

The Amalgamation of the Rural Municipality of West River

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Overview

On September 1st, 2020, the five communities of Afton, West River, New Haven-Riverdale, Meadowbank and Bonshaw amalgamated into Prince Edward Island's (PEI) newest rural municipality, the Rural Municipality of West River. Centrally located just west of Charlottetown, along the southern shore of the island, the municipality borders both the town of Cornwall and the Municipality of Clyde River. Although the Rural Municipality of West River now contains five former municipalities, the approximate population of the new amalgamated municipality is 3154 people (Campbell, 2020). The amalgamation didn't come to fruition overnight, but was a result of years of hard work, meetings, studies, consultations, and debates that led to the five communities deciding they would succeed as a single, stronger municipality. This article highlights key events and decisions that led these five communities to amalgamate into the 6th largest municipality on Prince Edward Island. By doing so, not only will it provide a key reference point for community members and other interested parties to better understand the process that has led them to where they are today, but also provide other communities who may be in the midst of their own amalgamation process, a comprehensive list of exemplary practices to aid them in an efficient and successful restructuring.

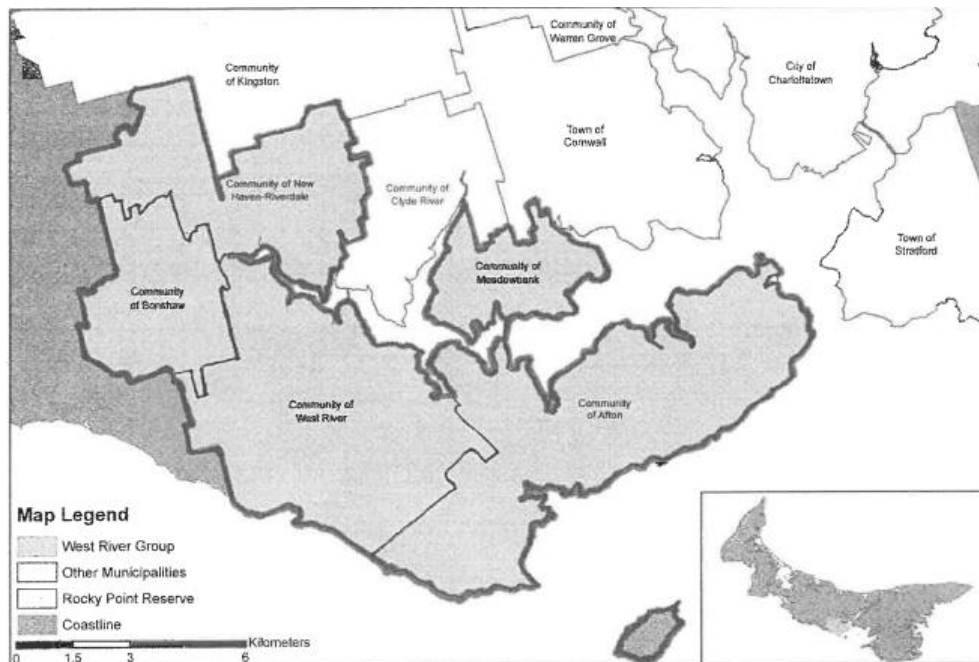
Background

The Communities of West River Group are home to approximately 3,200 residents (2017 estimates) and represent a land area of 29,529 acres (11,950 hectares) along the south shore of Prince Edward Island. In comparison, the 2016 Census estimates the population of the adjoining Town of Cornwall of 5,348 residents and the population of the City of Charlottetown at 36,094 residents. The map below provides an overview of the proximity of the Communities of the West River Group to Charlottetown and Cornwall, which represent the largest and fourth largest municipalities of Prince Edward Island in terms of population.

In the late 1960's the province began to promote the formation of community organizations known as Community Improvement Committees to allow communities to collect and forward fire dues to the local fire department. From 1974 to 1977, smaller rural, farming based communities joined together to form larger improvement committees. Of the West River Group, New Dominion, Fairview, Rocky Point, Cumberland, Nine Mile Creek, and Rice Point formed Afton, New Haven, Churchill, and Riverdale formed New Haven-Riverdale and Canoe

Cove, Long Creek, New Argyle and St. Catherines formed West River. All the incorporated new communities took on additional responsibilities in the form of elected councils, monthly council meetings, annual financial projections, and budgets, as well as annual public meetings to present budgets and reports to their residents. All member municipalities of the Group purchase fire services from the North River Fire Department.

Although largely rural and still agriculturally based, the West River Group is also composed of residents who work in Charlottetown, Cornwall, and Summerside. Residents also access all provincial services, including health services, in either Charlottetown or Summerside. While retail services are available within the West River Group, residents also use the retail services of Cornwall and Charlottetown. Recreationally, the residents of the West River Group



access local recreational services but also use the services of the APM Centre which is jointly owned by 13 surrounding communities. There is a growing trend within the West River Group where farmland is being converted to housing development. Control of this development is currently in the hands of the province's Municipal Affairs Department with the exception of New-Haven-Riverdale, the only member of the group that has developed an official. With the growing housing development and the influx of new residents, populations within the Group have not declined but as residents age, farming is either passing onto younger generations or as stated above, land is being removed from agriculture and used for other purposes.

In December 2016, the legislative Assembly of Prince Edward Island passed the Municipal Government Act (MGA). The MGA modernizes municipal legislation on PEI and supports capacity building for local governments. At the same time, it transfers increased responsibilities to municipalities across PEI. Not all communities feel it is necessary to either assume these increased responsibilities or make any changes and would like to maintain the status quo relationship with the province. Some communities recognize that some changes are necessary in order to shape the development within their communities. While New Haven-Riverdale has moved to enact an official plan, its enforcement, as well as the implementation and enforcement of by-laws have been problematic. (Comments from New Haven- Riverdale re successes/financial constraints of Official Plan). The Other communities within the Group have not taken on the responsibilities associated with the enactment of by-laws and defer to the province in these matters.

With the passing of the MGA, the province is implementing its vision and its guidelines for the sustainability of communities. The MGA requires that municipalities take on the responsibility of an all-day election process that includes the appointment of a presiding electoral officer and advance polls. The Chairperson role becomes Mayor who is elected separate from Councillors during election, Communities will have new names and rural communities become “The Rural Municipality...” Communities will be required to offer minimum office hours and the provision of fire protection, municipal land use planning services (official plans and bylaws) and emergency services planning will become mandatory for all communities. The inclusion and expansion of these services will challenge the current community structures and tax base. As they are now, each community may not be able to stand alone without an unsustainable increase in municipal taxes.

At the Beginning of 2017, the majority of the Island’s land area remained unincorporated and fell under provincial jurisdiction. Unincorporated areas border New Haven-Riverdale, West River and Bonshaw. Some of these unincorporated areas may receive the services of the North River Fire Department and it may be to the residents’ benefit to consider inclusion within the communities of the West River Group. Provincially, there are 73 Island municipalities, which includes all five members of the West River Group. These municipalities are commonly administered by part-time and volunteer staff. The population of these municipalities have wide ranging numbers and land mass and are made up of cities, towns, villages, and rural

municipalities. Less than half of all Island municipalities presently make use of a local land use planning regime.

With the enactment of the MGA, the role of municipalities will increase in complexity. To assist municipalities in adapting to the many changing roles, Municipal Growth Management Studies are an opportunity through which the provincial government is supporting collaborative municipal efforts to identify and respond to shared challenges. With the Communities of the West River Group, there is a strong sense of community in each of the individual municipalities but also an acceptance of shared values, along with a commitment to each community's current infrastructure of community centers, parks, and nature trails. There is also a shared history of interaction with the waters of West River and the Northumberland Strait. By involving our local residents and inviting their views and input in all phases of the study, the Municipal Growth Management Study will help provide a clear timeframe and structured pathway to developing a plan for future economic success for all the residents of the five communities working together in the Communities of the West River Group, and would also take into consideration, any concerns over the possible loss of identity and the potential for increases in property tax that the amalgamation of the West River Group under the mantle of a single municipal structure, that will focus on cost sharing, resource allocation, and shared management to meet the additional responsibilities mandated by the Act, could bring.

Municipal Government Act

The event that initiated these communities into discussions of restructuring was the Municipal Government Act (MGA) being passed through the PEI legislature. This Act, first receiving royal assent in December of 2016, was officially proclaimed into law on December 23rd, 2017. As a result, municipalities across PEI now faced new financial, social, and environmental challenges and requirements. Some communities including Afton, West River, New Haven-Riverdale, Meadowbank and Bonshaw, began into discussions of various options on how they would move forward under the new MGA. The MGA aimed to provide municipalities with the power and authority to address existing and future municipal needs, the flexibility in order to address differing needs in their community, the authority to determine the levels of municipal expenditures and taxation that are necessary to support such needs, and the authority to provide effective management and delivery of services in a manner that is responsive to their needs (Prince Edward Island, 2017). The provincial government believed

that when municipalities were responsible and held accountable, they would play an important role in the economic, environmental, and social success of their communities and the province, as a result, they enacted the new MGA (Prince Edward Island, 2017). The new act also required implementation of several new bylaws, that would ensure the success and sustainability of these communities moving forward including an election, procedural, records retention and disposal, emergency management plan, access to information, protection of privacy, and procurement bylaws (Prince Edward Island, 2017).

The province stated “today's municipalities require modern legislation that is consistent with the principles of democracy, good governance and service” (Heseltine & Wedge, 2018), which resulted in both long and short term obligations and requirements for the municipalities on PEI. In the short term, the first 2-3 years, municipalities would have to adopt new financial procedures such as preparing annual budgets as well as to perform annual reviews or audits. Smaller communities including Afton, West River, New Haven-Riverdale, Meadowbank and Bonshaw would also be renamed to Rural Municipalities. Bigger, more long term effects of the MGA included the requirement of all municipalities to hire a full time Chief Administrative Officer (CAO), maintain a municipal office that would be accessible to the public a minimum of 20 hours per week, and to hold a minimum of 6 regularly scheduled council meetings per year (Heseltine & Wedge, 2018). Lastly, the new MGA required all municipalities to provide three essential services including fire protection, land use planning, and emergency measure planning which would have large implications on the smaller communities, as these services would increase their municipal costs, and in turn, create larger revenue needs for the municipality. To help with managing the transition of the new MGA, the communities of Afton, West River, New Haven-Riverdale, Meadowbank, and Bonshaw decided to create a committee called the Communities of the West River Group (CWRG).

Communities of the West River Group

The CWRG was established in early 2017, shortly after the new MGA received royal assent. For the majority of 2017, the CWRG applied for funding to complete a Municipal Growth Study and chose representatives from each of the communities. Originally, the group contained 2 representatives from each of the 5 communities plus 2 from Clyde River who initially were part of the discussions towards restructuring. The municipality of Clyde River, located just north of the Rural Municipality of West River, decided to part ways with the West River Group in June, as according to the Municipal Council of Clyde River (personal communication, June 7th, 2017),

they believed that their community's needs would be better met by participating in a process that includes a larger number and wider range of municipalities. The members of the Communities of the West River Group included Bob Clow and Elizabeth Wilson from Afton, Laurie Ashley and Timmy Hamming from Bonshaw, Carolyn Wood and Bill Waller from Clyde River, Kyle Jewell and John Yeo from Meadowbank, Judy Shaw and Chad Stretch from West River and Stephen Gould and Sharen Slauenwhite from New Haven - Riverdale. Once the group received funding for their Municipal Growth Strategy, the group then sent out a request for proposal on September 25th, 2017, putting the deadline of applications by October 31st, 2017 (Communities of the West River Group, 2017). Stantec submitted their proposal on the last day of eligibility, and on November 30th, 2017, the CWRG voted for Stantec to complete their municipal growth management study.

West River Municipal Growth Study

Although the study did not begin until May of 2018, Stantec spent the month prior preparing for the project and in between April 9th and April 27th of that year, began preliminary research on the communities and developing a public engagement strategy, which they would facilitate throughout the project (Heseltine & Wedge, 2018). The main objective of the study was to recommend potential approaches to the community's future governance, allowing them to facilitate their obligations under the new MGA. In May of 2018, they completed background, as well as financial analysis of the communities, focusing on important issues such as taxes and public services (Heseltine & Wedge, 2018). Next, came a crucial component of the study, the consultation of the public which occurred through two public meetings held at the Kingston Legion, in New Haven on June 13th and 14th, 2018. At these meetings, the consulting team shared what they had gathered so far, while gathering public opinion on the MGA and restructuring. A week later, on June 20th, Stantec created a report that summarized their data, along with the input they received at the meeting. The next day on June 21st, they reported the results collected from the public consultation to representatives from the 5 communities. There, they answered questions and discussed their approach to the final report (Heseltine & Wedge, 2018). Over the next month, they developed the final report, containing options for restructuring as well as their recommendations for the municipalities moving forward.

On August 28th, 2018, Stantec held its final meeting with an agenda that included what the Growth Management Study was, changes to municipal governance through the MGA, options for the municipalities moving forward, financial analysis, and recommendations as well

as implementation strategies (Heseltine & Wedge, 2018). The final report included three restructuring alternatives for the municipalities to consider, including a regional agency, service agreements, and amalgamation. Service agreements would occur when two or more municipalities provide services, shared revenues, or other shared goals through contractual agreements. This could take the form of the five communities sharing the land-use plans from New Haven/Riverdale, or the emergency services provided by Meadowbank. The method of shared services is common among smaller communities and would offer the 5 municipalities a flexible approach to providing services to their communities. Similar to service agreements, a regional agency could deliver a full suite of services to the communities and could take various forms. If the municipalities were to choose this option, they would contract out to public and private organizations to provide various services to all 5 communities, including public transportation, water and hydro, emergency response, and even fire protection (Heseltine & Wedge, 2018). The final option that the study provided was for the five municipalities of Afton, West River, New Haven-Riverdale, Meadowbank, and Bonshaw to amalgamate into a new rural municipality. This would result in all municipal services being provided by the new local municipal government that would share similarities to the shared services approach, as an amalgamated municipality may still choose to contract out to the North River Fire Department, to take charge of fire protection in the communities.

Although all three options provided the municipalities with the necessary services required under the new MGA, they each brought with them a variety of financial implications. Choosing either the shared service agreements or regional agency, would require each of the 5 communities to maintain a municipal office which would require to be open a minimum of 20 hours a week to the public, hire a new Chief Administrative Office, and elect their own council. For that reason, along with a number of other factors, led to Stantec recommending the 5 communities of Afton, West River, New Haven-Riverdale, Meadowbank and Bonshaw to amalgamate into a new rural municipality (Heseltine & Wedge, 2018). Under an amalgamated municipality, the communities would only require one municipal office, one Chief Administrative Officer, and one council. This would not only reduce the tax rates for municipalities, but it would also create a single, stronger government to better serve the communities. On September 11th, 2018, the five communities held their own separate meetings where they discussed and voted on whether or not to amalgamate (Heseltine & Wedge, 2018). It was an overwhelming yes from the 5 communities, and the next step in their amalgamation process was to submit their proposal for restructuring.

Community	Yes	No
Afton	64	25
Bonshaw	16	6
Meadowbank	61	1
New Haven- Riverdale	30	1
West River	52	26

* Results from the amalgamation vote on September 11th, 2018.

Proposal for Restructuring

The next step for the West River Group, after confirming their intent to amalgamate, was to create their proposal of restructuring. Over the next year, the CWRG began creating a proposal to restructure to submit to the Provincial Government, along with the Islands Regulatory and Appeals Commission (IRAC), who needed to approve the proposal as well (Smith-MacPhail, 2021). The group continued to meet monthly, discussing various key topics that would be crucial once amalgamated, including developing land-use plans, council configuration, plans for unincorporated areas, and other issues that would need to be addressed if and when their proposal of restructuring was approved (Communities of the West River Group, 2019). The first draft of the proposal was produced on June 28th, 2019 by Elizabeth Wilson who was a chairperson for the CWRG and the one taking the lead on the proposal. In the proposal, it included background information on why they were proposing a restructuring, mentioning the new MGA and the legislative requirements that came with it, also mentioning financial numbers including capital assets and tax rates (Rural Municipality of West River, 2019). Once the proposal was approved by all 5 of the communities, and signed off by a representative from each, it was officially submitted to the provincial government in January 2020. As is routine for most government approvals, the proposal would take a few months to be approved, but was delayed even further in March 2020 with the Covid-19 lockdowns (Smith-MacPhail, 2021). In April 2020 the provincial government approved and thus submitted the

proposal to IRAC. After a few months, the proposal to restructure was approved by IRAC in the Summer of 2020, where they recommended the amalgamation to go forward (Campbell, 2020). With that IRAC approval complete, the WWRG met with the provincial government on June 3rd to verify and discuss any issues. On August 17th, 2020, PEI's cabinet gave their final approval for 5 municipalities to amalgamate and form the new Rural Municipality of West River (Campbell, 2020).

Amalgamation of the Rural Municipality of West River

On September 1st, 2020, the 5 communities of Afton, West River, New Haven-Riverdale, Meadowbank and Bonshaw officially amalgamated into the Rural Municipality of West River. In accordance with clause 86(2)(c) of the Act, Kevin McCarville from Bonshaw was appointed Interim Chief Administration Officer (CAO) until the restructured Rural Municipality of West River appoints a permanent CAO. The Act also stated that the new council would consist of 10 representatives, 2 from each of the communities, and the elected mayor, Helen Smith-MacPhail from Meadowbank, who will be in charge of mayoral duties until the next municipal election, in 2022 (Royal Gazette, 2020). On January 19th, the Municipality of West River hired Lala Jahanshahloo, as the first permanent Chief Administrative Officer of the municipality (Stewart, 2021). The hiring of Laala wasn't the only thing keeping the council busy in January, as they also adopted 10 new bylaws, including mandatory bylaws for code of conduct, conflict of interest, procedures, access to information and protection of personal information, records retention and emergency measures (Stewart, 2021). In addition, the council also created 4 new sub-committees including a Property Committee, Emergency Response Committee, Planning Committee, and a Finance Committee (Royal Gazette, 2020).

Moving Forward

It may be too soon to write the amalgamation of the Rural Municipality of West River off as a success, but the short-term goals of the process certainly have been met. As the Rural Municipality of West River continues to work through the orders of the new MGA, they are still able to sustain the character and value of each of the five communities, which was a key focus of interest from all of them throughout the process. Collaboration and communication were a big success for the communities, as they took initiative by creating the Communities of the West River Group shortly after hearing about the new MGA and its obligations. They continued this

communication until the amalgamation by holding monthly meetings to collaborate and discuss their directions moving forward, and to try to eliminate any misinformation that may be spreading through the communities. Although the communication effort was there, Helen Smith-MacPhail (2021) commented that there were still some community members who were unaware of the amalgamation process even after the official amalgamation in 2020. Moving forward, to create larger public input, other forms of communication could be used to spread information, such as emails, letters, and public postings, but all in all, there was still an overwhelming majority of those throughout the communities, in favor of amalgamating.

Not only did the amalgamation process bring financial sustainability to the communities, by lowering tax rates and, as of 2021, maintaining the municipalities debt-free status, but the amalgamation of the 5 communities of Afton, West River, New Haven-Riverdale, Meadowbank, and Bonshaw brought environmental and social sustainability as well. By adopting land-use plans from New Haven/Riverdale and adapting them to the municipalities needs and goals, it will ensure that the entirety of West River will be on the same page in terms of future development and sustainability. This will allow for smarter development through the communities that will maintain their character and values, creating consistent, sustainable growth within the municipality. If the Rural Municipality of West Rivers short term successes prove anything, it is that amalgamation can bring environmental and financial sustainability to smaller rural communities.

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Timeline



For more information on the Municipal Growth Management Study visit:

<https://westrivergrowth.wordpress.com>