

A G E N D A

COMMITTEE OF THE WHOLE MEETING OF COUNCIL TUESDAY, DECEMBER 10, 2019 AT 6:00 PM IN THE CITY HALL COUNCIL CHAMBERS

PRESENT:

A. CALL TO ORDER AND APPROVAL OF AGENDA

1. Recognition of unceded Traditional Territories.

That the agenda be approved as circulated.

B. ADOPTION OF MINUTES

1. Meeting held at 4:00 pm on November 18, 2019 and meetings held at 6:00pm on December 3, 4 & 5, 2019.

C. DELEGATIONS

1. **BC Transit**

Myrna Moore, Senior Manager of Government Relations, in attendance to discuss BC Transit's role in the community.

2. **S.P.C.A.**

Sam Sattar, Branch Manager and Leon Davis, Nanaimo Branch Manager in attendance to provide an update regarding the current status and future plans for the S.P.C.A.

3. **Western Vancouver Island Industrial Heritage Society (WVIIHS)**

Ken Rutherford in attendance to present the proposed five-year Business Plan relating to the Alberni Pacific Railway.

D. PUBLIC INPUT/COMMENTS

E. ADJOURNMENT

That the meeting adjourn at pm.

**MINUTES OF THE COMMITTEE OF THE WHOLE MEETING OF COUNCIL
HELD MONDAY, NOVEMBER 18, 2019, AT 4:00 PM
IN THE CITY HALL COUNCIL CHAMBERS**

PRESENT: Mayor Minions; Councillors Corbeil, Haggard, Paulson, Poon, Solda and Washington

A. CALL TO ORDER AND APPROVAL OF AGENDA

It was moved and seconded.

That the agenda be approved as circulated.

CARRIED

B. ADOPTION OF MINUTES

It was moved and seconded.

That the minutes of the Committee of the Whole Meeting held at 4:00 pm on July 15, 2019 be adopted.

CARRIED

D. DELEGATIONS

1. BC Assessment

Cynthia Wright, Deputy Assessor, Vancouver Island Region was present and provided members of the Committee with an overview of BC Assessment's role in the community.

Ms. Wright's presentation addressed how BC Assessment carries out property valuation, classification, exemptions, the relationship between assessment & taxation as well as the appeal process available to property owners should they question the property value assigned by BC Assessment.

E. PUBLIC INPUT/COMMENTS

F. ADJOURNMENT

It was moved and seconded:

That the meeting adjourn at 5:47pm.

CARRIED

CERTIFIED CORRECT

Mayor



City Clerk

**MINUTES OF THE COMMITTEE OF THE WHOLE MEETINGS OF COUNCIL
HELD DECEMBER 3, 4 & 5, 2019 @ 6:00 PM
IN THE CITY HALL COUNCIL CHAMBERS**

PRESENT: Mayor Minions; Councillors Corbeil, Haggard, Paulson, Poon, Solda and Washington

A. CALL TO ORDER AND APPROVAL OF AGENDA

It was moved and seconded.

That the agenda be approved as circulated.

CARRIED

B. 2020 – 2024 Financial Planning – Departmental Presentations

Tuesday, December 3, 2019

1. **Administration/Finance/HR/Clerks/Bylaw/Communications**
(Combined Presentation) - The CAO provided members of the Committee with an overview of the City's Administrative operating and capital budget items which also captured Finance, HR, Clerks, Bylaw & Communications. Projects include:
 - improvements in records management [centralized, accessible & accurate]
 - review of bylaws and policies to ensure they are current and continue to be relevant
 - improvements to the City's website
 - maintaining a qualified and highly skilled workforce
 - updating of the City's accounting system
2. **Parks, Recreation & Heritage** - The Director of Parks, Recreation & Heritage provided members of the Committee with an overview of the departments draft operating and capital budget. Highlights include:
 - 45 parks within the community and consideration to convert older playgrounds to green space
 - departmental focus to not duplicate services
 - addition of a new Parks Labourer position in 2021
 - a focus on preparing plans to ensure the department is in a position to take advantage of grant opportunities when they become available

The Committee expressed support for parks that incorporate features that meet the needs of all users, projects that are grant ready and sought clarification on operating and capital expenses [i.e., Library and McLean Mill]. Members were also interested in statistics pertaining to City facilities being utilized by residents from the Electoral Areas.

MEETING RECESSED: 7:35 PM

With a motion to reconvene, the MEETING RESUMED: 6:00 PM, December 4, 2019 with all of Council in attendance with the exception of Councillor Haggard who arrived at 6:15 pm.

Wednesday, December 4, 2019

1. **Police Support Services** – The Manager of Police Support Services provided members of the Committee with an overview of the draft operating and capital budget. The Manager identified succession planning and the development of a Public Safety Building in the Uptown District area as priorities moving forward.

Sgt. P. Dionne, also in attendance noted the following:

- the detachment has 34 members
- inability to backfill should a member become ill and/or injured
- initially 16 members were funded by the province which has just increased by an additional member for a total of 17

2. **Fire Department** – The Fire Chief presented to members of the Committee the department's draft operating and capital budget. Highlights include:

- 2019 has been the busiest year to date for call response [response area reaches as far as Cathedral Grove to Ucluelet zipline and Bamfield]
- strategies to attract a more diversified complement of firefighters
- performance concerns with the SCBA's currently being used and replacement costs estimated to be \$180K
- requirement to replace Engine 4 in 2020 to maintain Fire Underwriters Survey Grading

3. **Information Technology** – The Manager of Information Services provided members of the Committee with an overview of the services performed and carried out by the IT department. The Manager highlighted the issue of City facilities being primarily connected to wireless radios and the increased number of service interruptions and as a result, the City may wish to once again, consider moving forward with implementation of a fibre optics network.

MEETING RECESSED: 8:03 PM

*With a motion to reconvene, the MEETING RESUMED: 6:00 PM, December 5, 2019
with all of Council in attendance with the exception of Mayor Minions.*

Thursday, December 5, 2019

1. **Economic Development** – The City's Economic Development Manager highlighted the work of the Economic Development department, expressed his appreciation to staff in other City departments for their collaboration and cooperative approach and its planned initiatives moving forward. The EcDev function plays an integral role in promoting the City and work to attract new investment is one of its higher priorities. Highlights of the presentation include:
 - Efforts in streamlining the City's Business Licence application process are positive noting that commercial licence applications are typically being issued within 7 days and homebased business' in one.
 - Strategies to reduce vacancies in the commercial core and mechanisms to see improvements to building façades/interiors resulting from long-term vacancies.

The Committee suggested that the City may wish to contemplate implementing a taxing mechanism for commercial buildings that remain vacant for an extended period of time including investigating provisions to allow pop-up stores.

2. **Public Works** – The Director of Engineering and Public Works addressed members of the Committee by providing an overview of the department's operating and capital budget. The Director focused on its core services which include the provision of high-quality drinking water; the construction, operation and maintenance of wastewater and stormwater systems, transportation network and the collection of solid waste.

Capital projects include revitalization of the 3rd Avenue, Argyle Street and Harbour Quay entrance, and working with the Alberni-Clayoquot Regional District on the diversion of organics. Ensuring the City is addressing its aging infrastructure is also a priority and work continues on the City's asset management plan.

Members of the Committee look forward to receiving additional information as it relates to the City's vehicle fleet, specifically life expectancy of vehicles in addition to ensuring the City is planning for its aging infrastructure accordingly.

3. **Planning** – The Manager of Planning provided members of the Committee with an overview of the department's services, and its anticipated operating costs and revenues for services provided. The Manager highlighted the volume of applications, the complexity and volume of projects and the need for additional staff to ensure quality and timeliness of service is not impacted.

Following the conclusion of the departmental presentations, staff noted the next Committee of the Whole meeting on Tuesday, December 10, 2019 at 6:00 pm at which time the Committee will receive presentations from BC Transit, the SPCA and the Western Vancouver Island Industrial Heritage Society.

C. ADJOURNMENT

It was moved and seconded:

That the meeting adjourn at 7:35 pm.

CARRIED

CERTIFIED CORRECT

Mayor

City Clerk

Western Vancouver Island Industrial Heritage Society

3250A 9th Avenue, Port Alberni, BC, V9Y 4T2, Canada

October 29, 2019

To City of Port Alberni Mayor and Council

Please find attached the requested 5 year plan and budget for the operation of the Alberni Pacific Railway as a stand-alone tourist operation. You will find that we have offered three options for your consideration.

The first and most desirable option is to run a full summer operation with some shoulder season events. While this is the most expensive option it aligns best with the City's Strategic Plan, item 2.1 "The tourism / visitor sector of the local economy flourishes" and item 3.3.3 "Explore opportunities for Heritage assets to support economic development relates priorities". The first year will help to re-establish the brand after not operating in 2018. Our members, the Chamber of Commerce Visitor Center and the Chambers volunteers in Cathedral Grove (see attached letter from the Visitor Center Manager) have met many tourists who ask about the railway, as they have researched what to do in Port Alberni on the internet before arriving here and are disappointed when they find out that it is not running. When one investigates Port Alberni visitor attractions there are many references to hiking trails, beautiful lake and rivers but that is common to all of the communities on Vancouver Island. The Steam Railway provides a unique experience only found in limited location in the whole province, and in Canada. As you will see in our submission, Heritage BC reports that "Tourists are more likely to choose heritage-related activities over other activities offered in a community"

In reviewing this option we were asked to look at running some of the days with the small diesel locomotive to save fuel cost but after analysing all factors the saving is very small. This is due to a projected lower ridership (steam is the preferred visitor request) so the savings is not justified. Over the years that we operated the railway many tourist choose not to ride the train if it was not the steam that they expected. The other benefit of a full steam operation is that it helps to rebuild the brand for future years.

The second option would see the steam train run only on special weekends. This is less expensive with nearly the same ridership who will be mostly island and local patrons. This does not fill the void to provide the service for the regular tourist who is looking for things to do throughout the summer and enhance their stay in Port Alberni.

The third option is to provide some funds to maintain the heritage assets of the City's Industrial Rail Collection for future endeavours and generations. The city in the past 39 years has invested many hundreds of thousands of dollars into the collection and it should be preserved. This option has no funds spent on rail infrastructure so no trains will be allowed to operate which means no artifacts can be displayed at the station, as in the past, and there will be very little

Western Vancouver Island Industrial Heritage Society

3250A 9th Avenue, Port Alberni, BC, V9Y 4T2, Canada

opportunity for the public to see the restored artifacts as the roundhouse is not a safe environment for the casual tourist to walk around.

With the first two options there are some negotiations that will need to be included in the decisions. There needs to be a signed contract between the Society and the City for the use and operation of the equipment and infrastructure (including use of the station, roundhouse and track). There is also the need to meet all of the provincial regulations as set out by Technical Safety BC.

For the years that we propose to run to the McLean Mill the city will need to negotiate with the Island Corridor Foundation (ICF) to secure the rights to operate on the tracks beyond Stamp Avenue and also to have the ICF fund the repairs to these same tracks. Our budget request does not include any funding for this work but does include funds to do the required inspections as specified by Technical Safety BC before we can carry passengers over them.

We would only be too glad to answer any question you may have on the budget options proposed. We will also make a presentation at a later date in the budget process.

Respectfully submitted by;

Ken Rutherford
Society Director

Contact information
Phone 250-731-4600
Email kj.rutherford@shaw.ca

c.c. P. Geddes, Society President
T. Pley, City of Port Alberni C.A.O

Proposed Business Plan – Alberni Pacific Railway

This is a five-year plan for the operation of the Alberni Pacific Railway as a heritage tourist passenger railway, running first year on city owned tracks from the Port Alberni Station and the following four years to McLean Mill NHS. Please use this narrative based on the assets and operations in connection with the attached five-year budget. In developing the budget, some assumptions and decisions have been made concerning the operation in an effort to ensure its sustainability:

Number of Runs per Year:

2020 – To operate on tracks owned by the City of Port Alberni between Argyle Street and Stamp Avenue.

An initial plan of 162 runs is proposed – this is to rebuild the brand as a destination tourist steam railway. The number of runs is based on 3 runs per summer Fridays and 4 runs per day Saturdays and Sundays. There is also some days added for special runs in the shoulder seasons. The proposed offering will see the train travel from the train station at Argyle St. to the gate near Stamp Ave. The train will then reverse and back to the runaround tracks, where the engine will be repositioned to the other end of the train. With the locomotive now at the lead of the train it will proceed towards the station passing some of the locomotives and restored rolling stock on display. During the runs passengers will be offered historical facts regarding the railway and the city.

This operation will balance potential ticket sales/revenue, sustainability of the rolling stock and track, and the logistics of train crew/staffing, as discussed below:

Ticket sales/revenue – Basing ridership on the past years of the MMS runs to Mclean Mill at one trip per day (2,600 in 2018) and the operations of the Industrial Heritage Society in previous years (over 10,000 per year), we envision a ridership at 4,500 in the first year, shorter run operation, with a gross revenue of \$42,768.

Due to the shorter run and different ticket prices for adults, children, and family passes, the average gross revenue per rider was approximately \$9.40. The proposed train will include the 1929 No. 7 steam locomotive with 3 passenger cars and the possibility of adding the fully restored 1929 Canadian National Railway wooden caboose (premium fare for passengers to ride in). Capacity could be 100 passengers and on special occasions, 2 more cars could be added bring the ridership to 180.

Regardless of the number of riders per run, the other costs are essentially fixed – \$870 for fuel (note: this costing is based on using cleaner burning diesel oil instead of lower cost bunker C oil (\$450) to reduce the carbon foot print), \$175 for engineer (currently the only paid train crew member), and maintenance costs for locomotive and cars. Liability insurance is included as we have not received confirmation from the insurance agency that the current city insurance will cover the use of the train on the city owned tracks. The tracks need to be inspected monthly (at a cost of \$750 per inspection) and maintained before passenger-carrying runs can continue.

2021 and beyond – Train will run to McLean Mill National Historic site.

Our plan is for 87 runs each year – this is to rebuild the brand as a destination tourist steam railway to the mill site. The number of runs is based on 2 runs per day Friday through Sunday. The proposed offering will see the train travel from the train station at Argyle St. to the Mclean Mill. If there are no attractions at the mill site then we envision docents would ride the train to take the passengers for historic tours of the mill site while the train is repositioned for the return trip back to the station. During the runs passengers will be offered historical facts regarding the city and the railway.

There will be opportunity for added special runs as demand dictates and for the operators of the mill site to offer special events and attractions with the train included. There is also some days added for special runs in the shoulder seasons. This operation will balance potential ticket sales/revenue, sustainability of the rolling stock and track, and the logistics of train crew/staffing, as discussed below:

Ticket sales/revenue – Basing ridership on the past years of the MMS runs to Mclean Mill at one trip per day (2,600 in 2018) and the operations of the Industrial Heritage Society in previous years (over 10,000 per year), we envision a ridership at 5,000 the first year (estimated revenue \$86,520), with increases in ridership and revenue as the brand is rebuilt and the cost per passenger is increased. We are forecasting an increase in ridership to over 8,000 by 2024 with an average cost of \$23.00 per passenger (estimated revenue \$183,330). A key component of the plan going forward will be a strong Marketing and Advertising campaign to increase the ridership beyond what is forecast here.

Due to longer run and different ticket prices for adults, children, and family passes, the average gross revenue per rider was approximately \$17.50. Any entrance fees to the McLean mill site would be additional. The proposed train will include the 1929 No. 7 steam locomotive with 5 passenger cars, capacity would be a maximum of 180 passengers. Again there would be the possibility of adding the fully restored 1929 Canadian National Railway wooden caboose (premium fare for passengers to ride in).

Regardless of the number of riders per run, the other costs are essentially fixed – \$2,600 for fuel (note: this costing is based on using cleaner burning diesel oil instead of lower cost bunker C oil (\$1,300) to reduce the carbon foot print), \$175 for engineer (currently the only paid train crew member), and maintenance costs for locomotive and cars. There is also the logistical issue of mustering the necessary volunteer train crew – firemen and conductors. The track and signals needs to be inspected weekly (at a cost of \$750 per inspection) and maintained before passenger-carrying runs. The cost to maintain the tracks owned by Island Corridor Foundation are expected to be covered by the owners and used through a lease agreement. Track maintenance costs have been included for city owned tracks.

The number of runs per year could be adjusted to balance demand and fixed costs of operation – the goal to maximize ridership compared to costs.

Locomotive Choice:

The city has 3 locomotives in its Industrial Collection that can be made serviceable for the operations. For 2020 and beyond the primary locomotive is expected to be the #7 Baldwin steam locomotive, which the Industrial Heritage Society should have completely rebuilt and be certificated with Technical Safety BC before entering service. The #11 GE yard switching engine would be a back-up for the steam engine in 2020. The engine will need to be recertified before use, but there is no added maintenance cost to have it in operation. The #11 locomotive is not designed to carry the 180-seat tourist train to the Mclean Mill. The Alco RS-3 #8427 is a retired Canadian Pacific Railway freight engine and is a desirable backup for the steam engine. It needs some repairs to replace a drive axle before it could be certified as a back-up to the #7 for the run to the mill in 2021. The funds to repair and paint the engine are included in the budget.

There are benefits and drawbacks relating to each locomotive in regard to using it for powering APR trains.

#7 Baldwin steam locomotive: built in 1929

Boiler rebuild is in process – although there are still pending inspections required, as of September 2019, repairs by volunteer boilermakers are progressing well and most materials are on site for a completion and certification for next spring.

In 2018 this locomotive consumed an average of 1,128 litres of bunker C fuel per run, at an approximate cost of \$700. The current rebuild will include the bricking of the fire box to allow the burning of diesel oil (at \$1,300.00 / run) to improve the carbon foot print of the operation.

The benefit of using this engine as the primary locomotive is that Steam Locomotives are a bigger tourist draw as they are not found in use on most tourist operations.

#8427 Alco RS3: built in 1954

Requires replacement of an undersized wheelset (a relatively major project) as well as some other minor repairs and service to be certified to run. This work may be completed in 1-2 months, at an estimated cost of \$25,000-30,000.

It is also strongly recommended that this engine be painted & cosmetically restored to make it more attractive in the context of tourist train use. The cost of this work is estimated to be \$10,000-12,000.

In 2018 this locomotive consumed an average of 196 litres of diesel fuel per run, at an approximate cost of \$250.

#11 GE Switching Engine: built in 1942

This engine was inspected and certified for safety in November 2018, and is in operating condition. The engine will need another inspection to be certified in 2020. There are possible wear issues with the bevel gears and gear housing – this would be mitigated by restricting the engine to light use.

Based on the factors presented above, the recommendations concerning locomotives are:

The rebuilt and certified #7 Baldwin steam locomotive should be used in all operations as it would create the biggest passenger/ revenue draw. The use of steam makes for a unique experience. The use of diesel fuel reduces the environmental concerns for bunker C storage facilities, as well as reducing the carbon foot print, even though this requires additional costs.

To repair and operate the #8427 Alco locomotive for use a backup to the # 7 locomotive in 2021; this is achievable both in terms of time and cost. The cost projections in the five-year budget are based on #8427 being the repaired in 2021.

The #11 GE Switching Engine will be used for lighter and incidental duty – for smaller three-car trains, and for emergency support when there are issues with the other locomotives.

The five passenger coaches are in need of some repairs before being put into service. They will require regular maintenance and inspection to comply with Technical Safety BC standards.

Facilities:

The Roundhouse and the property surrounding it are owned by the City and are essential to the operation of the APR.

They provide the mechanical shop and storage area for the rolling stock used by the APR, including maintenance of way equipment, power tools, and hand tools. The property has a number of spur tracks that are used for storing rail equipment and assembling trains.

The costs of the Roundhouse are limited to utilities and security; there should be ongoing maintenance of the “Hilton,” the trailer that provides office and meeting space and temporary accommodation for the APR crews.

Lacking weather sealing and an effective heat source, the Roundhouse work environment could be improved to provide a more suitable year-round workshop.

The Port Alberni Train Station provides a key component of the APR operation, in its original role as a station, and as an iconic feature of the historic & tourism precinct of the City of Port Alberni.

It is recommended that this prominent and function-specific building be included in the ongoing operations of the APR. The Industrial Heritage Society will continue to display vintage vehicles and artifacts as part of its visitor experience.

The budget reflects this, with seasonal staffing, repair and maintenance and utilities represented. Ideally the structure could be shared with other organizations or parties; the question of rent or lease income should be investigated further.

Track, ROW, & Bridge Maintenance:

The maintenance of the Island Corridor Foundation/City of Port Alberni/Catalyst Paper-controlled track connecting the Train Station to McLean Mill, to a standard acceptable to Techincal Safety BC, is a key responsibility of the APR in 2021 and beyond.

Following the identification of track deficiencies in 2016, significant remediation was undertaken. A significant number of ties were replaced in 2017 and 2018, both by contractors and by a small MMS-employed track crew. Although the tracks are not currently certified for use, it will be up to the owners to come to an agreement with the APR regarding running rights and inspections. Cost for any repairs, other than city owned, to meet the inspection deficencies are not included in the budget and are expected to be provided by others.

Following, and in concert with this work, Southern Rail Vancouver Island has been contracted to perform weekly inspections of the line prior to each period of passenger runs, at a cost of \$750 per inspection. If some of the obsolete track switches were removed, the inspection cost would be cheaper. SRVI also assists with signals and other safety-critical aspects of track maintenance.

It is recommended that a comprehensive program of track maintenance be initiated starting in 2020, based on the "Alberni Pacific Railway Bridge and Track Maintenance Program 2017-2027." Track maintenance costs have been included for city owned tracks and in 2022 additional funds are included for maintenance repairs to the Dry Creek bridge (as per previous inspection reports). This annual maintenance could be performed either by contract or through employing an APR track crew.

Personnel:

The operation of the APR has involved a number of paid staff positions as well as volunteers. This proposal incorporates a bare minimum of paid staff; there may be benefits in replacing some of the currently volunteer positions with paid positions, to ensure more predictability in mustering the required labour.

It is suggested that an APR Manager position be established at a 0.5 FTE level – that is five days per fortnight. More time may be required at first, but this should maintain enough continuity and oversight to permit the duties required

A Rail Mechanic is required, based at the Roundhouse to oversee the maintenance of the locomotives and other rolling stock. It is recommended that this position be established at a 0.4 FTE level – two days per week – at a minimum. This will ensure consistent maintenance and related record-keeping, both of which are essential to meet the regulatory requirements of railway operation. The Rail Mechanic should be certified under the standards of Technical Safety BC, to ensure an appropriate standard of maintenance.

It is suggested that grant-funded seasonal positions are used to provide ancillary staff for the APR – ticket agents, interpreters, and other support positions. These would be based at the Station or on the trains themselves. Such ancillary workers could also assist in online ticket sales, promotion, etc.

As discussed previously, track, ROW, and bridge maintenance may be carried out through contract, an employed track crew, or a combination of both. There are advantages to having a track crew to respond quickly to deficiencies.

Fire watch personnel are required as casual employees in conditions of high fire risk.

Train Crew – currently only Engineers are paid, at a somewhat variable rate, and the budget is based on that. There should be discussion of whether other safety-critical positions, such as the conductors, should also be paid positions. Because safety-critical staff or volunteers must be certified, it is important to maintain a program of training and evaluation. Previously much of this has been done in-house, but Technical Safety BC is encouraging the use of third-party training and evaluation to ensure that the highest standards are maintained.

Alternative Options for 2020

Option 2

This proposal would see the steam train restored and used for 5 special weekends. The ride would be the same as the original proposal with runs from the Train Station to Stamp Ave. and back. This would amount to 34 runs. Events such as Steam into Spring, Summer Steam Special, Salmon Festival, Halloween and Santa specials. There would be a cost to have the rail infrastructure maintained and certified as well as the train crews trained and certified. Estimate that we would carry 4,080 passengers with an average cost of \$9.25 for total revenue of \$37,740. The city subsidy would be \$75,210.

See spread sheet “2020 Minimal operations – option 2” for details.

Option 3

This proposal would see no operations in 2020 but work would continue on repairing the city’s rail artifacts to prepare them and keep them in condition in the event that a future operation is considered. We would request a budget of \$30,000 to allow for equipment servicing and some track maintenance to reduce future costs. This option would not cover any training or any movement of equipment on the railroad. This would restrict the displaying of any equipment at the train station as a tourist attraction.

The following is from a “Heritage BC” workshop document

Claiming two spots in the list of top 10 activities and experiences, heritage is a proven draw for Canadian travellers.

Visiting “historical, archaeological and world heritage sites” ranks fourth among the top 10 activities and experiences of greatest interest to Canadian travellers; “art galleries or museums” ranks seventh.

Tourists are more likely to choose heritage-related activities over other activities offered in a community.

Heritage activities rank fifth and seventh in a list of 23 activities for travellers to Canada. Travellers prioritize heritage-related activities ahead of festivals, camping, amusement parks, and shopping.

Tourists prioritize heritage over golfing, shopping, and sporting events when choosing their vacation destinations.

When considering vacation activities on which to base an entire trip, visiting “heritage sites” ranks second (out of a list of 46 options). “Art galleries or museums” ranks 11 out of 46 activities.

No matter where they come from, tourists seek out museums and heritage sites

Museums and historic sites rank among the top five trip activities for US and international tourists when visiting every region of BC.

With a return of investment of nearly 1 to 2, heritage tourism makes dollars and sense.

Heritage-related tourism is a significant contributor to BC's economy. Of the nearly \$40M invested in heritage tourism, an equal amount is generated through indirect and induced spending (e.g. hotels, restaurants, support services). The original investment also generates \$34M to BC's GDP and \$5.7M in tax revenue.

\$1 heritage investment = \$2 spending, GDP and taxes

DRAFT APR Budget - January 2020						
		2020	2021	2022	2023	2024
REVENUE						
Fundraising, Donations, Sponsorships		10,000.00	20,000.00	25,000.00	30,000.00	30,000.00
GRANTS-City of Port Alberni		150,732.00	186,180.00	172,030.00	112,250.00	57,970.00
Capital						
Grants - Canada Summer Student, etc.		3,500.00	7,000.00	7,000.00	7,000.00	7,000.00
Ticket Sales		42,768.00	86,520.00	101,220.00	138,300.00	183,330.00
Total Revenue		207,000.00	299,700.00	305,250.00	287,550.00	278,300.00
EXPENSE						
0.5 APR Manager includes MERCS		25,000.00	25,000.00	25,500.00	25,500.00	26,000.00
0.4 Railway Mechanic includes MERCS		24,000.00	24,000.00	24,500.00	24,500.00	25,000.00
Staffing - train station/ancillary		3,500.00	7,000.00	7,000.00	7,000.00	7,000.00
Annual Track, ROW & Bridge Maintenance		21,000.00	20,000.00	40,000.00	20,000.00	20,000.00
Fire Watch		0.00	5,500.00	5,500.00	5,700.00	5,700.00
Train Crew		7,700.00	7,700.00	8,000.00	8,000.00	8,000.00
Locomotive & cars Repair & Maintenance		20,000.00	40,000.00	15,000.00	15,000.00	0.00
Reserve for scheduled major locomotive repair		0.00	2,000.00	7,500.00	7,500.00	7,500.00
Janitorial - Station & Hilton		0.00	5,000.00	5,000.00	5,000.00	5,000.00
Accounting and legal		4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Advertising & marketing		10,000.00	20,000.00	20,000.00	20,000.00	20,000.00
Bank Charges & Interest		1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Fuel - Diesel & Gasoline		41,000.00	82,000.00	84,000.00	85,500.00	87,000.00
Fuel - Bunker C		0.00	0.00	0.00	0.00	0.00
Insurance - APR/Director		1,800.00	2,000.00	3,000.00	3,000.00	3,000.00
Insurance - APR liability (formerly paid by city)		30,000.00	30,000.00	32,000.00	32,000.00	35,000.00
Licences, Fees & Dues		4,500.00	5,000.00	5,000.00	5,000.00	5,000.00
Repairs and Maintenance - Station & Roundhouse		0.00	5,000.00	3,000.00	3,000.00	3,000.00
Security		1,500.00	1,500.00	1,750.00	1,750.00	2,000.00
Supplies - Roundhouse, office & miscellaneous		2,500.00	2,500.00	3,500.00	3,600.00	3,600.00
Telephone/Utilities		6,500.00	6,500.00	7,000.00	7,500.00	7,500.00
Training		2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Total Expenses		207,000.00	298,700.00	305,250.00	287,550.00	278,300.00
NET INCOME		0.00	1,000.00	0.00	0.00	0.00



Monday, October 28, 2019

Mr. Ken Rutherford
Western Vancouver Island Industrial Heritage Society
Port Alberni, BC

Via E-mail – kj.rutherford@shaw.ca

Dear Ken:

Thanks for reaching out to us regarding your efforts to resurrect the train services in Port Alberni. I appreciated the time spent on Monday morning highlighting the plans that you and your board are currently considering.

As you know the Chamber of Commerce hosts the local Visitor Centre under a Fee for Service Agreement with the City of Port Alberni. Our Visitor Centre sees thousands of people annually and with our push toward more external operations we are seeing even more. This of course includes our efforts in Cathedral Grove where we speak directly to upwards of 300 visitors daily through the months of June, July, August and September.

I can assure you that the 'Train' and its primary destination of 'McLean Mill' continue to be top of mind for many visitors. While we haven't formally tracked those conversations it would be safe to say that the 'train word' comes up multiple times every day.

I also draw your attention to the recent VIEA Conference held in Nanaimo. That conference convenes annually – late October – where it presents the state of the Island economy to hundreds of participants. The conference is set up with a total of 16 informative sessions that people attend – to a maximum of 4 per person. The final four concurrent sessions included – "Mindful Travelers & the Future of Tourism" a program moderated by the CEO of Tourism Vancouver Island – Mr. Anthony Everett. Panelists in the session included three others who are well-connected to Tourism on Vancouver Island. A hotelier, an activity based tourism operator and the CEO of Tourism Victoria.

This session by the way was undoubtedly the best attended of all 16. Standing room only – no other session had such interest as far as I could tell. It is clear to me that business people all recognize the value of Tourism to our local economies.

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A few comments struck me:

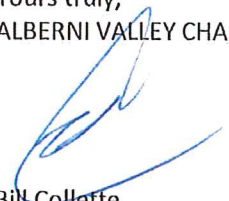
1. Mr. Everett started his dialogue with a reference to the challenges affecting tourism today. He mentioned places like Barcelona and....Tofino as locations that are pushed to capacity with Tourism. He followed those comments with a stated commitment to encourage the development and marketing of lesser known tourism destinations on Vancouver Island (Port Alberni sticks to mind).
2. During the question and answer period a gentleman asked about the Railway and in particular he was referencing the east coast of the Island. Significant dialogue ensued – all of it positive toward the need for a commitment to re-engage rail services where possible. Key people were in that room!

Your timing is good. The Railway (APR) is a valued product for Port Alberni as is the destination of McLean Mill. These are obvious Tourism Assets that we should leverage as much as possible.

The Chamber of Commerce will do whatever it can to assist the entire community in developing new Business Models for the APR and the McLean Mill ensuring that the future is prosperous and beneficial for all in Port Alberni.

We encourage you to consider working with us to assist in the overall development of your plans.

Yours truly,
ALBERNI VALLEY CHAMBER OF COMMERCE



Bill Collette
CEO