



## REQUEST FOR DECISION

**To:** ACRD Board of Directors

**From:** Kel Roberts, Area "C" (Long Beach Director)/  
Wendy Thomson, General Manager of Administrative Services

**Meeting Date:** March 10, 2021

**Subject:** Options to Withdraw Salmon Beach from the West Coast Transit Service

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**Recommendation:**

**THAT the ACRD Board of Directors instruct staff to investigate the financial impacts of removing the Salmon Beach portion of Electoral Area 'C' from the West Coast Transit Service.**

**Desired Outcome:**

To investigate options to remove Salmon Beach from the West Coast Transit Service area.

**Background:**

The attached report on withdraw options for portions of area "C" from the West Coast Transit Service area was received by the West Coast Committee at their meeting held on March 3, 2021.

Director Roberts has requested that this report and the above recommendation be forwarded for consideration as a late item by the ACRD Board of Directors at the March 10<sup>th</sup> meeting.

Submitted by: \_\_\_\_\_  
Wendy Thomson, General Manager of Administrative Services

Approved by: \_\_\_\_\_  
Douglas Holmes, BBA, CPA, CA, Chief Administrative Officer



## INFORMATION REPORT

**To:** West Coast Committee

**From:** Wendy Thomson, General Manager of Administrative Services  
Teri Fong, CPA, CGA, Chief Financial Officer

**Meeting Date:** March 3, 2021

**Subject:** West Coast Transit Service – Portions of Area “C” Withdraw Options

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### Summary:

At the February 17, 2021 Committee of the Whole Meeting, Regional District staff were instructed to bring back information to the West Coast Committee on options for portions of area “C” (Long Beach) to withdraw from the West Coast Transit Service. This report outlines the steps involved in amending the service area. Attached to this report is the West Coast Transit section of the Draft 2021-2025 Financial Plan for information.

### Background:

Bylaw E1062, West Coast Transit Service Area Establishment was adopted by the ACRD Board of Directors in December 2019 following a successful alternative approval process held in October 2019 (bylaw attached).

The participants of the West Coast Transit Service Area are:

- Electoral Area “C” (Long Beach)
- District of Tofino
- District of Ucluelet
- Toquaht Nation
- Yuułuʔiłʔatḥ Tribe Government

### Maximum Requisition & Apportionment Method

The maximum amount that may be requisitioned annually for the cost of the service is \$550,000 or \$0.294 per \$1,000 of taxable value of land and improvements, whichever is greater. The net annual costs of providing the service are apportioned among the participants as follows:

- 50% on the basis of population as determined by Statistics Canada’s most recent census data;
- 50% on the basis of converted land and improvements.

### Required Steps to Amend the Boundaries of the Service Area

Amendments to the boundaries of service area establishment bylaws are governed by the *Local Government Act Section 349 and 350*.

The following are the required steps:

- At the direction of the ACRD Board of Directors, Regional District staff would draft an amendment to Bylaw E1062, amending Section 3 of the Bylaw – **Boundaries** to reduce the boundaries of the service area to remove sections of area “C” from the service area;
- The ACRD Board of Directors can consider 3 readings to the amending bylaw at a regular board of directors meeting
- Prior to adoption of the amending bylaw by the ACRD Board of Directors, the following is required:
  - Written consent of at least 2/3’s of the participants of the service area
  - approval by the Inspector of Municipalities

### **Implications to the Service Area from the Boundary Reduction**

Reducing the service area size will increase the tax rate and cost for the remaining service area participants each year. The apportionment method of this service includes an allocation based on population. Staff do not believe that this type of statistical breakdown of information exists for only part of an electoral area which will make this portion of the allocation challenging. If directed to proceed with this review, staff will inquire with Statistics Canada as to whether more detailed statistical information within an electoral area is available.

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

Significant staff time would be required to undertake this amendment including:

- working with the mapping technician to determine the proposed revision to the service area boundaries
- drafting of the bylaw amendment
- Gaining written consent from the Electoral Area Directors, Municipal and First Nation Council’s
- if approved, staff will then need to request that BC Assessment create the new service area code for the defined area in Long Beach

Due to the fact that this amendment would require the creation of a new service area code for BC Assessment it is not possible to complete the steps in time for the 2021-2025 Financial Plan.

### **Financial:**

Staff are unable to determine the financial impact to the other areas until we can clearly define the portion of the service area that is requesting removal. It is important to note that the Ministry has advised that the maximum tax rate per \$1,000 would need to be reduced to maintain equivalence based on the revised service area. Depending on the portion of the service area that is requested to be removed, this may make operating the service within the requisition limits challenging. Until the proposed service area is defined staff cannot comment on the whether the limit will be sufficient to support the service.

### **Strategic Plan Implications:**

Not applicable.

### **Options Considered:**

If the Directors would like to proceed with this project in 2021 then the following motion would be suggested:

**That the West Coast Committee recommend to the ACRD Board of Directors that staff investigate the financial impacts of removing a portion of Electoral Area 'C' Long Beach from the West Coast Transit Service based on the areas to be removed being provided by Director Roberts.**



Submitted by: \_\_\_\_\_  
Wendy Thomson, General Manager of Administrative Services



Submitted by: \_\_\_\_\_  
Teri Fong, CPA, CGA, Chief Financial Officer



Approved by: \_\_\_\_\_  
Douglas Holmes, BBA, CPA, CA, Chief Administrative Officer



## ALBERNI-CLAYOQUOT REGIONAL DISTRICT

### BYLAW NO. E1062

#### **A bylaw to establish and operate a service for public transportation on the West Coast**

**WHEREAS** under the *Local Government Act* a regional district may, by bylaw, establish and operate any service the Board considers necessary or desirable for all or part of the regional district;

**AND WHEREAS** the Alberni-Clayoquot Regional District Board of Directors wishes to establish and operate a public transportation service within the District of Ucluelet, District of Tofino, Toquaht Nation, Yuułuʔiłʔatḥ Tribe Government and Long Beach Electoral Area.

**AND WHEREAS** the approval of the electors in the participating areas has been obtained by an alternative approval process in accordance with the *Local Government Act*;

**AND WHEREAS** the approval of the Inspector of Municipalities has been obtained in accordance with the *Local Government Act*.

**NOW THEREFORE** the Board of Directors of the Alberni-Clayoquot Regional District in open meeting assembled, enact as follows:

#### **1. Citation**

This Bylaw may be cited as “Bylaw No. E1062, *West Coast Transit Service Area Establishment, 2019.*”

#### **2. Service**

The service established by this Bylaw is for the purpose of establishing and operating a public transportation system on the west coast.

#### **3. Boundaries**

The boundaries of the service area are as shown on Schedule “A” attached to and forming part of this bylaw.

#### **4. Participating Areas**

The participants of the service established under this bylaw are:

Electoral Area “C” (Long Beach)

District of Tofino

District of Ucluelet

Toquaht Nation  
Yuuluʔiʔath Tribe Government

## 5. Cost Recovery

In accordance with section 378 of the *Local Government Act*, the annual cost of providing the service may be recovered by one or more of the following:

- a. Property values taxes imposed in accordance with Division 3 of Part 11 of the *Local Government Act*;
- b. Parcel taxes imposed in accordance with Division 3 of Part 11 of the *Local Government Act*;
- c. Fees and charges imposed under section 397 of the *Local Government Act*;
- d. Revenues raised by other means authorized under the *Local Government Act* or another act;
- e. Revenues received by way of agreement, enterprises, gift, grant or otherwise.

## 6. Maximum Requisition

In accordance with the *Local Government Act*, the maximum amount that may be requisitioned annually for the cost of the service is \$550,000.00 or \$0.294 per \$1,000 of taxable value of land and improvements, whichever is greater.

## 7. Apportionment

The net annual costs of providing the service shall be apportioned among the participants in the following manner:

- a. 50% on the basis of population as determined by Statistics Canada's most recent census data;
- b. 50% on the basis of converted land and improvements.

Read a first time this 11<sup>th</sup> day of September, 2019.

Read a second time this 11<sup>th</sup> day of September, 2019.

Read a third time this 11<sup>th</sup> day of September, 2019.

I hereby certify this document to be  
a true copy of Bylaw E1062, *West Coast  
Transit Service Area Establishment, 2019*  
as read a third time on September 11, 2019.

Dated this 11<sup>th</sup> day of September, 2019.



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Wendy Thomson,  
Manager of Administrative Services

Approved by the Inspector of Municipalities this 3<sup>rd</sup> day of October , 2019.


Assented to by the Electors this 3<sup>rd</sup> day of December , 2019.

Adopted this 11<sup>th</sup> day of December , 2019.



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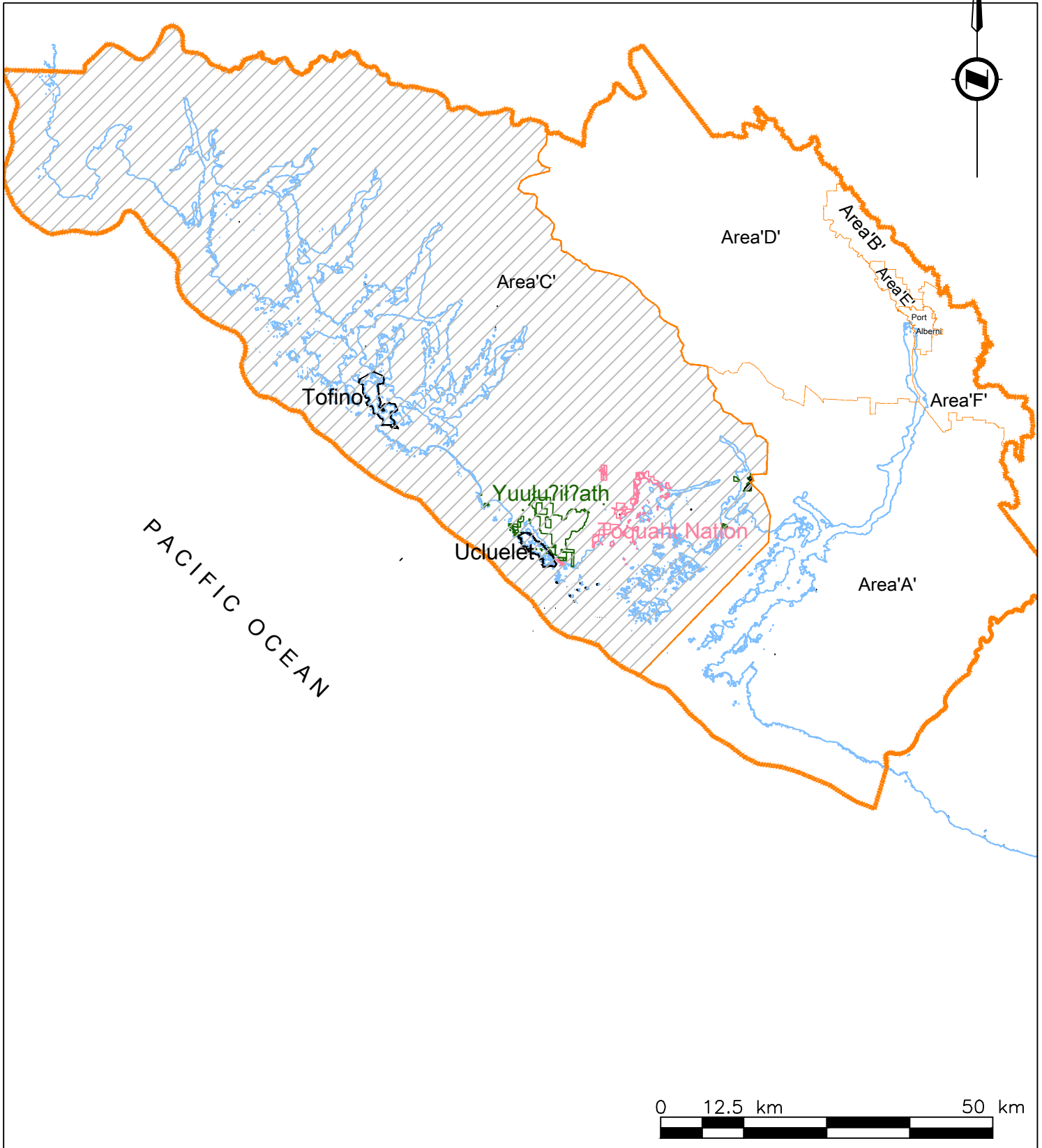
John Jack,  
Chairperson



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Wendy Thomson,  
General Manager of Administrative Services

# Bylaw E1062 Schedule 'A'



West Coast Public Transportation Service Area - Electoral Area 'C', District of Tofino, District of Ucluelet, Toquaht Nation and Yuułu?ił?ath Tribe Government.



ALBERNI-CLAYOQUOT  
REGIONAL DISTRICT





West Coast Transit

### Budget Highlights

This new transit service on the West Coast was planned to be implemented in 2021 and has been delayed to an estimated start of late spring or summer 2022. Key steps will be completed in 2021 to determine the size of buses to be used in the service, establishment of a local operator for the service, routes and schedules as well as develop the infrastructure plan including bus stops, benches and/or shelters. There was a significant surplus in this service in 2020, as a result of the pandemic, nevertheless staff recommend the development of a 'Rate Stabilization' or 'Operating' reserve instead of reducing the requisition in 2021 that would be followed by a sharp tax increase in 2022.

### Financial Summary

2020 Requisition	2021 Requisition	Change \$	Change %
\$111,000	\$111,000	\$0	0.00%

The requisition limit for this service is \$0.294 per \$1,000 of assessed value. The estimated requisition maximum for 2021 is \$621,297.

### Overview

This is a newly established fixed route transit service that will serve communities between Ucluelet and Tofino, including the community of Hitacu. The service is scheduled to start operation in 2021/22.

### Legislation

This service was established with Bylaw No. E1062 on December 11, 2019.

### Participants

District of Tofino, District of Ucluelet, Yuułuʔiłʔatḥ, Toquaht, and Electoral Area C



ALBERNI-CLAYOQUOT REGIONAL DISTRICT  
2021-2025 FINANCIAL PLAN

Service	Account Type	GL Category	2020 Actual	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget
136 - West Coast Transit	Revenues	103 - Conditional Grant	\$2,211			\$267,000	\$457,000	\$461,570	\$466,186
		124 - Fees & Charges				\$93,000	\$161,000	\$162,610	\$164,236
		126 - Surplus (Deficit) from Prior Years			\$106,461				
		127 - Tax Requisition	\$110,772	\$111,000	\$111,000	\$319,039	\$499,416	\$504,724	\$510,092
		130 - Unconditional Grant	\$354						
		135 - Transfer from Stabilization Reserve				\$84,761			
		<b>Total</b>	<b>\$113,337</b>	<b>\$111,000</b>	<b>\$217,461</b>	<b>\$763,800</b>	<b>\$1,117,416</b>	<b>\$1,128,904</b>	<b>\$1,140,514</b>
	Expenses	247 - Labour & Benefits	\$6,000	\$6,000	\$28,300	\$30,800	\$31,416	\$32,044	\$32,685
		257 - Operating Costs	\$876	\$5,000	\$5,000	\$633,000	\$1,086,000	\$1,096,860	\$1,107,829
		269 - Operational Planning		\$100,000	\$100,000	\$100,000			
		290 - Contribution to Stabilization Reserve			\$84,161				
		<b>Total</b>	<b>\$6,876</b>	<b>\$111,000</b>	<b>\$217,461</b>	<b>\$763,800</b>	<b>\$1,117,416</b>	<b>\$1,128,904</b>	<b>\$1,140,514</b>



WEST COAST TRANSIT	2020 Actual	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget
<b>STABILIZATION RESERVE</b>							
Balance, beginning of year	\$ -	\$ -	\$ -	\$ 84,461	\$ -	\$ -	\$ -
Contribution from operating budget	-	-	84,161	-	-	-	-
Interest earnings	-	-	300	300	-	-	-
Transfer to operating budget	-	-	-	84,761	-	-	-
<b>BALANCE, END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 84,461</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>