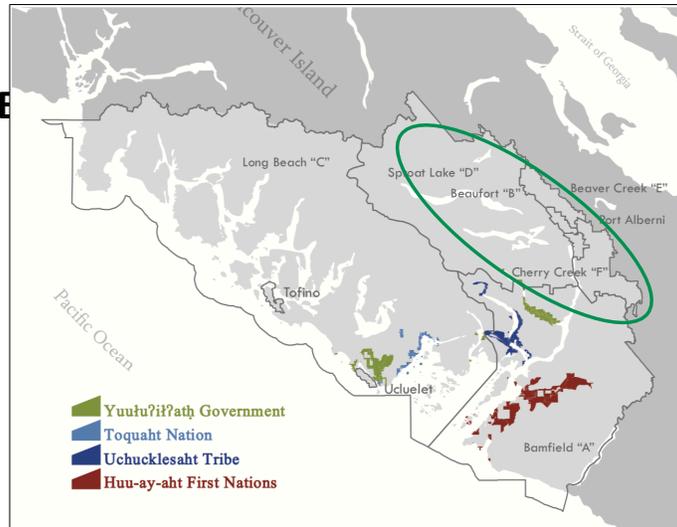
ALBERNI-CLAYOQUOT REGIONAL DISTRICT  
SUB-REGIONAL DISCUSSION ON AQUATIC FACILITY





## POINTS OF CONSENSUS

### *Service Participants*



## POINTS OF CONSENSUS

### *Service Participants*

- Term "participant" has special meaning in regional district context
  - ✓ member jurisdiction who decides to act as part of collective, rather than on own
  - ✓ partner in planning, decision-making, funding of service
  - ✓ "surrenders" certain amount of authority to the collective; shares responsibility with the collective
  - ✓ distinct from jurisdiction that purchases service, or that makes annual contribution to support others



## POINTS OF CONSENSUS

### *Service Participants*

- ▶ What criteria can we consider to determine list of participants
  - ✓ supportive, and co-architect, of shared vision
  - ✓ direct benefit (usage) — regular and established
  - ✓ ability to access the facility
  - ✓ indirect benefit — economic, community, social, health, other
  - ✓ member of Alberni Valley (community) — geographically, economically, emotionally
  - ✓ desire or need for reciprocity



## POINTS OF CONSENSUS

### *Service Definition*

- ▶ What do we mean when we say "sub-regional aquatic facility"?
  - ✓ do we add in other community uses, such as museum
  - ✓ do we add in other sub-regional recreation, such as Multiplex, sports fields



## POINTS OF CONSENSUS

### *Service Definition*

- What do we mean when we say "sub-regional aquatic facility"?
  - ✓ pools and change rooms
  - ✓ pools, change rooms, fitness centre
  - ✓ pools, change rooms, fitness centre, community rooms
  - ✓ pools, change rooms, fitness centre, community rooms, day care
  - ✓ pools, change rooms, fitness centre, community rooms, day care, gymnasium



## POINTS OF CONSENSUS

### *Service Definition*

- Points to help guide decision on service definition
- Narrow definition, or broad definition
  - ✓ Narrow is generally preferable when at trust-building phase of relationship
  - ✓ Difficult to stop expanding definition once start to add in other facilities



## POINTS OF CONSENSUS

### *Service Definition*

- ▶ Existing facilities, or new facilities
  - ✓ Focusing on new facility allows clean start without worrying over condition of existing facility being passed to the collective, or about question of buy-in
  - ✓ Once start adding in existing, difficult to draw the line



## POINTS OF CONSENSUS

### *Service Definition*

- ▶ Facility development and operation
  - ✓ Assuming that group is focused on both developing a facility as a collective, and operating as a collective
  - ✓ Not really a fully collaborative effort otherwise



## POINTS OF CONSENSUS

### *Service Definition*

- ▶ Eye to the practical
  - ✓ Very difficult to cherry-pick elements of a multi-purpose building
  - ✓ Easier to consider the entire facility and all of its uses
  - ✓ Makes facility planning and design much easier, too, since all participants involved in whole planning exercise



## POINTS OF CONSENSUS

### *Service Definition*

- ▶ In 2018, group reached consensus on
  - ✓ New aquatic facility (not existing Echo Centre; not other facilities)
  - ✓ Facility development and operation



## POINTS OF CONSENSUS

### *Service Cost*

- ▶ There are different questions of cost to consider
  - ✓ what is the total cost of the facility
  - ✓ how do we intend to recover the cost
  - ✓ how do we share the tax portion



## POINTS OF CONSENSUS

### *Total Cost*

- ▶ Total cost will be determined by participants, informed by community input on what is needed / desired at the facility
  - ✓ will include capital component to build facility, expressed as annual debt payment (principal plus interest)
  - ✓ will include operating component, expressed as (possible) annual net cost



## POINTS OF CONSENSUS

### *Cost Recovery*

- ▶ There are five basic methods available to fund the service — that is, to recover the cost of providing the service
  - ✓ user fees, consisting of admissions and registrations
  - ✓ lease, concession, sponsorship revenues
  - ✓ contributions from non-participants
  - ✓ property value taxes
  - ✓ property parcel taxes



## POINTS OF CONSENSUS

### *Cost Recovery*

Method	Considerations
User Fees	<ul style="list-style-type: none"> <li>✓ Users as significant beneficiaries</li> <li>✓ Ability to pay?</li> <li>✓ Desire to encourage or limit use?</li> <li>✓ Practicality</li> <li>✓ Fixed costs (irrespective of use)</li> </ul>



## POINTS OF CONSENSUS

### *Cost Recovery*

Method	Considerations
Leases, etc.	<ul style="list-style-type: none"> <li>✓ Demand for space / sponsorship</li> <li>✓ Competition with other landlords</li> </ul>
Contributions	<ul style="list-style-type: none"> <li>✓ Non-participants who acknowledge benefit</li> <li>✓ Level of stability</li> <li>✓ Basis for negotiating</li> </ul>



## POINTS OF CONSENSUS

### *Cost Recovery*

Method	Considerations
Property Value Tax	<ul style="list-style-type: none"> <li>✓ Broad social benefit</li> <li>✓ Encourage use</li> <li>✓ Significant fixed costs</li> <li>✓ People as beneficiaries (improvements)</li> <li>✓ History of value taxes</li> </ul>



## POINTS OF CONSENSUS

### *Cost Recovery*

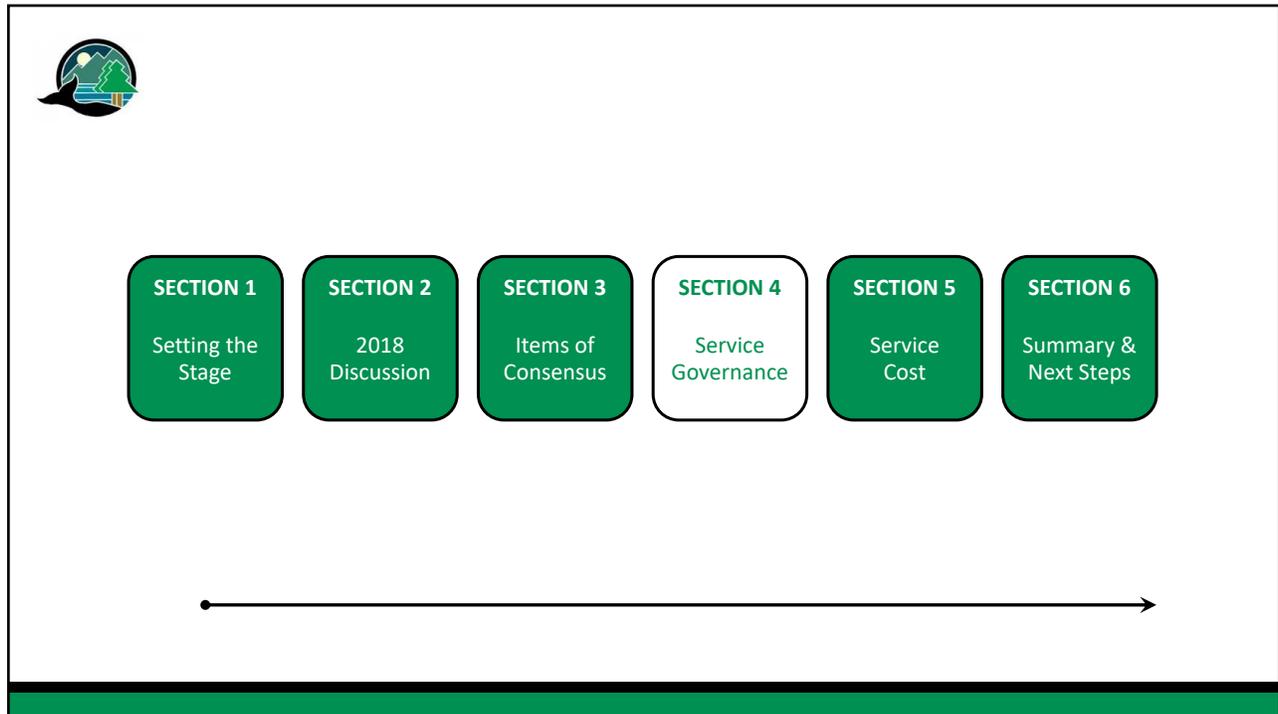
Method	Considerations
Property Parcel Tax	<ul style="list-style-type: none"> <li>✓ Stability among properties in payments over time</li> <li>✓ Belief that value tax not equitable</li> <li>✓ Belief that value does not reflect ability to pay</li> <li>✓ Changing costs (operations) vs unchanging (capital)</li> <li>✓ Does not capture all units; not different for classes</li> <li>✓ History of parcel tax use</li> </ul>



## POINTS OF CONSENSUS

### *Cost Recovery*

- In 2018, group reached consensus view on
  - ✓ User fees as important element
  - ✓ Leases, concessions, sponsorships an important component



## SERVICE GOVERNANCE

- How do we share decision-making power (control of the service)?
- What constraints do we need to recognize?
  - ✓ service establishing bylaw — full Board, corporate vote
  - ✓ financial plans, borrowing, property — full Board weighted
  - ✓ service administration and operation — participants weighted; but can vary number of votes, and can delegate decision-making



## SERVICE GOVERNANCE

### *Default Weighting*

Participant	Number of Directors	Number of Votes
City of Port Alberni	2	9
Area B – Beaufort	1	1
Area D – Sproat Lake	1	2
Area E – Beaver Creek	1	2
Area F – Cherry Creek	1	1
<b>Total</b>	<b>6</b>	<b>15</b>

- ✓ Reflects population differences
- ✓ Reflects contribution differences
- ✓ Not meaningful share of control for others

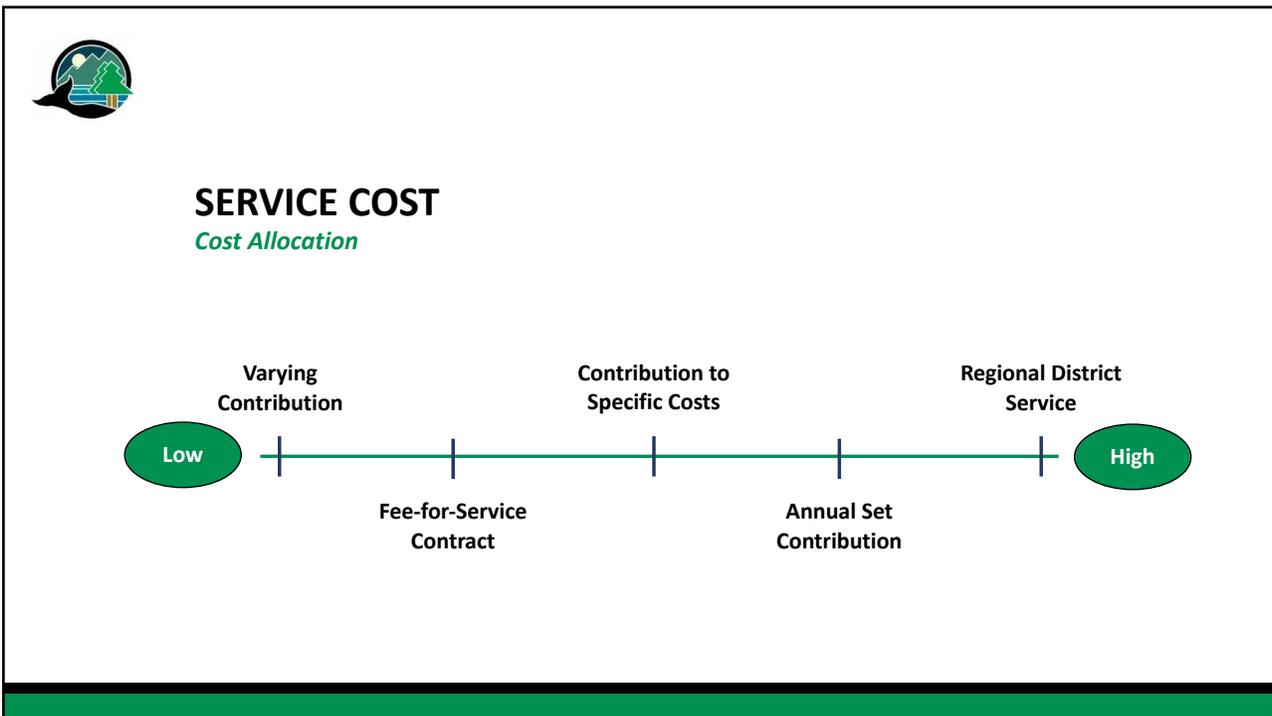
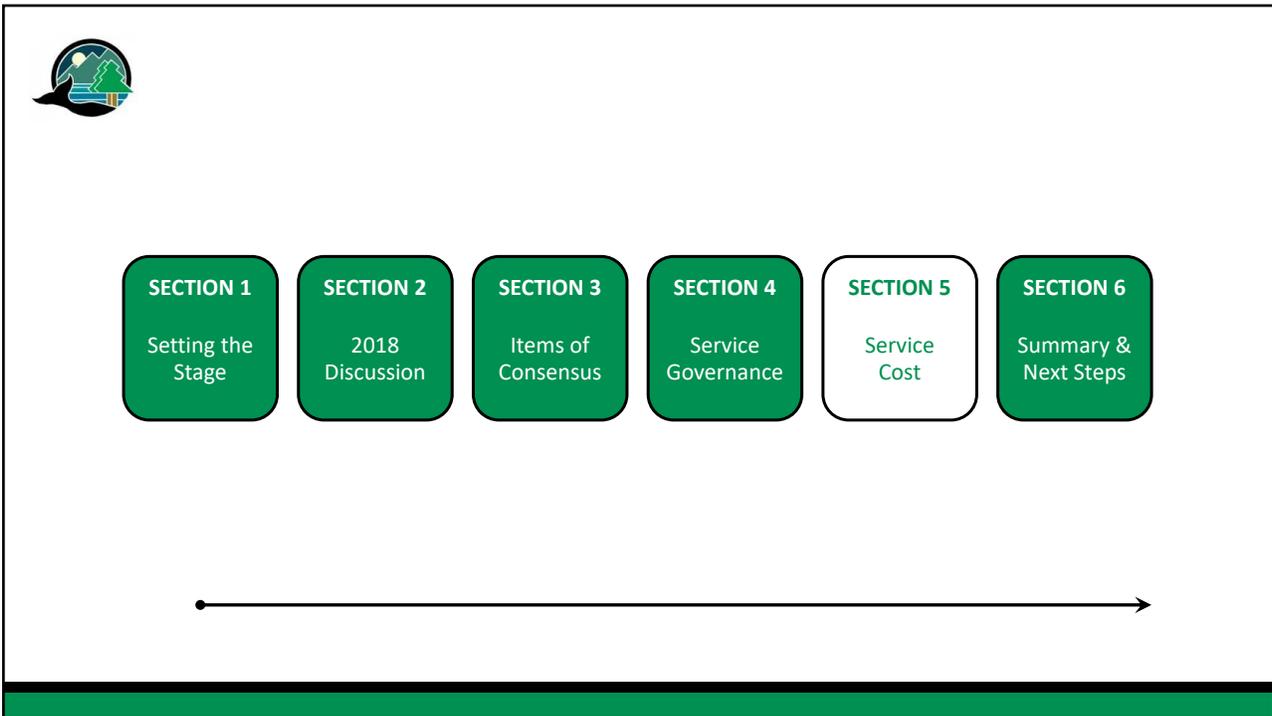


## SERVICE GOVERNANCE

### *Customized*

Participant	Number of Directors	Number of Votes
City of Port Alberni	2	2
Area B – Beaufort	1	1
Area D – Sproat Lake	1	1
Area E – Beaver Creek	1	1
Area F – Cherry Creek	1	1
<b>Total</b>	<b>6</b>	<b>6</b>

- ✓ Eliminates dominance of one jurisdiction
- ✓ Largest needs one other to block, two others to advance
- ✓ May be viewed as promoting compromise





## SERVICE COST

### *Cost Allocation*

- ▶ The tax burden (property value tax) needs to be allocated across participants on particular basis or combination of bases
  - ✓ converted assessment (land and/or improvements)
  - ✓ population
  - ✓ usage
  - ✓ level of service provided (access)
  - ✓ negotiated percentage



## SERVICE COST

### *Cost Allocation*

- ▶ Parcel tax is used in some places to
  - ✓ pay annual contribution to debt payment
  - ✓ build a fund (e.g., parkland acquisition)



## SERVICE COST

### *Cost Allocation*

Basis	Considerations
Converted Assessment (L & I)	<ul style="list-style-type: none"> <li>✓ Default in legislation (familiar)</li> <li>✓ Uniform tax rate</li> <li>✓ Assumes that assessment base reflects ability to pay</li> </ul>
Converted Assessment (L <u>or</u> I)	<ul style="list-style-type: none"> <li>✓ Nature of service (who benefits)</li> <li>✓ Nature of tax base</li> <li>✓ Uniform tax rate</li> </ul>



## SERVICE COST

### *Cost Allocation*

Basis	Considerations
Population	<ul style="list-style-type: none"> <li>✓ Proxy for actual usage (usage stats not available)</li> <li>✓ Assumes equal ability to access</li> <li>✓ Assumes all ages benefit</li> <li>✓ Different tax rates</li> </ul>
Usage	<ul style="list-style-type: none"> <li>✓ Users as main beneficiary (therefore, pay)</li> <li>✓ Amount of service used varies across jurisdictions</li> <li>✓ No connection to assessment values</li> <li>✓ Different tax rates</li> </ul>



## SERVICE COST

### *Cost Allocation*

Basis	Considerations
Level of Service	<ul style="list-style-type: none"> <li>✓ Usage also level of service; talking here about ability to access (varies by distance)</li> <li>✓ Difficult to determine and implement</li> </ul>
Negotiated Percentage	<ul style="list-style-type: none"> <li>✓ Whatever the parties believe is fair (or, are willing to accept)</li> <li>✓ Often the most pragmatic solution</li> </ul>



## SERVICE COST

### *Cost Allocation*

- What is the view on cost allocation?



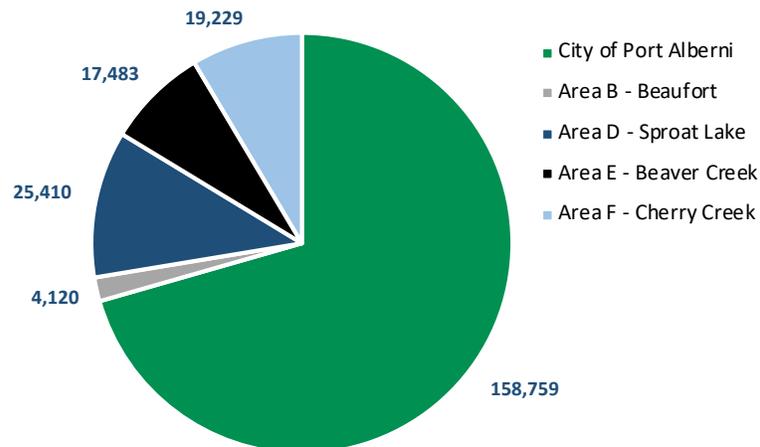
## SERVICE COST

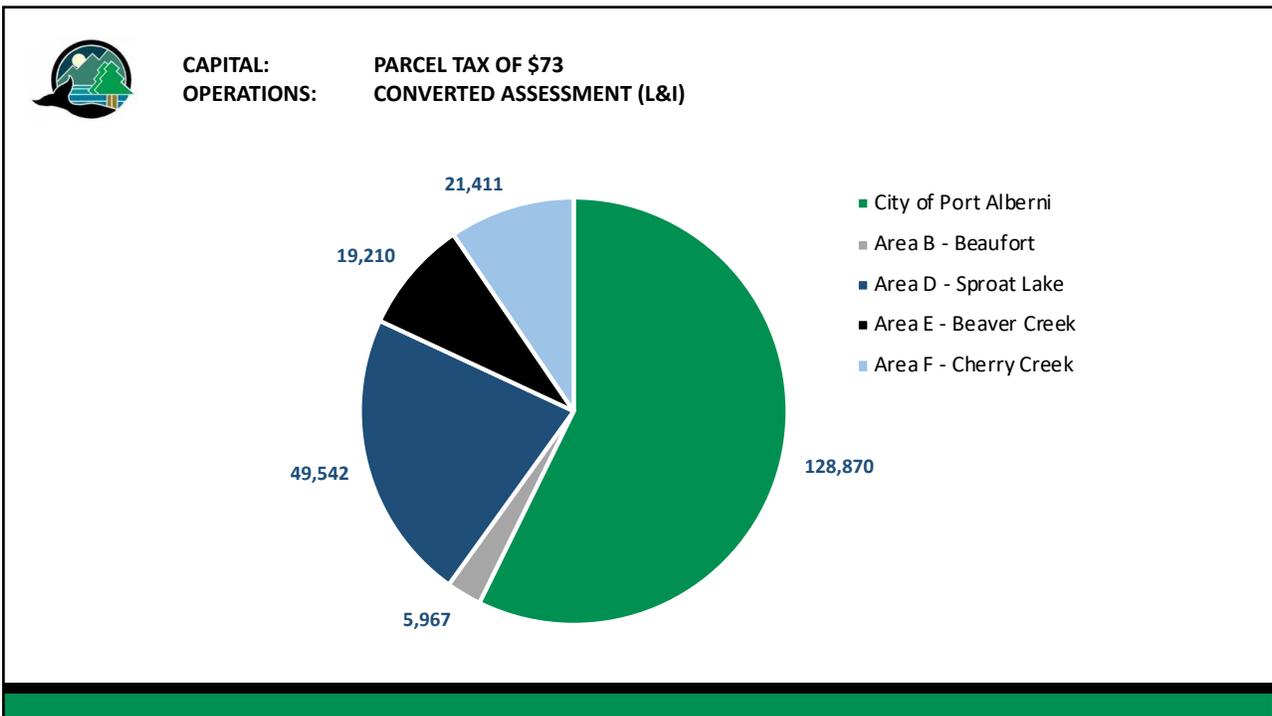
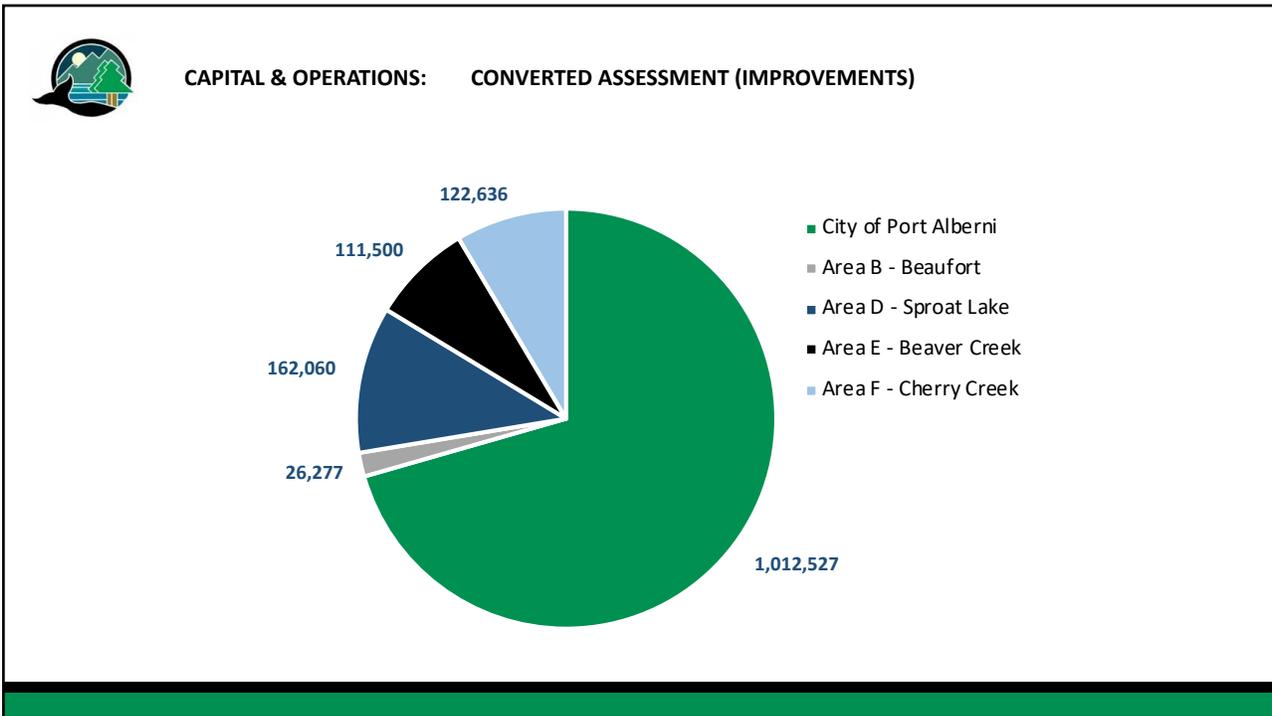
### Cost Allocation

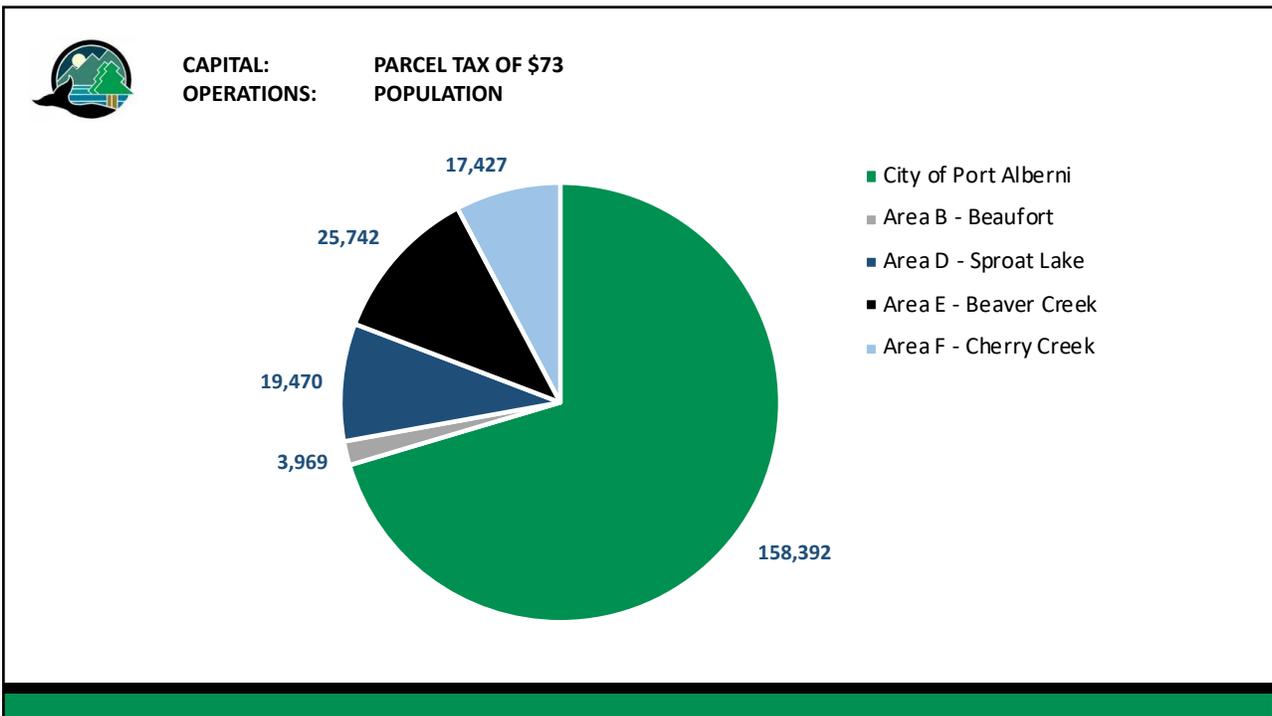
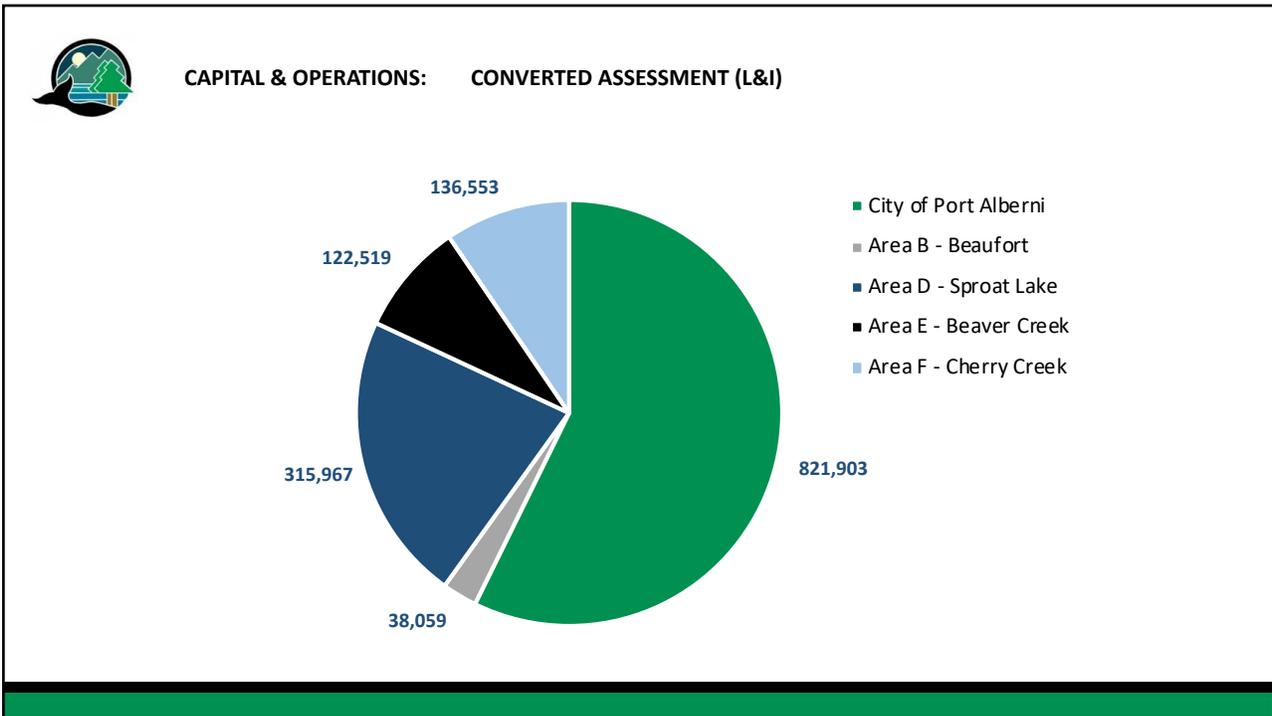
- Series of allocation charts to show some differences
  - ✓ capital cost of \$18.0 million, 20-year debt (MFABC) — \$1.21 million annual
  - ✓ net operating cost of \$225,000
  - ✓ parcel tax on capital only of \$73 per year, 20 years
- For purposes of illustration ONLY

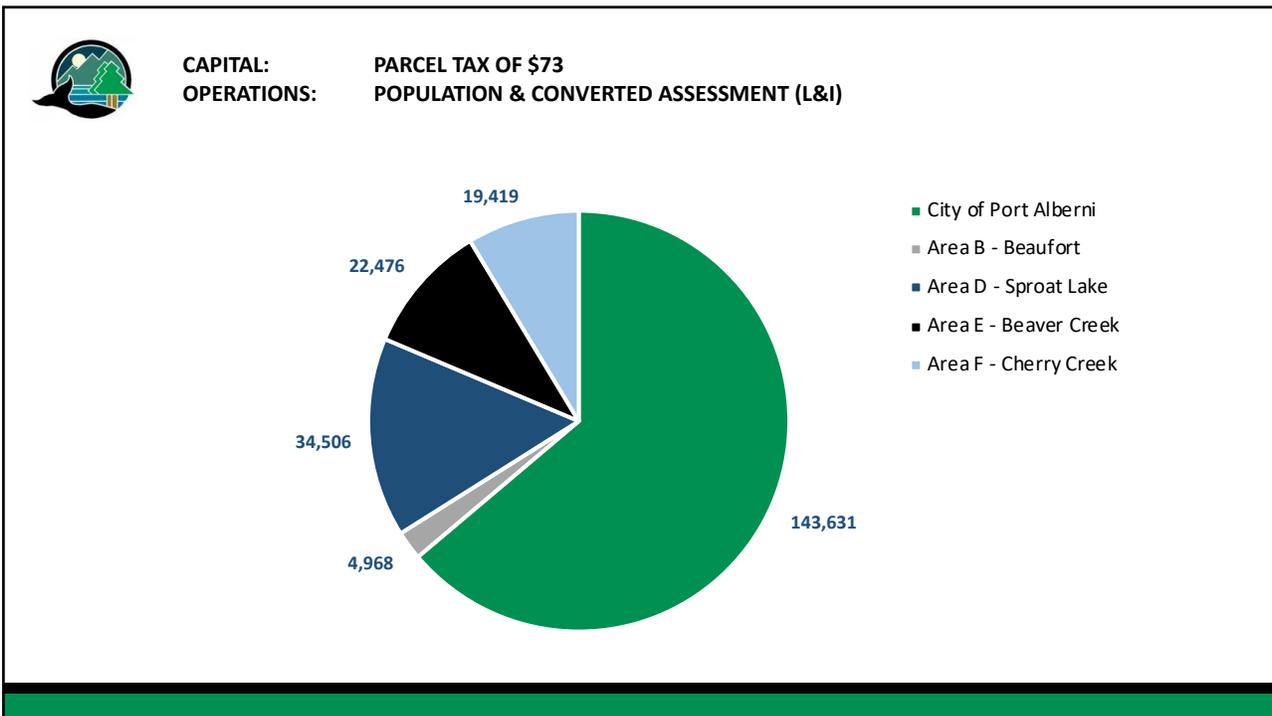
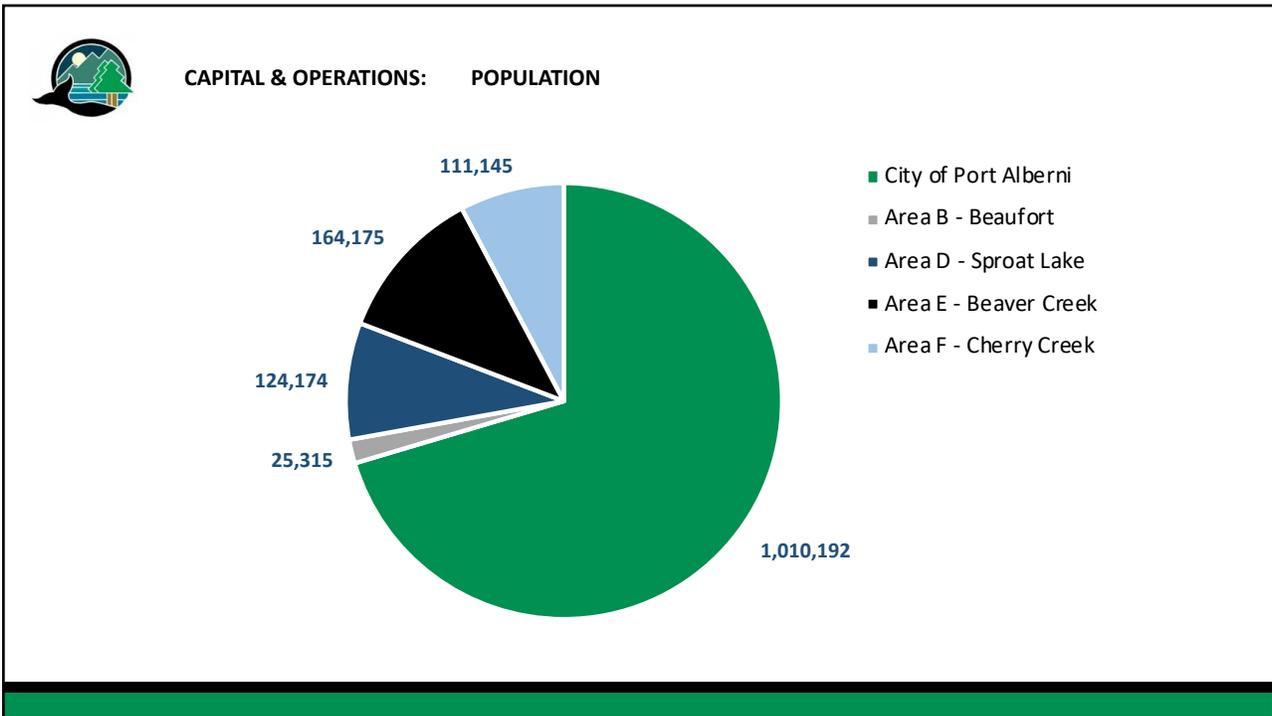


**CAPITAL:** PARCEL TAX OF \$73  
**OPERATIONS:** CONVERTED ASSESSMENT (IMPROVEMENTS)



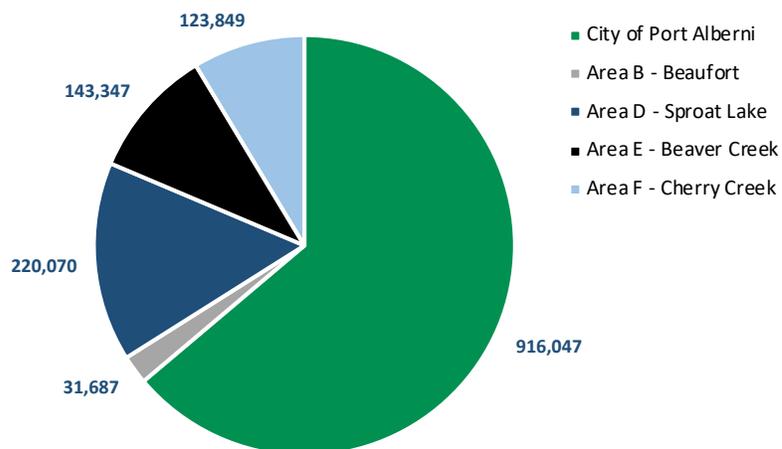








**CAPITAL & OPERATIONS: POPULATION & CONVERTED ASSESSMENT (L&I)**



**SERVICE COST**

*Cost Allocation*

- What is the view on cost allocation?



**ALBERNI VALLEY AQUATIC FACILITY  
SUB-REGIONAL DISCUSSION ON POTENTIAL**

Alberni Clayoquot Regional District  
December 4, 2019



ALBERNI-CLAYOQUOT  
REGIONAL DISTRICT

3008- 5<sup>th</sup> Ave, Port Alberni, V9Y 2E3

## PRESS RELEASE

For Immediate Release

December 4, 2019

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### **Officials Continue Discussions on Aquatic Centre Services**

Elected and appointed officials from the Alberni Valley including First Nations, the Electoral Areas and City of Port Alberni reconvened to examine options to provide facility-based aquatic recreation in the Alberni Valley in the coming years. The Echo Aquatic Centre, built in 1967, continues to serve the needs of the greater community, but the age of the facility demands that community leaders contemplate what will be the needs of the community after the service life of the facility is concluded.

The outcome was a strong interest to continue working collectively on the feasibility of a new sub-regional aquatic facility for the Alberni Valley including exploring opportunities to jointly engage residents of the Alberni Valley to gather input on the benefits and costs of different options.

ACRD and City staff will be preparing a report as part of the financial planning process on next steps to engage the communities to define the aquatic needs for the Alberni Valley and how those needs might be met.

For more information, contact:

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250.720.2700