

**French Creek Residents Association**  
**Minutes of Executive Board Meeting**

Thursday, July 4, 2024, at Oceanside Place Meeting Room

The meeting was called to order at 7:06pm by Past Pres Williams

Board members present as noted (quorum 5 or more):

Rob Williams - Past President

Lyle Hollingworth - Director

Mike Cook - Vice President

Brian Coath - Director - Regrets

Jervis Swannack - Vice President - Regrets

Mike Butler - Director - Regrets

Barb Riordan - Treasurer

Kate Smyth - Director

Judy McHale - Director

**Agenda:**

Adoption of the amended agenda.

M/S Trea Riordan, Dir Smyth - Carried

**Minutes:**

Adoption of June 3, 2024 Board Meeting Minutes.

M/S Dir Smyth, Treas Riordan - Carried

**Treasurer's Report:**

Treas Riordan reported a balance of \$2902.25 with no interest paid.

Deposit of \$15.00 membership fees from one new member.

One cheque written for \$40.00 for Society Registration Fees,

Motion to approve the Treasurer's Report M/S Treas Riordan, Dir McHale - Carried

**Old Business**

**1. Minutes**

Minutes for this meeting will be taken by VP Cook and nobody was selected to take minutes at our next meeting in September.

**2. Facebook**

Dir Smyth mentioned lots of inquiries about the public and private FB pages. However, lots of people not willing to provide their information whether they are members of FCRA, thus directing people to the public page.

**3. Columbia Drive Intersection**

Dir Williams followed up with Area Director Wallace, and she advised she will update when she has information. Dir Williams followed up with Darren Marshall (RDN Staff) who is dealing with this issue. He has inquired with MOTI and has had no response to date. If he gets a response, the RDN Board will be notified first and then he would advise Dir Williams.

**4. Sewage Plant Taxes**

Dir Williams provided a hand-out (attached). Discussion included the Tax Notices from both Qualicum Beach and Parksville. Noted that the 2024 parcel tax cost for French Creek Sewer is \$668.64 for all residents in French Creek (except for the Sandpiper Barclay Cres residents who pay more) and is a 14.4% increase from 2023. Qualicum Beach pays \$216.63 - 51.7% less and Parksville pays \$242.83 - 61.9% less than the amount charged to RDN properties. The RDN has not provided an answer to this and Dir Williams has asked Murray Walters (RDN Staff) to provide clarification. Discussion on Sewer user fees charged by the RDN which are slightly



## Sewage Charges in French Creek RDN Area G and Municipalities

There are 2 portions to what properties are charged.

### User Fees

RDN properties pay a flat annual User Fee charged on an annual RDN Utility billing - \$175.63 per year

Municipal properties pay a user fee tied to the amount of water each property uses. There is a minimum charge which most properties would pay and is billed semi-annually.

Qualicum Beach is \$13 /month + .54cm = \$264 per year for 200cm. This equals average water usage of 16.66cm per month.

Parksville is \$108.66 /half year which allows for up to 100cm of water = \$217.32 /year.

RDN properties pay slightly less than municipal properties. The RDN user fee has remained unchanged since 2015.

### Parcel Taxes

All partners in the French Creek Pollution Control Centre (FCPCC) pay a proportionate share which covers all costs for operating the plant and upgrades/expansion. The RDN requisitions an annual amount from Qualicum Beach and Parksville based on the number of properties serviced by each town or city.

**Qualicum Beach** 2024 fee - called RDN Wastewater on their property tax notice is \$363.66 + extra \$55 parcel tax = **\$418.66**.

**Parksville** 2024 fee - also called RDN Wastewater is **\$392.46**, no extra parcel tax.

The **RDN Area G** parcel tax is \$668.64 minus a 5.25% Surveyor of Taxes (SOT) service charge = **\$635.29** which is an increase of 14.4% over 2023. The SOT collects taxes for all the Regional Districts and charges 5.25% for doing that. Municipal properties avoid this charge.

This means RDN French Creek properties pay –

**\$216.63** or **51.7%** more than Qualicum Beach

**\$242.83** or **61.9%** more than Parksville

There is an obvious imbalance when we are paying so much more than municipal properties. Meaning, something is being added to the RDN charge that is not reflected in the charge for municipal properties. We have asked the RDN for further information on this substantially higher cost for Area G French Creek but have not yet received a response.

Further, something is not being divulged to have caused such a large increase in the RDN Sewer Parcel Tax. In 2024 our cost increased 14.4% over the 2023 actual charge and is slated to increase annually through 2032 to a total of \$1107 /property/year or \$472 more than we are paying now in 2024. An increase of \$84.03 for 2024 (first year of the amended RDN Liquid Waste Management Plan (LWMP) over 2023 is \$21 or 33% higher than the LWMP forecast average increase of \$63. This leads us to believe the total for 2032 will potentially be much higher than \$1,107 as indicated in the Plan. This is worrisome.

Conversely to the RDN, 2024 actual Parcel Tax charges for Qualicum Beach and Parksville have **decreased** from the LWMP forecast for 2023 while the RDN actual charge has **increased**. Why is there such inaccuracy in a Plan that is only 1 year old since the amended version was published in June/November 2023?

Overall Property Taxes in French Creek have increased approximately 134% or 2.34 times over what they were in 2014. We cannot continue to pay these exorbitant increases. Our overall tax bill increased 14% in 2024 from 2023 which exceeds the total average increase of 6-8% for the majority of municipalities in BC.

Prepared by the French Creek Residents Association

July 4, 2024

Note - the SOT service charge of 5.25% for RDN properties is not incurred by Municipalities because they collect their own taxes and collect further revenue for late payments.

It must be noted that included in the overall 14% increase for properties in Area G French Creek is an increase of 29.5% for Regional Hospital (Nanaimo) from \$307.87 in 2023 to \$398.69 in 2024 due to expansion and upgrades at that facility. This expenditure is controlled by the Province and Health Authority and not the RDN or municipalities.

Table 3 is for illustration only and shows the average estimated tax from 2023 to 2032 based on the 2023 approved budget (total tax requisition divided by the number of properties) for properties connected to the FCPC service area. The RDN recovers costs through a requisition to serviced municipalities. The municipality or sewer service then decides how to recover these costs from residents.

*Table 3. Average Household Requisition for RDN Wastewater Services in the FCPC Service Area (2023 to 2032)*

Location	Average Requisition		Average Annual Increase	Total 10-Year Increase
	2023	2032		
Parksville	\$431	\$818	\$43	\$387
Qualicum Beach	\$456	\$882	\$47	\$426
RDN*	\$541	\$1,107	\$63	\$566

\* For sewer service areas in the communities of French Creek, Surfside, Barclay Crescent, and Pacific Shores. The RDN amount shown is representative of the increase, however, the taxation model is different than the municipalities.

## Nanose Bay Pollution Control Centre

The RDN is planning two major projects for the NBPCC service area.

- The NBPCC service area forcemain and pump station works planned for 2023 to 2028 are estimated to cost \$7.3 million. This work must be advanced ahead of the secondary treatment upgrade.
- The RDN will provide secondary treatment at NBPCC by 2040. The cost estimate for this project is \$14.3 million (2022 dollars).

Future borrowing is required. The RDN will explore grant funding opportunities to reduce the amount that must be borrowed. The two capital projects above will also be funded by:

- **DCCs:** The NBPCC DCC reserve balance was \$399,789 in January 2023. The current 10-year Financial Plan does not forecast that DCC funds

will be used for the planned projects. This may change in future budgets if a component for growth is added to either project.

- **Reserves:** The NBPCC general reserve balance was \$1,319,919 in January 2023. The 10-year Financial Plan estimates that the service area will contribute another \$4.6 million to reserves in the next decade. In the same period, \$2.9 million will be transferred from reserves to fund projects in this service area.
- **Parcel Taxes:** In the NBPCC service area, properties pay a parcel tax for wastewater services instead of property tax. Parcel taxes must increase over the next 17 years to cover operational and maintenance costs; to repair aging infrastructure such as the forcemain and pump stations; and to provide secondary treatment.





REGIONAL  
DISTRICT  
OF NANAIMO

## Electoral Area F and G Restructure Studies – Terms of Reference

### RECOMMENDATIONS

1. That the Board approve the terms of reference for the Electoral Area F Boundary Study attached to this report and dated June 25, 2024.
2. That the Board approve the terms of reference for the Electoral Area G Community Issues Assessment attached to this report and dated June 25, 2024.

This report updates the Board about the separate restructure studies requested by the Regional District of Nanaimo (RDN) for Electoral Areas F and G and provides terms of reference for each study for approval.

### BACKGROUND

#### Boundary Study for Electoral Area F

In October 2020, the RDN requested approval and funding from the Ministry of Municipal Affairs (Ministry) for a phase one Governance and Services Study for Electoral Area F, to gather and analyze facts about the current state of governance and service delivery, obtain feedback from the community, identify opportunities for improvement, and provide a final report to the RDN Board with recommendations.

On January 13, 2022, then-Minister of Municipal Affairs Josie Osborne approved the Governance and Services Study as the first phase in a potentially longer study process, with a grant of \$60,000. The study was led by an external consulting team and a study committee of Electoral Area F residents. Five committee meetings were held between May 2022 and April 2023; all meetings were open to the public and were attended by a Ministry representative. The interim study report was completed in June 2022 and public engagement took place between November 2022 and February 2023, including five open houses, online and printed survey, and other opportunities for the public to learn more and share their views. Throughout the study process, the study committee worked closely with the consulting team, providing suggestions about education materials, advising on and participating in public engagement, and developing a recommendation for the final report.

On May 9, 2023, the study committee Chair, David Karras, and the RDN's consultant team, Allan Neilson and Sherry Hurst, provided a presentation and the final report to the Board. The final report was also provided to the Ministry. The Board approved the Area F study committee's recommendation to proceed with an Incorporation Study as the next stage in the study process. On May 30, 2023, the RDN wrote to Minister Anne Kang, requesting approval and funding for an Electoral Area F Incorporation Study (Attachment 1). On October 19, 2023, Minister Kang visited Nanaimo and met with Chair Craig and CAO Holmes. The RDN requests for Area F and G restructure studies were discussed with the Minister during this visit. RDN staff met with Ministry staff several times in 2023 and 2024 to provide additional information.

On February 23, 2024, Assistant Deputy Minister Tara Faganello and Ministry staff met with Chair Craig, Director Salter, CAO Holmes, and Elizabeth Hughes to review the RDN's request for an incorporation study. It was agreed that a Boundary Study as a precursor to any subsequent incorporation study work should be explored. On March 13, 2024, correspondence was received from Minister Kang awarding the RDN a grant of \$45,000 for a Boundary Study for Electoral Area F (Attachment 2).

The Ministry identified several reasons why proceeding directly to an incorporation study is premature from its perspective:

- The findings from the governance study included residents' desire to have robust land use and planning bylaws in place to protect the rural environment. Many of these issues can be addressed through the Official Community Plan, which is currently being updated.
- Public participation rates for community outreach events held during the governance study were low.
- Incorporation of the entire Electoral Area is not viable due to the number of farms that would be impacted (e.g., farms are taxed at a higher rate in municipalities).
- There is not a strong sense of shared identity across the communities in Electoral Area F.
- The Electoral Area F Governance and Services Study did not specify which portion of the Electoral Area is most suitable for incorporation.

#### Overview of the Boundary Study Process

The purpose of the boundary study is to clarify and define potential geographic areas, as a precursor to any subsequent incorporation study work. The objectives of the Electoral Area F boundary study are to:

- outline the criteria used to decide on a future study area boundary including, but not limited to population, settlement patterns, roads, and land use regulation;
- recommend a potential study area boundary scenario reflecting the outlined criteria;
- identify, at a high level, restructure implications resulting from the recommended study area boundary that could be explored further by a future incorporation study;
- if appropriate, identify secondary boundaries that could also be suitable for a study area;
- if secondary boundaries are identified, describe the differences between the recommended boundary and the secondary boundaries.

The boundary study will provide a comprehensive assessment of quantitative and qualitative data in sufficient detail and rigour to make recommendations for the study area(s). The analysis is expected to consider, at a high-level, implications of any proposed boundaries on a potential future incorporation scenario, but it is not expected to analyze the impacts of each restructure scenario on residents in the area or the RDN (e.g. impacts on taxation). If the Minister and RDN Board decide to move forward with an incorporation study following the boundary study, a detailed technical examination of the impacts of incorporation will be explored at that time.

## Study Timeline

The terms of reference for the Boundary Study (attachment 3) present a timeline, shown below.

<b>Task/Deliverable</b>	<b>Completion Date</b>
Copy of the consultant's proposal and/or a preliminary outline of the study and workplan delivered to the Ministry	October 1, 2024
Interim progress report delivered to the Ministry	November 1, 2024
Draft report provided to RDN and Ministry staff for review/comment	April 1, 2025
Public Engagement	May 26, 2025
Final formatted report delivered to RDN and the Ministry	June 24, 2025
Final account of project expenses delivered to the Ministry	July 31, 2025

This timeline will become more certain after a consultant is selected and agreement is reached with the consultant on a feasible study completion schedule. Timelines may be flexible, to factor in unanticipated delays, and may be adjusted with mutual consent of the Ministry and the RDN.

## Terms of Reference

The attached terms of reference, developed by the Ministry with input from the RDN, have been approved by the Ministry and it is recommended they be approved by the Board. The terms of reference have been drafted in line with practices and principles applicable to the Ministry's restructure study processes and with the approach take for terms of reference for recent similar boundary studies in British Columbia.

## Communications Strategy

To facilitate public engagement and participation, the following communications channels will be used:

- Dedicated Get Involved RDN project page and links on the Electoral Area F page on the RDN website with links to the Get involved project page
- News releases, social media, print advertising
- Public open houses/community forums
- Other channels deemed appropriate and within budget

Key messaging and FAQs have been developed for Directors and staff (Attachment 4). A Get Involved web page has been created and will "go live" simultaneously with a news release. The Get Involved page will include maps, study documents, links to reports and other resources, and FAQs. Members of the public will be encouraged to register for updates. The consultant will develop an engagement strategy which will include a communications plan and will work with the RDN on messaging and communications.

## Next Steps

Once the Electoral Area F Boundary Study Terms of Reference are approved, next steps include:

- Issuing a news release
- Initiating the Get Involved web page and encouraging people to register for updates
- Retaining a qualified and experienced consultant to lead the study prior to September 13, 2024.
- Coordinating study workplans, timelines and milestones with consultant
- In collaboration with the Ministry, writing to First Nations to advise them of the Boundary Study and inviting their views and input



## Community Issues Assessment for Electoral Area G

In June 2021, the Board directed staff to explore the possibility of a restructure study for Electoral Area G in response to community concerns including changing demographics, population growth, confusing boundaries, uneven service mix, and dissatisfaction with service delivery mechanisms.

After consultation with the Ministry, study options were presented to Directors on September 28, 2021, and the Board directed that a Governance and Services Study be requested for Electoral Area G. In November 2021, the RDN submitted a formal request to the Ministry, seeking approval and funding for a Governance and Services Study (Attachment 5). As well, the letter sent by the RDN to Minister Kang on May 30, 2023, seeking an Incorporation Study for Electoral Area F reiterated the request for a Governance and Services Study for Electoral Area G, pursuant to the motion of September 28, 2021 (Attachment 1). On October 19, 2023, Minister Kang visited Nanaimo and met with Chair Craig and CAO Holmes. The RDN requests for Area F and G restructure studies were discussed with the Minister during this visit. RDN staff met with Ministry staff several times in 2023 and 2024 to provide additional information.

On February 23, 2024, Assistant Deputy Minister Tara Faganello and Ministry staff met with Chair Craig, Director Wallace, CAO Holmes, and Elizabeth Hughes to discuss the Minister's decision with respect to the request for an Area G Governance and Services study. The Ministry has approved a study process called a "Community Issues Assessment" as a preliminary step in a sequenced approach.

On March 13, 2024, correspondence was received from Minister Kang awarding a grant of \$45,000 for a Community Issues Assessment for Electoral Area G (Attachment 6). The Community Issues Assessment will focus on community engagement with the objective of hearing from the community about concerns and challenges, and may help shape the focus of any future studies. Unlike a Governance and Service Study, this study does not involve a community study committee.

Because many of Electoral Area G's residents live on the outskirts of Parksville and Qualicum Beach, it is not clear to what extent the community understands its current governance and service arrangements, which include a mix of municipal, regional district, provincial, improvement district and private water services. In situations like this, the Ministry recommends that a Community Issues Assessment be undertaken before any further governance work is completed. Undertaking a Community Issues Assessment will provide residents and the RDN with information on the current system of governance and improve awareness about who provides services in the community. This will help identify issues and opportunities that may lead to further targeted governance study work. Because of the proximity of Qualicum Beach and Parksville, and the overlap in municipal and regional district service provision, additional engagement is required to ensure this process is thorough and effective.

### Overview of Study Process

The core objectives of the Community Issues Assessment for Electoral Area G are to:

- Identify and describe the different roles, responsibilities and jurisdictions of service providers;
- Assemble information on existing service delivery arrangements and governance relationships;
- Identify current and emerging issues and pressures related to services as seen by residents;
- Better understand how decisions are made and the relationships between service providers;
- Provide opportunities for residents, property owners, improvement district and First Nations to articulate the issues they see in Electoral Area G; and
- Summarize findings for consideration by the RDN Board.

The study area involves all of Electoral Area G, which includes the communities of Englishman River, San Pareil, French Creek, Little Qualicum, and Dashwood. The final report should include the following:

1. Descriptions of the current governance and service delivery arrangements in the study area; and
2. A synopsis of the current issues/concerns and opportunities identified by the community, area First Nations, improvement district and private water utilities within Electoral Area G, and with the adjoining municipalities of Parksville and Qualicum Beach.

The Community Issues Assessment will not include recommendations for governance change, an examination of municipal incorporation, detailed technical or financial information on the current situation or make recommendations on changes to the existing governance model, services, or boundaries.

Study Timeline

The terms of reference for the Community Issues Assessment (Attachment 7) present a timeline, shown below.

<b>Task/Deliverable</b>	<b>Completion Date</b>
Procurement complete – consultant(s) selected and work commences	September 13, 2024
RDN to provide a progress report to MUNI	October 1, 2024
Draft interim report provided to RDN and MUNI staff for review/comment	February 3, 2025
Public/interested parties engagement complete	April 17, 2025
Draft final report provided to RDN and MUNI staff for review/comment	May 1, 2025
Final formatted report delivered to RDN and MUNI	June 9, 2025
Report findings presented to RDN Board	June 24, 2025

This timeline will become more certain after a consultant is selected and agreement is reached with the consultant on a feasible study completion schedule. Timelines may be flexible, to factor in unanticipated delays, and may be adjusted with mutual consent of the Ministry and the RDN.

Terms of Reference

The attached terms of reference, developed by the Ministry with input from the RDN, have been approved by the Ministry and it is recommended they be approved by the Board. The terms of reference have been drafted in line with practices and principles applicable to the Ministry’s restructure study processes and with the approach take for terms of reference for recent similar Community Issues Assessments in British Columbia.

Communications Strategy

To facilitate public engagement and participation, the following communications channels will be used:

- Dedicated Get Involved RDN project page and links on the Electoral Area F page on the RDN website with links to the Get involved project page
- News releases, social media, print advertising
- Public open houses/community forums
- Other channels deemed appropriate and within budget

Key messaging and FAQs have been developed for Directors and staff (Attachment 8). A Get Involved web page has been created and will “go live” simultaneously with a news release. The Get Involved page will include maps,

study documents, links to reports and other resources, and FAQs. Members of the public will be encouraged to register for updates. The consultant will develop an engagement strategy which will include a communications plan and will work with the RDN on messaging and communications.

### Next Steps

Once the Electoral Area G Community Issues Assessment Terms of Reference are approved, next steps include:

- Issuing a news release
- Initiating the Get Involved web page and encouraging people to register for updates
- Retaining a qualified and experienced consultant to lead the study by September 13, 2024
- Coordinating study workplans, timelines and milestones with consultant
- In collaboration with the Ministry, writing to First Nations to advise them of the Boundary Study and inviting their views and input

### **FINANCIAL IMPLICATIONS**

Grant stipulation letters for both studies are anticipated shortly and will be provided to the Board.

#### Electoral Area F Boundary Study

In 2022, \$228,867 was budgeted for the Area F Governance and Services Study, comprised of a \$60,000 study grant from the Ministry, with the remainder from taxation and existing Area F feasibility funds. After completion of the Area F Governance and Services Study work in May 2023, \$185,517 remains to be put towards the Boundary Study and any future Incorporation Study work. The Ministry has provided a \$45,000 grant towards the Area F Boundary Study. If Boundary Study costs exceed \$45,000, funds would come from the Area F feasibility funds that have been earmarked for ongoing and future restructure studies. The RDN does not yet have detailed information on the cost of a Boundary Study and will update the Board with this information when possible. Study costs would include consultant fees, hall rentals, sound equipment, printed materials, postage, advertising and communications, refreshments for community events, staff time and other expenses.

#### Electoral Area G Community Issues Assessment

In anticipation of a Governance and Services Study being approved, taxes have been requisitioned in the amount of \$150,736 over 2 years (2023 and 2024). Currently the 2024 budget allows for \$240,736 for study-related expenses for Area G, including the \$45,000 study grant awarded by the Ministry towards the Area G Community Issues Assessment. If the Community Issues Assessment costs exceed \$45,000, the remaining funds would come from Area G feasibility funds that have been earmarked for ongoing and future restructure studies. The RDN does not yet have detailed information on the cost of a Community Issues Assessment and will update the Board with this information when possible. Study costs would include consultant fees, hall rentals, sound equipment, printed materials, postage, advertising and communications, refreshments for community events, staff time and other expenses.

### **STRATEGIC PLAN ALIGNMENT**

5.1 Collaborate with the Province in undertaking restructure studies to improve the RDN's governance.

## **REVIEWED BY**

- T. Moore, Chief Financial Officer
- D. Holmes, Chief Administrative Officer

## **ATTACHMENTS**

1. Letter from CAO to Minister Kang EA F Incorporation Study Request May 30, 2023
2. Letter from Minister Kang Approving Area F Boundary Study Grant March 13, 2024
3. ToR RDN EA F Boundary Study June 25, 2024 final
4. Boundary Study for Electoral Area F Key Messages and FAQs June 25 2024
5. Letter to Ministry Area G Study Request November 2021
6. Letter from Minister Kang Approving Area G Community Issues Assessment Grant March 13, 2024
7. ToR RDN EA G Community Issues Assessment June 25, 2024 final
8. Community Issues Assessment for Electoral Area G Key Messages and FAQs June 25 2024