

Regional District of Nanaimo
Electoral Area F Governance & Services Study
March 2022

PROPOSAL

OVERVIEW

The Regional District of Nanaimo (RDN) is undertaking an *Electoral Area F Governance and Services Study*. The purpose of the *Study* is threefold:

- to document and assess the current state of governance and service delivery in Electoral Area F
- to understand the interests and concerns of Electoral Area F residents with respect to local governance and service delivery
- to identify governance and service delivery options, within the regional district framework, for addressing the most pressing interests and concerns expressed

The options identified in the *Study* will take into consideration the different restructure and governance approaches available under the *Local Government Act*. Initiatives that may be taken within current service delivery and governance models will also be considered.

To oversee and guide the *Study*, the RDN Board of Directors will appoint an Electoral Area F Governance and Services Study Committee comprised of up to 11 Electoral Area F residents. Taken together, the Committee members will constitute a cross-section of the broader Electoral Area, and will represent a wide range of groups and organizations active in the Area. The Electoral Area Director for Electoral Area F will be a non-voting, *ex officio* member of the Committee.

The RDN wishes to retain a team of consultants to assist the Committee in conducting the *Study*. The consultants must have a deep knowledge of British Columbia's unique system of local government, including the regional district model, and options within the system for providing local governance and services both to unincorporated communities in the province. The consultants must have considerable experience working with regional districts and municipalities on a variety of matters, and must have specific expertise in governance, local service provision, local government finance, community development and public engagement.

Neilson Strategies Inc. (NSI) has assembled a team of consultants with the required experience and expertise to assist the Governance and Services Study Committee in its work. The team is headed by Allan Neilson, a Local Government Consultant with over 25 years' of experience working with regional districts and municipalities, primarily as a consultant, but also as a senior local government manager in the municipal and regional district contexts. Joining Allan is Sherry Hurst (Leftside Partners Inc.), a professional Planner with considerable experience and expertise in local government finance, service provision and governance.

This proposal presents the consultants' understanding of the *Electoral Area F Governance and Services Study*, sets out a suggested work program for completing the initiative, provides a timeline for the work, and outlines a proposed budget for the project. The proposal ends with a profile of the consulting team members.

ELECTORAL AREA F GOVERNANCE AND SERVICES STUDY

The Study Area

The study area for the *Electoral Area F Governance and Services Study* consists of the entire geographical area of Electoral Area F. Electoral Area F, located in the central part of the RDN, includes the communities of Coombs, Hilliers, Errington, Meadowood and Whiskey Creek, as well as surrounding rural areas. According to the 2021 census, the area experienced a population increase of 6.4 per cent since 2016, and today has a population of 8,216. The decision to include the whole of Area F in the study area will enable the Committee to highlight issues and interests of residents in different parts of the jurisdiction, and identify the full range of perspectives that may exist with respect to needs, priorities and aspirations.

The Study

In simple terms, the *Governance and Services Study* is being undertaken to help residents, the Electoral Area F Director, RDN Board of Directors and the Minister of Municipal Affairs assess the need for change to the current structure of local governance and service delivery in Electoral Area F. The full purpose of the *Study*, as noted earlier, is threefold:

- to document and assess the current state of local governance and service provision in Electoral Area F
- to understand the interests and concerns of Area F residents with respect to governance and services
- to identify practicable governance and service options, complete with implementation steps to consider, for addressing the most pressing interests and concerns

Each of these purposes is explained in this section of the proposal.

➤ Current State

The *Study* is being undertaken, in part, to help residents understand the local governance and service system in place in Electoral Area F today. To achieve this purpose the consultants, under the guidance of the Governance and Services Study Committee, will need to:

- explain the system of local government in British Columbia, the regional district model and the provision of local governance and services to unincorporated communities
- explain the differences between electoral areas and municipalities in terms of local governance, local service provision and local government taxation and finance
- document and map-out the range of local government services provided to the Electoral Area F and its individual communities, including services provided by the RDN as well as those provided by other service agencies (e.g., Ministry of Transportation and Infrastructure, Ministry of Public Safety and Solicitor General)

- describe how decisions are made, and by whom, for each of the local services provided
- outline the level of formal cooperation (if any) among service providers
- document and describe the costs associated with each local service, as well as the methods of cost allocation (i.e., who pays) and cost recovery (i.e., how costs are paid)

All information and analysis on the current state of governance and service provision is to be documented for the Governance and Services Study Committee, residents and stakeholders in an *Interim Governance and Services Study Report*. The *Interim Report* is to include, as well, a demographic and socio-economic profile of Area F and its communities.

➤ **Concerns and Interests**

The *Study* seeks to understand the concerns and interests of the local communities with respect to the current system of local governance and service provision. To achieve this purpose, the Governance and Services Study Committee needs to engage the public on a number of questions, such as:

- Do residents feel well-served today by the current system?
- What are the key governance and service concerns in each community?
- Are decision-making structures appropriate for the communities given their sizes, growth pressures and service needs?
- Does the range of services provided in each community make sense?
- Are needs being left unaddressed?
- Can the current system of governance and service provision accommodate the anticipated future needs and expectations in the respective communities?

A robust community engagement process is needed to communicate the findings of the *Interim Governance and Services Study Report*, and to explore the set of key questions. A suggested community engagement process is outlined later in this proposal.

➤ **Options to Consider**

The Governance and Services Study Committee, with the help of the consultants, needs to assess the public input received to clearly understand the concerns and issues of local residents and stakeholders. Based on this understanding, the Committee must consider the need and desire for change to the existing system of governance and service provision. In the event that change is warranted, the Committee will need to identify options for further consideration — specifically, options that take into consideration the different restructure and governance approaches available under the *Local Government Act*. Initiatives that could be taken within current service delivery and governance models will also be considered.¹

Deliverables

There are three major deliverables expected from the *Study*: an *Interim Governance and Services*

¹ *The Governance and Services Study* is not an incorporation study, and will not provide detailed technical or financial information on the impacts of incorporation.

Study Report, a *DRAFT Governance and Services Study Report*, and a *FINAL Governance and Services Study Report*. The *Interim Report* will set out the full description and explanation of the current system of local governance and service provision in Electoral Area F and its communities. The information in the *Interim Report* will be shared with residents and stakeholders through the public engagement process, and will form the basis of the engagement. The *DRAFT Governance and Services Study Report* will be an expanded version of the *Interim Report*, and will present the concerns and interests identified through the engagement process. The *DRAFT Report* will also identify options for change.²

The *DRAFT Report* will be reviewed by the Committee, as well as by staff at the RDN and Ministry of Municipal Affairs. Feedback provided to the consultants will be assessed and, where possible, incorporated into the *FINAL Report* which will be presented by the Governance and Services Study Committee to the RDN Board of Directors.

PROPOSED WORK PROGRAM

To undertake the *Governance and Services Study*, and to achieve the *Study's* threefold purpose, the consultants propose a work program that features seven separate stages:

➤ Stage 1

First Committee Meeting

The *Study* would begin in April 2022 with a three-hour meeting of the consultants and the Study Committee to review the suggested work program, community engagement process and study timeline. Roles and responsibilities for the consultants, the Committee and individual members of the Committee would be reviewed. Roles and responsibilities for the Electoral Area F Director, the RDN and the Ministry of Municipal Affairs would also be outlined.

It would be important at the outset of the *Study* to ensure that all Committee members had a common base of knowledge on the subject matter. To that end, a portion of the first meeting would be set aside for a presentation and discussion on British Columbia's local government system. The key differences between unincorporated areas and municipalities in terms of governance, service provision and finance would be explored. Preliminary information on the range of local government services provided in Electoral Area F would also be reviewed with the Committee, as would information on the decision-making systems in place.

➤ Stage 2

Research, Interim Report and Engagement Materials

Research on British Columbia's local government system would be undertaken prior to, and in preparation for, the first Committee meeting in Stage 1. Some research into the current local governance and service systems in place in the Electoral Area F would also be undertaken in Stage 1. The bulk of data collection and research on the Area F, however, would occur during the weeks leading up to Stage 2. The consultants would meet with staff from the RDN and from all other local service agencies involved in Electoral Area F to obtain information on services

² The detailed outline of the *DRAFT Report* is provided in the *Terms of Reference*.

provided, decision-making processes, service costs and cost-recovery mechanisms in place. The consultants would also review all census, economic, financial, development and other data to build profiles of Area F and its communities.

The *Interim Report* would be sent to staff at the RDN and Ministry of Municipal Affairs for comment.

➤ **Stage 3**

Second Committee Meeting

The *Interim Report* would be reviewed with the Committee at its second, three-hour meeting (July 2022). Feedback from the Committee would be incorporated, as necessary, along with that of RDN and Ministry staff into a revised version of the *Report*.

➤ **Stage 4**

Third Committee Meeting; Community Engagement Process

A core purpose of the *Governance and Services Study* is to understand the community's interests and concerns related to the system of local governance and servicing within Electoral Area F. Direct engagement is the means by which this purpose would be achieved.

At the third, three-hour Committee meeting (September 2022) the consultants would present the proposed community engagement strategy, along with a set of DRAFT supporting materials. The strategy would feature the following engagement methods:

– **Open Houses**

A total of five public open houses would be held in November 2022 and January 2023 in the five communities of Electoral Area F (one open house per community).³ If possible, all events would feature both in-person and live-streamed options to accommodate as many community members as possible.⁴ Each open house would feature a set of information poster boards and handouts that attendees could review at their own pace and/or download online. The consultants and members of the Committee would be present to interact one-on-one with residents in person, to receive input and to answer questions. Each open house would also feature an introduction of the *Study* and the Committee by the Electoral Area F Director, followed by a presentation made by the consultants. A question and answer period, facilitated by the Committee Chair, would follow the presentation. The open houses would be advertised in print, online, by email and through social media.

– **Overview Booklet**

An *Electoral Area F Governance & Services Overview* booklet would be produced to provide full information on the current local governance and service provision system in

³ The *Terms of Reference* for the *Electoral Area F Governance and Services Study* states that the engagement period would run from November 1, 2022, through January 31, 2023. Open houses would not be booked for December (December is not typically a good month for public meetings).

⁴ In-person attendance would be dependent on public health orders in place at the time.

place in the Area F communities. Questions for residents to consider would be presented in the booklet; a link to the project website (see later) to provide input on the questions would also be provided. Copies of the booklet would be available at the open houses and on the *Study* website. If possible, PDF copies of the publication would be distributed to residents and businesses using RDN email lists as well as those made available to the consultants by community stakeholder groups. Hard copies would be included in any RDN mail-outs that coincided with the engagement process.⁵

– **Study Website**

The *Governance and Services Study* would be — indeed, already is — profiled on the *Get Involved RDN* website. The section dedicated to the *Study* on this site would be expanded to provide the community profile, information on the local governance and servicing systems in place in the Electoral Area F communities, a list of FAQ, and opportunities to provide feedback on specific questions. Online copies of the *Interim Report, Overview* booklet and open house information boards would also be available.

The site would be developed and promoted as the sole official, definitive online information resource on the *Study*. Content would be provided by the consultants.

– **Stakeholder Group Meetings**

The consultants, supported by members of the Committee, would make themselves available to present information to, and receive feedback from, interested community stakeholder groups throughout the engagement period.⁶ A list of groups to approach would be determined in consultation with the Committee.

– **Survey**

Following the open house meetings, an online survey would be made available on the *Get Involved RDN* website throughout the month of January. The survey would give residents an opportunity, in addition to the open houses, to give input on services and governance, identify issues and concerns, and comment on the ability of the existing governance and service model to meet current and future needs.

The proposed January 2023 timing of the survey is intentional. A survey issued in January would connect with residents after they have had the opportunity to get informed through the *Study* website, the *Overview* booklet and the open houses.

The engagement process using these methods would begin in November 2022 and run over a period of approximately three months (November 2022, through January 2023). Web-based materials and the website itself would remain online following the formal consultation period.

⁵ Alternatively, if additional funding were available through the RDN, the booklet could be mailed to each household in the Electoral Area.

⁶ The proposed budget would accommodate up to five stakeholder group presentations.

It is useful to remember that the Governance and Services Study Committee is intended to be representative of a broad range of community interests and stakeholder groups. The Committee itself, therefore, would be an important source of community feedback on the existing system of governance and service provision in the Electoral Area F communities. Committee members themselves would be well-positioned to provide views on the *Study's* themes, and to connect with and relay the perspectives of key constituencies. The Study Committee, in short, would constitute an important element of the community engagement effort.

➤ **Stage 5**

Fourth Committee Meeting

The outcomes of the community engagement process would be reviewed at the fourth, three-hour meeting of the Governance and Services Study Committee (February 2023). At the same meeting, the consultants would identify and outline practicable options to address the key concerns and issues raised during the engagement process. A set of criteria to evaluate the options, and a discussion on each option's implementation, would also be featured.

➤ **Stage 6**

DRAFT Report (Fifth Committee Meeting)

Following the fourth meeting, the consultants would expand the *Interim Governance and Services Study Report* to include a summary of the engagement process and its findings, an outline of the options identified and discussed for addressing issues and concerns, and a description of the framework used to evaluate the options. The expanded product would constitute the *DRAFT Governance and Services Study Report*, which would be structured as prescribed in the *Terms of Reference*. The *DRAFT Report* would be distributed to Committee members in advance of the fifth, three-hour Committee meeting (April 2023), as well as to staff at the RDN and the Ministry for comment. During the meeting, the Committee would determine whether to recommend further consideration of governance and servicing options, and if so, which option(s) specifically.

➤ **Stage 7**

FINAL Report

Based on input provided by the Committee, RDN staff and the Ministry, the *FINAL Report* would be revised. Recommendations, together with the accompanying rationale, would be incorporated into the *FINAL Report*, along with comments on implementation (i.e., next steps) for the option(s). The *Report* would be submitted to the Regional District and Ministry of Municipal Affairs.

The Committee Chair and the lead consultant would present the *FINAL Report*, complete with recommendations, to the RDN Board of Directors in May 2023.

STUDY TIMELINE

Figure 1 presents a proposed timeline that takes into account key dates and breaks identified in the *Terms of Reference*. The timeline, it should be noted, recommends submitting the *Interim Report* in July 2022, instead of June 2022. All other milestones set out in the *Terms of Reference*, however, would be met.

**Figure 1
Study Timeline**

Work Program Stage	2022										2023				
	A	M	J	J	A	S	O	N	D	J	F	M	A	M	
1. First Committee Meeting	█														
2. Research, Interim Report	█	█	█	█											
3. Second Committee Meeting				█											
4. Third Meeting; Engagement						█	█	█	█	█					
5. Fourth Committee Meeting											█				
6. DRAFT Report (Fifth Meeting)													█		
7. FINAL Report														█	

STUDY BUDGET

Figure 2 provides a breakdown of the consultants' budget based on the proposed work program.

**Figure 2
Study Budget**

Work Program Stage	Consultant Fees	Disbursements	Total
1. First Committee Meeting	5,000	1,000	6,000
2. Research, Interim Report	20,000	500	20,500
3. Second Committee Meeting	2,000	1,000	3,000
4. Third Meeting; Engagement	24,000	3,500	27,500
5. Fourth Committee Meeting	5,000	1,000	6,000
6. DRAFT Report (Fifth Meeting)	8,000	1,000	9,000
7. FINAL Report	1,500	500	2,000
Total	\$ 65,500	\$ 8,500	\$ 74,000

The consultants' budget includes all professional fees and all disbursements incurred directly by the consulting team (e.g., travel, cost of producing poster boards). Not included in the budget are the following costs:

- goods and services tax (GST)
- costs incurred to rent space for Committee and public meetings
- costs incurred to print and distribute hard copies of the *Overview* booklet

- the cost of any RDN staff time involved in the Study, including the cost of staff to administer the website, assist with social media postings, respond to the consultants' information requests and invoices, take minutes at Committee meetings, and attend to other miscellaneous tasks

It is anticipated that the RDN would supply GIS support and mapping resources, host the survey through *Get Involved RDN* ("Bang the Table" engagement platform), and provide the technology to support hybrid Committee meetings and hybrid engagement events.

PROJECT TEAM

The project team would consist of local government consultants Allan Neilson and Sherry Hurst. Allan and Sherry have collaborated on many projects, including governance and service studies, for more than 20 years.

➤ **Allan Neilson, MPA**

Team Lead

Allan is the head of Neilson Strategies Inc., a local government consultancy based in the Okanagan and active throughout British Columbia. For over 25 years, Allan has advised regional district and municipal leaders, as well as citizen-based committees, on matters of governance, service provision, local government policy, finance and community engagement. He has led and participated in several governance and service studies in past years, including key projects in the Central Okanagan (*Westside Governance Study*), Fraser Valley (*Cultus Lake Governance Review*), Metro Vancouver (*Township of Langley Regional District Participation*), and others. Along with Sherry, Allan just completed the *Sorrento-Blind Bay Incorporation Study* in Electoral Area C of the Columbia Shuswap Regional District. This study was preceded by the *Electoral Area C (South Shuswap) Governance Study* and the *Electoral Area C Boundary Analysis Study*, both of which also included Sherry. In the Regional District of Central Okanagan, Allan and Sherry are in the process of undertaking the *Governance and Services Study* for the North Westside portion of Central Okanagan West Electoral Area.

In addition to his work on local government restructure initiatives, Allan specializes in conducting service reviews for regional districts and municipalities. He is currently heading a project team of Neilson Strategies and Leftside Partners that is examining the potential establishment of a Regional Parks Service in Comox Valley Regional District (CVRD). In the same regional district he recently completed facilitating a statutory service review on Economic Development and Tourism. In the Fraser Valley Regional District, Allan is working with the District of Hope, Electoral Area B and the Recreation, Culture & Airpark Services Commission to create a new, sustainable service framework for the Hope & Area Recreation Service.

On the *Electoral Area F Governance and Services Study*, Allan would serve as Project Lead. In this capacity he would oversee, direct and participate in the research and analysis at every stage of the work program, and would be responsible for tracking the progress, providing status updates, and managing the budget and schedule in accordance with the terms of the contract. He would be the chief contact for the Study Committee, the RDN and the Ministry of Municipal Affairs,

responsible for all project deliverables. He would attend all meetings and all community engagement events, and present the final report with the Committee Chair to the RDN Board of Directors.

Allan has a Master of Public Administration (Ontario Graduate Scholar) from Queen's University and a Bachelor of Arts in Urban Geography from the University of British Columbia. He established Neilson Strategies Inc. in 2002 (formerly called Neilson-Welch Consulting Inc.) following a total of five years with Urban Systems Ltd. Over the course of his career, Allan has worked inside local government on two occasions, once for the City of Quesnel (Director of Corporate Services) in the late 1990s, and more recently with Metro Vancouver Regional District (General Manager of Planning, Policy and Environment) from 2014-2016.

➤ **Sherry Hurst, M.Pl., RPP, MCIP**
Team Member

Sherry Hurst is a planner and local government consultant with Leftside Partners Inc. based in Victoria. Sherry has been advising local governments on governance, planning and service delivery for more than 20 years, and has worked on several similar governance projects and incorporation studies, as well as on service reviews involving local and regional service delivery, governance and finance.

Sherry has several years' of experience examining governance issues for local government clients in British Columbia, including exploring options for several unique situations. Sherry recently finished working with Allan on the *Sorrento-Blind Bay Incorporation Study* in the Columbia Shuswap Regional District, leading to an incorporation referendum vote later this spring. That review began with the *Electoral Area C (South Shuswap) Governance Study* in 2016/17, proceeded to the *Electoral Area C Boundary Analysis Study* in 2018. Sherry and Allan have worked together on all phases of the project. Sherry and Allan are currently working on the *Electoral Area D Services and Boundary Configuration Study* in the Regional District of Okanagan Similkameen, as well as on the aforementioned *Governance and Services Study* for the Electoral Area West and North Westside in Regional District of Central Okanagan.

Other recent projects include work with the Comox Valley Regional District to review governance of their water and sewer utilities (currently overseen by a Water Committee and a separate Sewer Commission), and a more in-depth review on the potential restructuring of the regional sewer service to encompass a new electoral area and different governance model.

In addition to governance studies, Sherry has been involved in many service reviews, including regional parks, solid waste, which provide an in-depth examination of a service, and different methods of delivery, cost allocation, and governance. Sherry has a detailed knowledge of local government finance, and has assisted the Ministry in the preparation of its guides on *Development Finance Tools*, *Parkland Acquisition Best Practices* and *Development Cost Charge Best Practices Guide*.

On the *Electoral Area F Governance and Services Study*, Sherry would be involved in all aspects of the project. Sherry holds a Master of Planning degree from Queen’s University, as well as a Bachelor’s degree in Writing and Political Science from the University of Victoria. Prior to working for her own firm, Sherry was a local government consultant for Urban Systems Ltd.

REFERENCES

The following references are provided for both consultants:

- Charles Hamilton
Chief Administrative Officer, Columbia Shuswap Regional District
250.833.5900 | chamilton@csrd.bc.ca

Mr. Hamilton oversaw the consultants' work on the *Electoral Area C (South Shuswap) Governance Study* in 2016/17, the *Electoral Area C Boundary Analysis Study* in 2018, and the recent *Sorrento-Blind Bay Incorporation Study*.

- James Warren
Deputy CAO, Comox Valley Regional District
250-334-6007 | jwarren@comoxvalleyrd.ca

Mr. Warren oversaw the consultants' work on the Comox Valley Regional District's review of its regional water and sewer utilities. Mr. Warren has also been involved in the work underway related to a Regional Parks Service, and was the internal project lead for the statutory service review (Economic Development and Tourism) recently completed by Allan.

- Christy Malden
Manager of Legislative Services / Corporate Officer, Regional District Okanagan Similkameen
250.490.4146 | cmalden@rdos.bc.ca

Ms. Malden oversees the consultants' work on the ongoing *Electoral Area D Services and Boundary Configuration Study* in the South Okanagan.