



Alberni-Clayoquot Regional District

ELECTORAL AREA DIRECTORS COMMITTEE MEETING WEDNESDAY, NOVEMBER 6, 2013, 10:00 AM

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

AGENDA

	PAGE #
1. <u>CALL TO ORDER</u>	
2. <u>APPROVAL OF AGENDA</u> <i>(motion to approve, including late items requires 2/3 majority vote)</i>	
3. <u>ADOPTION OF MINUTES</u>	
4. <u>CORRESPONDENCE FOR ACTION/INFORMATION</u>	
5. <u>REQUEST FOR DECISIONS</u>	
a. Request for Decisions	
Gas Tax Funds Allocation	2 - 4
Cherry Creek Water Works District Gas	5 - 13
Tax Funds Request (Referred October 23 rd Board Meeting)	
 <i>THAT the Electoral Area Directors' Committee recommends that the Alberni-Clayoquot Regional District Board of Directors not amend its allocation of gas tax monies at this time, and stick with the program as adopted by defeating the motion to re-allocate the \$340,000 gas tax funds from the Beaver Creek and Cherry Creek possible water connection to the Cherry Creek water mainline replacement.</i>	
6. <u>REPORTS</u>	
7. <u>UNFINISHED BUSINESS</u>	
8. <u>NEW BUSINESS</u>	
9. <u>ADJOURN</u>	



REQUEST FOR DECISION

To: Electoral Area Directors' Committee
From: Russell Dyson, Chief Administrative Officer
Meeting Date: November 6, 2013
Subject: Gas Tax Funds Allocation

Recommendation:

That the Electoral Area Directors' Committee recommends that the Alberni-Clayoquot Regional District Board of Directors not amend its allocation of gas tax monies at this time, and stick with the program as adopted by defeating the motion to re-allocate the \$340,000 gas tax funds from the Beaver Creek and Cherry Creek possible water connection to the Cherry Creek water mainline replacement.

Background:

The following motion was referred to the area directors meeting by the Board of Directors:

THAT the Board of Directors re-allocate the \$340,000 gas tax funds from the Beaver Creek and Cherry Creek possible water connection to the Cherry Creek water mainline replacement.

Staff recommends that the Regional District **not** amend its allocation of gas tax monies and stick with the program as adopted. Staff will oversee the completion of the analysis of the integration of the Cherry Creek and Beaver Creek systems as planned. This will be completed in cooperation with the improvement district. With the information in hand the rural directors can decide whether the project proceed or if a reallocation is warranted and for what service/purpose/organization.

Further, in advance of future gas tax monies becoming available the rural directors should consider the Regional Districts needs and the merits of allocating monies to other organizations. If monies are to be available to other organizations, the Directors should determine an appropriate policy that defines qualifying organizations, a process for application including the information needs and the means of informing the public. Staff can assist with this by canvassing the regional districts that have such policy.

The following information is provided as background for the Rural Directors reconsideration of the Regional Water Improvement Project at its meeting on Wednesday November 6, 2013. I will not be in attendance on account of a meeting with the Ministry of Aboriginal Relations and Reconciliation.

Per Capita allocation or not

Gas tax monies are based on rural populations, but it is not required that the money be spent on a per capita basis across each electoral area. Some regional districts have allocated monies based on electoral area populations while others have followed the ACRD's position, based on the merit of the project(s).

Request for Decision – Gas Tax Funds Allocation

Concept of a single project with a return

Originally it was a stated priority of the ACRD rural directors that gas tax monies be pooled for a coordinated approach preferably an investment with an economic return, such as a power generation project in partnership with another organization. In April 2011 a power generation project was ruled out in consideration of the deadline for expenditure of the funds, no known power projects in the immediate works and the modest share of any investment the available funds could buy (5%).

Decisions on gas tax allocation

To date the ACRD has developed recommendations through its rural area directors committee, with the Board making the decision. This is the process of the majority of regional districts. In some cases the recommendations come from a broader committee representing municipal members and in at least one case the recommendations come from staff.

Due consideration

Substantial consideration has been given by the Regional District to its gas tax priorities, before the 2013 Regional Water Improvement Project was adopted. This has included numerous reports with consideration and debate by the rural directors committee and the Regional Board. The rationale for the water improvements projects is based on engineering assessments of each of the water systems and information of the financial impact to users. Substantial political and technical consideration was given to the gas tax allocation for this project.

The ACRD's current allocation has broad benefits

Most of the works for the Regional Water Improvement Project support integration of water works and benefits to multiple jurisdictions, not just the electoral area. This is common for other regional districts. With respect to the ACRD's current program:

LBA improvements are otherwise funded with contributions from the Districts of Tofino and Ucluelet, Millstream improvements will lead to the interconnection with the District of Ucluelet, Strick Road watermain and pump house are necessary components for the AV regional water supply.

Current allocation includes benefits for Cherry Creek

The *Regional Water Improvement Project* includes \$340,000 for the possible integration of the Cherry Creek and Beaver Creek systems. This component was "important to continue with a regional approach to water, provide a form of benefit to the Cherry Creek water system and keep water supply options open for Beaver Creek". First an engineering analysis is to be completed to confirm the viability of the works (at no cost to the Improvement District). The assessment will be completed in early 2014, unless the Board decides to reallocate the funds.

Gas tax monies open to outside organizations

Amending the gas tax agreement to allow for allocations to outside organizations is not uncommon among the regional districts. However, most have established policy to confirm the qualifications, application processes and communication of the opportunity. The Board should consider the same based on its intention for future monies. Please note it is the view of staff that the demands of the regional districts own water systems exceed anticipated gas tax monies that may be available and should be the Boards first priority.

Request for Decision – Gas Tax Funds Allocation

Past motions relating the Cherry Creek

The following summarizes the resolutions pertaining to Cherry Creek:

- February 27, 2013 the rural director's final recommendation for gas tax allocation was presented to the regional board. At the meeting it was amended to reflect an allocation of \$45,000 directly to the Cherry Creek water district for work on their water intake. The proposal was presented by Director Banton without a request or background from the improvement district. The allocation was later revised to apply to watermain upgrades as the intake works were completed before an agreement was in place.
- September 25, 2013 a late item at the Alberni Valley Committee is a resolution to reallocate the \$340,000 funds for the Beaver Creek and Cherry Creek integration for mainline upgrades of the Cherry Creek system; this is tabled until the ACRD receives a request from the improvement district. That request was referred to the Board of Directors at their October 23 meeting.
- October 23, 2013, the motion that the Board of Directors re-allocates the \$340,000 gas tax funds from the Beaver Creek and Cherry Creek possible water connection to the Cherry Creek water mainline replacement was referred to the Electoral Area Directors meeting.

Recommendation

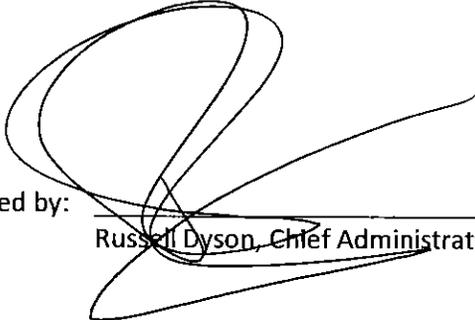
Staff recommends that the regional district **not** amend its allocation of gas tax monies at this time, and stick with the program as adopted. Staff will oversee the completion of the analysis of the integration of the Cherry Creek and Beaver Creek systems as planned. This will be completed in cooperation with the improvement district. With the information in hand the rural directors can decide whether the project proceed or if a reallocation is warranted and for what service/purpose/organization.

Further, in advance of future gas tax monies becoming available the Rural Directors should consider the Regional Districts needs and the merits of allocating monies to other organizations. The Directors should determine an appropriate policy that defines qualifying organizations, a process for application including the information needs and the means of informing the public. Staff can assist with this by canvassing the regional districts that have such policy.

Financial:

Please note that amending the allocation of gas tax monies will require an amendment to the Financial Plan.

Submitted by:



 Russell Dyson, Chief Administrative Officer



REQUEST FOR DECISION

To: Board of Directors
From: Russell Dyson, Chief Administrative Officer
Meeting Date: October 23, 2013
Subject: Cherry Creek Water Works District Gas Tax Funds Request

Recommendation:

That the Board of Directors of the ACRD respond to the request of the Cherry Creek Water Works District for a \$350,000 allocation of gas tax funds by indicating that 100% of the gas tax funds have been allocated already and as part of the allocation an assessment of potential integration between the Cherry Creek Water Works District and Beaver Creek Water System will be completed in 2014.

Background:

The Regional District has received a request from the Cherry Creek Waterworks District (letter attached) to allocate \$350,000 of Gas Tax Funds for use in the mainline replacement in the Cherry Creek Waterworks District.

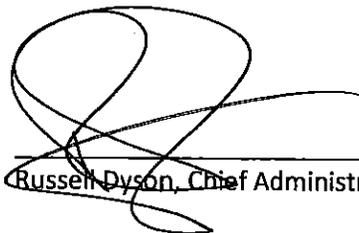
The attached reports outline the consideration given by the Regional District to the allocation of gas tax funds for the 2013 regional water improvement project. The allocation focused on the Regional District's water systems in consideration of the costs of required capital works and the limited ability for users to pay.

The project is proceeding well and one component the potential integration of the cherry creek and beaver creek systems will be evaluated upon completion of the capital works currently underway. Since this allocation the Board has made one adjustment to benefit the cherry creek water district directly with \$45,000 for water main upgrades.

Policy/Legislation:

A resolution was adopted by the ACRD Board to allocate 100% of currently available funds.

Submitted by:



Russell Dyson, Chief Administrative Officer

CHERRY CREEK WATERWORKS DISTRICT

5920-A Cherry Creek Rd. Port Alberni, B.C. V9Y 8R7

Monday - Friday 9:30am - 1:30pm

Phone 250-723-2214

Fax 250-723-0225

October 15, 2013

Board of Directors
Alberni Clayoquot Regional District
3008 5th Ave
Port Alberni, BC
V9Y 2E3

Dear Directors,

At the regular meeting of the Board of Trustees of the Cherry Creek Water District dated October 9th, 2013 a discussion was held on potential infrastructure upgrades for the District. The Board would like to request an amount of \$350,000 of Gas Tax Funds for use in mainline replacement in the District. The Board believes these monies would meet all of the required criteria outlined in the Gas Tax Agreement.



Michelle Price
Administrator
Cherry Creek Water District

cc: Russell Dyson, CAO, Alberni Clayoquot Regional District
Lucas Banton, Cherry Creek Director, Alberni Clayoquot Regional District
Teri Fong, Manager of Finance, Alberni Clayoquot Regional District



REQUEST FOR DECISION

To: Board of Directors
From: Russell Dyson, Chief Administrative Officer
cc: Senior Staff
Meeting Date: February 27, 2013
Subject: 2013 Regional Water Improvement Project - Revised

Recommendations:

The following three resolutions, recommended by the Electoral Area Director's committee are provided for the Board's consideration and endorsement:

That the Board of Directors of the Alberni Clayoquot Regional District allocate \$2.0 million in gas tax monies to the 2013 Regional Water Improvement project as follows:

- 1. Bamfield Water System – a total expenditure of \$455,000, to be completed by 2014, for projects prioritized with input from the BWC and Regional District engineer.*
- 2. Millstream Water System– a total expenditure of \$121,000, for the interconnection with the District of Ucluelet and associated water main upgrades following consultation with District of Ucluelet for water agreement, works to be completed by 2014.*
- 3. Beaver Creek Water System – a total expenditure of \$750,000 for the Strick Road water main and booster pump to be completed in 2013.*
- 4. Long Beach Airport – a contribution of \$250,000 for well development and water effluent treatment, to proceed in 2013, subject to security of required funds.*
- 5. Beaver Creek – Cherry Creek – a commitment of \$385,000 for integration of the Beaver Creek and Cherry Creek systems subject to confirming viability through an engineer's report and agreement with the Cherry Creek Improvement District, with works commencing in 2014; and*
- 6. Bell Road / Stuart Avenue – a commitment of \$264,000 (to a maximum of 50% total construction costs), subject to all required approvals and work proceeding in 2015.*

Request for Decision - 2013 Regional Water Improvement Project

That the Board of Directors of the Alberni Clayoquot Regional District instruct staff to amend the contract with UBCM to allow gas tax funds to be allocated to the Beaver Creek Community Club for upgrades to the hall in the amount of \$25,000.00.

THAT Board of Directors of the Alberni Clayoquot Regional District direct staff to proceed immediately to prepare the required engineered drawings for the completion of the Strick Road water main replacement and booster pump, conduct discussions with the City of Port Alberni regarding a regional approach to Alberni Valley water supply and consult with residents of Beaver Creek regarding options and plans for the water system.

THAT Board of Directors of the Alberni Clayoquot Regional District forward a letter to the District of Tofino and District of Ucluelet outlining electoral area directors recommended use of gas tax funds at the Long Beach Airport for well development and effluent treatment and request the Districts' to consider budgeting funds in 2014 for the Long Beach Airport.

Background

At the February 13 Regular Board meeting the Directors referred the proposed 2013 Regional Water Improvement Project to the Electoral Area Directors Committee. The attached staff report was considered at the meeting held Tuesday February 19 and the recommendations of the committee are provided in this report for the Board's consideration and endorsement.

Submitted by: _____
 Russell Dyson, Chief Administrative Officer



REQUEST FOR DECISION

To: Electoral Area Directors Committee

From: Russell Dyson, Chief Administrative Officer

cc: Senior Staff

Meeting Date: February 16, 2013

Subject: 2013 Regional Water Improvement Project - Revised

Recommendation:

That the Electoral Area Directors Committee recommends to the Board of Directors the amended allocation of \$2.25 million of gas tax funds for the Regional District's 2013 Regional Water Improvement Project with the endorsement of the three recommendations as outlined in this report.

Background:

The Board of Directors have referred the recommendation of the February 6, 2013 Electoral Area Directors Committee back to the Committee to seek alternatives whereby funding could be provided to the two electoral areas not having water systems – Sproat Lake and Beaufort.

Summary:

Presently the Regional District has \$2.25 million available for gas tax projects. This amount may change on account of interest earned in advance of expenditures and the possibility funding may be renewed by the federal government. The purpose of this report is to establish common ground among electoral area directors so that they may develop a recommendation for gas tax allocation to move forward with projects at the earliest opportunity.

Staff presented a proposal for the **2013 Regional Water Improvement Project**, whereby all available gas tax funds would be allocated to system upgrades for current water systems. The Water Systems are a priority in consideration of:

- The Board defining water systems as one of its priorities for gas tax projects;
- The systems exist now and are 100% the responsibility of the ACRD;
- There appears to be no alternatives for grant funding for water systems– The proposed Beaver Creek booster pump was declined for the third time;

Request for Decision - 2013 Regional Water Improvement Project

- The water system needs exceed the ability of residents to pay. Reports and studies have identified requirements in excess of \$8 million for these water systems, with regulation and standards increasing, the systems aging and the impact of inflation, these costs are bound to increase;
- Residents connected to these water systems will be paying for other improvements and will be realizing increased costs for taxes and tolls. Many of these communities are struggling economically;
- The investment for the Long Beach Airport is necessary to maintain greater autonomy over the water resource and the budget is near its maximum requisition and cannot assume these costs;
- The Regional District is required by VIHA to develop a plan for meeting 4-3-2-1 requirements for the Beaver Creek water system. The proposed works are one very important component for a plan;
- Water is essential; the integrity of water quality will be compromised if infrastructure needs are not addressed.

The following outlines changes to the project to make funding available for the Bell Road and Stuart Avenue water project - an interest to the Area Director for Sproat Lake:

Bamfield Water System

Approve the total expenditure of \$480,000; meet with BWC and Engineer to refine priorities, works likely to be completed in 2014.

Millstream Water System

Approve expenditures and projects for \$121,000; consult with District of Ucluelet for water agreement, projects to proceed following agreement with the District – possibly in 2013.

Beaver Creek Water System

Approve Strick Road watermain and booster pump as proposed with reduced gas tax contribution by \$100,000 (shortfall to be provided by short term borrowing) - gas tax contribution would be \$750,000. Staff would finalize the agreement with CPA for a regional water system and commence design as soon as possible with construction during the summer of 2013. Without authorization to proceed now, works may not be completed in 2013.

Long Beach Airport Water System

Focus priorities on development of wells and treatment of effluent water. Reduce total contribution to \$250,000. Gas tax funds are important to enable project to proceed in 2013 and to maintain ACRD autonomy over water supply for the benefit of future airport needs.

Request for Decision - 2013 Regional Water Improvement Project

Beaver Creek – Cherry Creek Systems

Reduce commitment to \$385,000, with engineers study to be complete within 2 months to confirm viability and actual cost of projects, otherwise these funds are available for other purposes. This project is important to continue with a regional approach to water, provide a form of benefit to the Cherry Creek water system and to keep water supply options open for Beaver Creek.

The preliminary cost for the proposed **Bell Road – Stuart Avenue water system** is \$1,050,000. This includes the construction cost along with engineering, with a 15% contingency of \$125,000. The estimate is based on connecting to the existing Tseshaht water system with a bulk water meter, and installing 6" water mains and fire hydrants along Stuart Avenue and Bell Road. It includes extending the main to the houses on Seaton Road to the west of Stuart Avenue (approximately 60 properties). It allows for the cost of a water storage reservoir (\$95,000) and a re-chlorination building (\$30,000). Included is an allowance for trench rock and directional drilling for road crossings. The completed report will consider whether water storage is necessary, and what the fire fighting requirements are. This would possibly mean that the cost could be reduced.

The above amendments to the gas tax proposal make available a minimum of \$264,000 (depending on interest earned). This could be reserved for the Bell Road – Stuart Avenue water system installations and would amount to at least 25% of the estimated costs. Proceeding with this project depends on various steps and approvals including a water use agreement with Tseshaht and the City of Port Alberni and creation of required service area (with resident approval). It is unlikely for the project to proceed in advance of 2015. Allocation of gas tax monies to this project could be made dependent upon service area establishment by 2015 and residents being responsible for a minimum of 50% of the costs.

The interest for the Area Director of Beaufort is **Beaver Creek Hall upgrades**. Attached is a proposal from the Community Hall Association. In order to utilize gas tax funding for the hall the UBCM agreement would need to be amended. The Board previously rejected an amendment when an interest was expressed by the Cherry Creek Improvement District. The Regional District could fund the \$20,000 of improvements to the hall through Alberni Valley Electoral area grant in aid. An interest to this approach was discussed at the Area Directors meeting.

Time Requirements – Staff & Elected Officials:

This project will require substantial time on the part of Environmental Services staff to coordinate engineering design, tendering and overseeing each project. It is essential that direction be provided in order that work can be completed in 2013.

Request for Decision - 2013 Regional Water Improvement Project

Policy or Legislation:

Agreement between the ACRD/UBCM and Federal Government stipulates conditions of the Gas Tax Program.

Recommendations:

There are three resolutions proposed in order to proceed with the 2013 Regional Water Improvement Project while accommodating interests of Sproat Lake and Beaufort.

That the Electoral Areas Committee recommend that the Alberni Valley electoral areas provide a grant in aid to the Beaver Creek hall in the amount of \$20,000 for heating and lighting improvements to provide for greater energy efficiency.

That the Electoral Areas Committee recommend allocating \$2.25 million in gas tax monies to a refined 2013 Regional Water Improvement project as follows:

- 1. Bamfield Water System – a total expenditure of \$480,000, to be completed by 2014, for projects prioritized with input from the BWC and Regional District engineer.*
- 2. Millstream Water System– a total expenditure of \$121,000, for the interconnection with the District of Ucluelet and associated watermain upgrades following consultation with District of Ucluelet for water agreement, works to be completed by 2014.*
- 3. Beaver Creek Water System – a total expenditure of \$750,000 for the Strick Road watermain and booster pump to be completed in 2013.*
- 4. Long Beach Airport – a contribution of \$250,000 for well development and water effluent treatment, to proceed in 2013, subject to security of required funds.*
- 5. Beaver Creek – Cherry Creek – a commitment of \$385,000 for integration of the Beaver Creek and Cherry Creek systems subject to confirming viability through an engineer’s report and agreement with the Cherry Creek Improvement District, with works commencing in 2014.*
- 6. Bell Road / Stuart Avenue – a commitment of \$264,000 (to a maximum of 50% total construction costs), subject to all required approvals and work proceeding in 2015.*

Request for Decision - 2013 Regional Water Improvement Project

That the electoral areas committee recommend to the Board of Directors that staff proceed immediately to prepare the required engineered drawings for the completion of the Strick Road watermain replacement and booster pump, conduct discussions with the City of Port Alberni regarding a regional approach to Alberni Valley water supply and consult with residents of Beaver Creek regarding options and plans for the water system.

Submitted by: _____
Russell Dyson, Chief Administrative Officer