



Central Coast

REGIONAL DISTRICT

P.O. Box 186, Bella Coola, B.C., V0T 1C0

REQUEST FOR DECISION

Telephone 250-799-5291 Fax 250-799-5750

To: Curtis Slingerland, CAO

CC: Board of Directors, CCRD

From: Alison Sayers, CCRD Contract Staff

Meeting Date: May 12, 2022

Subject: Denny Island Recreation Commission Service Options

Recommendation:

THAT the Board of Directors of the Central Coast Regional District:

1. ***Repeals Bylaw 329: A Bylaw to establish a Local Service Area within Electoral Area A to provide for recreation programs and Bylaw 473: A Bylaw to establish the Denny Island Recreation Commission to provide for the operations and management of recreation programs on Denny Island, thereby dissolving the Denny Island Recreation service and the Denny Island Recreation Commission.***
OR
2. ***Repeals Bylaw 473, thereby dissolving the Denny Island Recreation Commission and maintaining the Denny Island Recreation service.***
OR
3. ***Takes no action regarding the Denny Island Recreation Commission or service.***

Administration recommends Option 2: Repeals Bylaw 473, thereby dissolving the Denny Island Recreation Commission and maintaining the Denny Island Recreation service.

Issue/Background Summary:

The constituents of Denny Island have expressed interest in dissolving the Denny Island Recreation service. The Denny Island Recreation Commission (DIRC) currently holds cash assets of \$10,085, including \$424 petty cash on hand. Section 340(1)(f) of the *Local Government Act* (LGA) states that an establishing bylaw *may* include terms regarding withdrawal from a service, including terms of dispersal of assets. As is true with most local government service establishing bylaws, Bylaw 329 contains no such provisions.

Policy, Bylaw or Legislation:

Two bylaws related to the Denny Island Recreation Service are attached to this report:

- *Bylaw 329: A Bylaw to establish a Local Service Area within Electoral Area A to provide for recreation programs*
- *Bylaw 473: A Bylaw to establish the Denny Island Recreation Commission to provide for the operations and management of recreation programs on Denny Island.*

Option 1: Dissolve the Denny Island Recreation Service

Where there are no provisions for service dissolution explicitly stated in the establishing bylaw, *Section 349(1)(a-b)* of the Local Government Act indicates that, at the discretion of a regional district Board, a service may be dissolved with consent of two-thirds of the participants, **OR** under the same terms by which the establishing bylaw was created. *Bylaw 329* indicates that the Denny Island Recreation service was established with the written consent of the Electoral A Director (as opposed to a 2/3 majority vote of Area A constituents), which would indicate that the service can be repealed in a similar manner if the Board wishes.

There is nothing in the *Local Government Act* that directly addresses how assets are to be dealt with upon dissolution of a service. Typically, the parties involved negotiate the dispersal of assets, and the terms of the negotiation and provisions regarding distribution of assets are then written into the bylaw that a regional district would pass to repeal the establishing bylaw. If the parties cannot come to an agreement on the terms, then *Section 352(2)-(5)* of the *Local Government Act* will apply and the parties will be required to negotiate or mediate/arbitrate under the direction of the BC Inspector of Municipalities and/or the Minister of Municipal Affairs.

Option 2: Dissolve the DIRC and maintain the DIR service

Dissolving the Commission but keeping the service is simpler and has less costly implications than Option 3. All DIRC assets would then automatically transfer to the CCRD, and would be allocated to the Denny Island Recreation service at the discretion of the CCRD Board during the annual budgeting process, likely on the recommendation of staff and the Area A Director, and in consultation with Denny Island residents.

Option 3: Maintain the DIR Service and the DIRC

This option appears to be contrary to the wishes of the residents of Denny Island and their EA Director. The Board should carefully consider whether there are any advantages at this time to keeping both the Commission and the service in place. Staff can see no advantages, political or administrative, to this option.

Submitted by:



Alison Sayers, CCRD Contract Staff

Approved by:



Curtis Slingerland, Chief Administrative Officer