



COLUMBIA SHUSWAP REGIONAL DISTRICT

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January 3, 2018

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Transmitted via email to achabot@revelstoke.ca

Mr. Allan Chabot
Chief Administrative Officer
City of Revelstoke
P.O. Box 170
REVELSTOKE, BC V0E 2S0

Dear Mr. Chabot:

Re: CSR D Electoral Area B Rural Fire Protection Services

This letter is written in response to various statements made in materials filed in the Supreme Court of British Columbia and in the City's news release in response to the CSR D's successful application for an interlocutory injunction to prevent the City's threatened termination of fire protection services to Area B residents at midnight on December, 31, 2017.

I have also just now received your letter of today's date. While I appreciate the tone of your letter in its reference to the City's desire to reach an agreement, I think that the points set out as follows are important to set the direction for negotiations.

The CSR D is very pleased that the Court agreed that the termination on the City's terms was not the just result and we plan to use this next period of time to try to reach a mutually acceptable agreement with the City.

It is certainly my hope and belief that there ought to be a "win-win" scenario where we can provide appropriate fire protection to affected rural area residents on terms acceptable to the City and the CSR D.

Prior to discussing next steps however, I think it is important to clearly set out our position and respond to what we believe to be misleading statements made by or attributed to various City officials, as follows:

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ELECTORAL AREAS

A GOLDEN-COLUMBIA
B REVELSTOKE-COLUMBIA

C SOUTH SHUSWAP
D FALKLAND-SALMON VALLEY

E SICAMOUS-MALAKWA
F NORTH SHUSWAP-SEYMOUR ARM

MUNICIPALITIES

GOLDEN
REVELSTOKE

SALMON ARM
SICAMOUS

1. The City's Offer and the CSR D's Response

For reasons that are unclear to the CSR D, the City persists with the characterization that it has made an offer to continue to provide services that the CSR D has not responded to. We have clearly and consistently advised the City that the "offer" is not acceptable. We have informed you on numerous occasions that we are not prepared to sign a "blank cheque" on the issue of a new tender and allow the City to dictate CSR D capital expenditures.

To that end, we have also raised with the City the need, in considering capital expenditures, to have some form of a fair and reasonable accounting of the portions of the payments made by the CSR D residents over the past 37 years towards a capital fund and where those funds are and what portion is available for use in Area B.

We have also stated many times that we would like to discuss the cost apportionment formula. The City repeatedly refers to the need to "modernize" the agreement and we agree with that, but believe that part and parcel of that is to look at funding. We would like to discuss apportionment based on per capita, per building or other fair and equitable basis.

2. Negotiating a New Agreement

It is important to discuss how negotiations have proceeded to date and how, in the CSR D's view, we might move forward.

Firstly, the City did not negotiate terms at all. It simply retained a lawyer to draft a new agreement, attached it to a bylaw that it adopted and sent it to the CSR D. We had no opportunity for any discussion or meaningful input.

I think a proper negotiation might start with a clean slate and a discussion that includes a term sheet where we attempt to agree on key principles. Once these key principles are identified and agreed to, it will be appropriate for a lawyer to start drafting the legalese.

It would also be helpful to achieve that initial stage with a bargaining committee type approach, commonly used in collective bargaining whereby we each agree to avoid elevating this to our political masters at each and every stage and thereby create entrenched positions.

If this approach is not acceptable to the City, we suggest mediation as an alternative as we previously proposed, although the City has yet to substantively respond to this. For the record, I want to make it clear, in case it was somehow not so, that the CSR D does not accept or agree with the terms set out in the City's agreement.

For these reasons I do not think it is a recipe for success to ask us to re-draft your lawyer's draft and continue to go back and forth. The issues are not legal wording but ones of principle that the parties need to negotiate in a meaningful way.

3. Litigation

The CSRD wants to resolve this without spending unnecessary funds on legal costs. We would rather spend our resources on service delivery to our constituents. It was for that reason that we did not, as the City did, spend taxpayers' money to have two senior officials travel to Vancouver to watch a Court application for two days.

That said, we are certainly prepared to protect the interests of our residents as was done recently in obtaining an injunction to prohibit the City's proposed termination of service.

We were however disappointed to read about the City's references to plans for the trial in the news release. To reiterate, we believe that if the City is prepared to sit down and negotiate in good faith a new agreement, that a mutually acceptable solution is achievable. The path forward however ought to involve starting with a clean slate and working on points of principle, not your draft agreement that was adopted by bylaw and forwarded under cover of the threat of unilateral cessation of service.

In view of the unfortunate direction this process has taken to date, I would suggest a meeting between staff representatives of the City and the CSRD to discuss next steps. We look forward to meeting in person to discuss the above noted items in order to start meaningful negotiations.

Yours truly,

COLUMBIA SHUSWAP REGIONAL DISTRICT

Per:



Charles A. Hamilton
Chief Administrative Officer

cc: M. McKee, Revelstoke Director, CSRD
Loni Parker, Electoral Area B Director, CSRD
Darcy Mooney, Manager of Operations, CSRD