

TERMS OF REFERENCE

CITY OF DUNCAN

BOUNDARY RESTRUCTURE STUDY

August 31, 2004

INTRODUCTION

The City of Duncan (City) wishes to undertake a comprehensive study to identify the implications of municipal restructuring within CVRD Electoral Areas "D" and "E" as shown on the attached plan entitled "Appendix 1".

BACKGROUND

The study is a response to several factors as follows:

- The City provides a water service and fire protection to areas within CVRD Electoral Areas "D" and "E" and sanitary sewer services through the Duncan/North Cowichan Joint Utilities Board;
- The interests of local government and the provision of local services and local governance in an effective and coordinated manner; and
- The location of industrial park facilities outside the current City boundary.

The combination of factors involved with this study will require some complex analysis. These factors include the following:

- The need to consider the two areas separately and cumulatively;
- The perspectives of all interested parties on issues;
- The general implications of restructure;
- The specific analysis of municipal finances and property taxation and of the same in the area of Electoral Areas "D" and "E" ("Appendix 1").

The study will be used as the basis for decisions by the local governments (and by the public) in relation to possible local service improvements and inclusion into the City.

STUDY AREA

The attached plan shows the study area, which is comprised of the City together with a portion of CVRD Electoral Areas "D" and "E" ("Appendix 1").

The portions of CVRD Electoral Areas "D" and "E" are located immediately south of the City. The study is focused on this area but may, following local discussions, be extended to include adjacent properties or reduced.

CVRD Electoral Areas "D" and "E" are located across the Cowichan River from the City. The residents live within the CVRD boundaries. However, there are intervening Cowichan Indian Reserve No. 1 lands.

OVERALL STUDY FRAMEWORK

While this restructure study is to be considered as one overall project, there will be a number of separate, linked components. These are generally described as follows:

1. A broad overview of local services and governance in the Duncan area, framed in the context of restructure options, designed for public information and distribution to all residents of the area.
2. For CVRD Electoral Areas "D" and "E", an assessment of the implications of a City boundary extension to include the area, including transfer of the CVRD and provincial services and the potential for infrastructure improvements in the area.
3. Identification of all financial implications.

STUDY TASKS

1. Review of Existing Situation

- (a) Document the current situation in the study area with respect to the following:
 - Services provided by local government;
 - Services provided by other agencies;
 - Comparative property taxes and other charges on a variety of properties;
 - Local political representation; and
 - A general description of land use planning and regulation.
- (b) This information will represent the base case for analysis of the financial, administrative and service delivery implications of restructure.

2. Restructure Summary Public Document

- (a) Prepare a broadly descriptive document, in a format to be determined through discussion with the steering committee, summarizing local services and governance in the area with reference to the general implications of municipal restructure.

- (b) This product will be used for wide public distribution to inform all area residents about the study process being undertaken and will set the context for the specific analysis of restructure.

3. CVRD Electoral Areas "D" and "E" Restructure Analysis

- (a) Review the boundary of CVRD Electoral Areas "D" and "E" in relation to adjacent properties and service areas to determine the precise boundary of a potential City boundary extension.
- (b) Provide an assessment of the set of services provided by the CVRD and the Provincial Government in the context of the administrative, cost recovery and other implications of the transfer of those services to the City in conjunction with restructure.
- (c) For the boundary as determined, prepare a detailed analysis of the financial and administrative implications of including the area into the City, from the perspective of residents of the area and of the City.
- (d) Identify property tax impacts for a range of residential and other properties, as needed, to show residents the property tax impacts. Also, identify the property tax implications on City taxpayers.
- (e) Review the potential future need for and the costs of improvements to existing infrastructure of the Electoral Area and of the City.
- (f) In relation to the restructure financial analysis, develop a set of assumptions about factors that influence the analysis and discuss the significance of those assumptions
- (g) Integrate provincial restructuring assistance into the analysis and consider a time frame for the analysis that extends to the year after the expiry of the assistance.
- (h) Written products for the restructure analysis should be a full report and a summary in a form suitable for distribution to Electoral Area and City residents as the basis for public consultation. A summary table showing the "before" and "after" comparison should be developed.

4. Cumulative Effect of Restructuring

- (a) Provide a specific discussion of the possible inclusion of portions of the Electoral Areas into the City and looking ahead to the potential for inclusion of additional areas into the City.
- (b) Identify any significant thresholds, in relation to population and service delivery, affecting the City's financial and administrative interests and capacities, which may be reached through the cumulative effects of restructure.
- (c) Prepare a written summary of the implications of restructure, especially the property taxation implications from the perspective of current City residents in a form suitable for wide distribution.

5. Public Discussion and Approval Process

- (a) In conjunction with the preparation of the products described above, develop and undertake a public consultation program to present information to and hear from and respond to questions from residents of the Electoral Area and the City.
- (b) Describe the process of public, local government and provincial approval including options where applicable for the restructure.

6. Implementation Items

- (a) Identify the process and potential timing for implementation of restructure.
- (b) Consider the relationship of the timing of implementation to other related decisions.
- (c) Identify transitional implementation issues and options for addressing these issues, including such items as: timing and conditions of transfer of Electoral Area and provincial services and area representation on Council.
- (d) Provide a complete boundary extension proposal for submission to the Ministry of Community, Aboriginal and Women's Services if warranted.

STUDY MANAGEMENT AND ADMINISTRATION

The overall study program will be managed by a Steering Committee. The consultant will report to and be directed by the Steering Committee. It is intended that the Steering Committee will be assisted by a facilitator to "Chair" meetings.

A technical committee comprised of the administrative staff of the local government bodies and a representative of the Ministry

of Community, Aboriginal and Women's Services will assist the consultant on technical and administrative aspects of the study including the provision of the range of existing information.

Consulting proposal should provide for a series of meetings with the appropriate committee(s) at key points in the study process to review draft materials and to provide final approval of materials prior to public distribution. Study funding is to be provided by a restructure planning grant from the Ministry of Community, Aboriginal and Women's Services. No expenditures may be incurred prior to the grant approval. Payment of fees will be made by the City on the basis of work completed upon approval of invoices by the City Treasurer.

STUDY TIMING

It is desired that the majority of analytical work for this project will be completed by May 31, 2005 recognizing that some finalization of the work and public consultation is likely to carry over.

The timing and sequence of the components of the overall study program should be described in the consulting proposals. The consultant should provide a schedule intended as a guide to indicate the general sequence and timing of the project.