

STAFF REPORT

City of Trail



DATE: November 24, 2025 FILE NUMBER: 0450-20

TO: MAYOR AND COUNCIL

FROM: COLIN McCLURE, CHIEF ADMINISTRATIVE OFFICER

SUBJECT: AMALGAMATION STUDY TERMS OF REFERENCE APPROVAL

1.0 PURPOSE

- 1.1. Report for Council's consideration of the approval of the proposed Terms of Reference (ToR) for a joint Amalgamation Study with the Village of Warfield, and to authorize the joint submission to the Ministry of Housing and Municipal Affairs for formal approval and funding consideration.

2.0 RECOMMENDATION

- 2.1. THAT Council approve the Terms of Reference for the Amalgamation Study between the City of Trail and the Village of Warfield as attached to this Report, AND FURTHER;
THAT Council authorize the Mayor to sign a joint cover letter with the Mayor of Warfield, submitting the Terms of Reference to the Ministry of Housing and Municipal Affairs and requesting funding support.

3.0 BACKGROUND

- 3.1. In Spring 2025, the Village of Warfield concluded its Municipal Sustainability Study, which assessed the long-term viability of Warfield as an independent municipality. Based on the results and recommendations of the Warfield Sustainability Committee, Warfield Council passed a resolution to proceed with a Phase II governance restructuring study, specifically exploring the impact and implications of amalgamation with the City of Trail.
- 3.2. Both municipalities agreed to proceed jointly and engaged Neilson Strategies Inc. to draft a ToR for a formal Amalgamation Study. The draft ToR was reviewed by Trail Council at the October 27, 2025 Council meeting.

- 3.3. The consultants revised the ToR, which now reflects feedback from both Councils and the Province and is now ready for formal Council approval prior to submission to the Ministry.

4.0 ANALYSIS

- 4.1. The revised ToR (dated November 2025) outlines a framework to conduct a comprehensive and transparent assessment of amalgamation. The study will include the following components:
- 4.1.1. An analysis of current governance, services, and finances in both municipalities.
 - 4.1.2. A robust engagement strategy with residents, First Nations, and stakeholders.
 - 4.1.3. Financial impact modelling, including property tax implications.
 - 4.1.4. Preparation of the Final Report with a recommendation on whether to proceed to referendum.
- 4.2. The study will be governed by a joint Steering Committee composed of Council and citizen representatives from both municipalities, supported by a Joint Municipal Project Team consisting of administrative staff. Independent consultants will conduct the technical work and public engagement.
- 4.3. If approved, the study is expected to begin in Q1 of 2026 and conclude by mid-2027, subject to final timelines.
- 4.4. As noted previously, both Councils met with the consultant and provided feedback. The ToR were amended accordingly. Key changes from the earlier draft include:
- 4.4.1. Purpose: Now includes other interested parties (i.e., industry, area First Nations)
 - 4.4.2. Steering Committee: clarifies voting can occur if consensus is not reached; stronger expectation for neutrality
 - 4.4.3. Engagement Strategy: Includes communications on outcomes, next steps, and referendum preparation
 - 4.4.4. Provincial Role: Now references the Declaration on the Rights of Indigenous Peoples Act (DRIPA)
 - 4.4.5. Out of Scope: Clarifies infrastructure assessments are excluded unless deemed essential by the Steering Committee.

5.0 OPTIONS

- 5.1. Council could request further amendments to the ToR. This would see the ToR not approved until early in 2026 as any changes would need to be reviewed by all parties.

- 5.2. Council may defer approval pending further discussion with Warfield or the Ministry. This option would also see approval of the ToR delayed until early 2026.

6.0 FINANCIAL CONSIDERATIONS

- 6.1. The proposed budget is \$150,000-\$200,000, inclusive of consulting, engagement, travel, and disbursements.
- 6.2. Funding is to be provided jointly by the Province, Warfield and Trail. The Ministry has reviewed the revised ToR and has indicated general alignment with the Ministry's expectations.
- 6.3. Provincial grant funding will be requested to support the majority of this cost. The Province has indicated that municipalities are generally expected to contribute financially to such studies. Historically, funding has often followed a 1/3, 1/3, 1/3, model (Province, Municipality A and Municipality B); however, funding allocations have not yet been confirmed.
- 6.4. The City's share of the cost should be reflected in the 2026-2027 Financial Plan. This may have implications for the property tax levy or other funding decisions during that period.

7.0 POLICY AND LEGAL CONSIDERATIONS

- 7.1. The governance structure of the ToR aligns with the *Community Charter* Section 142-Select Committees of Council. Members to the Committee are appointed through Council resolution with at least one member of the select committee being a council member.

8.0 OTHER CONSIDERATIONS

- 8.1. Adopting a comprehensive ToR for the Amalgamation Study will ensure a fair, transparent process that enables residents to make informed choices in any future referendum.

9.0 ATTACHMENT

- 9.1. Proposed ToR – Trail and Warfield Amalgamation Study (November 2025)
- 9.2. Draft Joint Letter to Province – Warfield Trail Amalgamation Study

RESPECTFULLY SUBMITTED

A handwritten signature in black ink, appearing to read 'Colin McClure', written in a cursive style.

Colin McClure, Chief Administrative Officer

November 20, 2025

Date



City of Trail and Village of Warfield
Amalgamation Study
November 2025

PROPOSED TERMS OF REFERENCE

OVERVIEW:

Together the City of Trail and the Village of Warfield wish to undertake a municipal *Amalgamation Study* to explore the implications for the communities and local governments of amalgamating the two municipalities. The *Study* is intended to examine the financial, service, and governance implications of amalgamation, and to share that information with the residents of both municipalities. The *Study* will:

- document and examine the Village and City's services, finances, governance, and community characteristics
- identify changes that would occur to services, finances, and governance as a result of an amalgamation
- conduct a robust engagement to share information with both communities and to answer questions regarding potential impacts of the different structure

The information and any assumptions will be reviewed by a Joint Municipal Project Team with staff representatives from both municipalities, and by a Steering Committee comprised of residents of both communities. All information will then be presented to and discussed with the communities and municipal Councils. The Steering Committee will be responsible for assessing the technical information and community feedback, and determining if there is rationale, and a community desire, to proceed with a vote to amalgamate. Ultimately, if an amalgamation vote is scheduled, the information and analysis prepared as part of the *Study* will form the foundation for much of the engagement.

For amalgamation to occur, electors in both municipalities would have to agree to proceed with a referendum; a majority in each would need to vote in favour.

BACKGROUND:

The City of Trail is situated along Columbia River, adjacent to the Village of Warfield, encompassed by the Selkirk and Monashee Mountains in the West Kootenay region of BC. The City of Trail has a population of approximately 8,250; the Village of Warfield has 1,750. Both municipalities are members of the Regional District of Kootenay Boundary (RDKB), and are two of the seven local government jurisdictions (five municipalities and two electoral areas) in the Greater Trail sub-region.

Warfield, Trail and several of the neighbouring jurisdictions collaborate through the

Regional District in the provision of several sub-regional and regional services — Planning and Development, Regionalized Fire Protection, East End Regionalized Sewer Utility, and East End Transit are examples. Warfield and Trail already rely upon inter-municipal agreements to cooperate and deliver services — Recreation and Library are key examples where the Warfield purchases services directly from Trail.

The existing local government structure in the Greater Trail sub-region has been a topic of discussion for many years. Individual municipalities, including the Village of Warfield, have been willing to collaborate with other jurisdictions on individual services when interests and needs align. Until recently, however, municipalities have been unwilling to consider more fundamental structural changes that would result in a loss of jurisdictional autonomy.

In 2024 Warfield Council decided to evaluate the opportunities for structural change through a *Municipal Sustainability Study*. Council recognized that Warfield's challenges related to municipal infrastructure, the lack of a diverse assessment base, succession planning for senior staff positions, and various other matters compromise the community's long-term viability as an independent municipality. In the *Municipal Sustainability Study*, which concluded in the spring of 2025, the Municipal Sustainability Steering Committee recommended:

that Council seek the support of the Ministry of Housing and Municipal Affairs and the City of Trail to proceed with a Phase II governance restructuring study that would consider the impacts and implications associated with the two local governments amalgamating.

That recommendation was endorsed by Village of Warfield Council, with a further recommendation to approach the City of Trail to determine if it would agree to seek support, along with the Village of Warfield, for an amalgamation study. The City of Trail confirmed its support and interest in proceeding with a Study; the municipalities jointly approached the Ministry for assistance.

PURPOSE: The purpose of the *Amalgamation Study* is threefold:

- to identify the impacts of amalgamating the Village of Warfield and City of Trail as one municipality
- to communicate that information and provide opportunities for residents of the communities and other interested parties (i.e., industry, area First Nations) to understand the implications of the potential structural change
- to determine whether there is sufficient rationale for amalgamation, along with sufficient interest in the community, to warrant recommending that the two municipalities proceed with a referendum on amalgamation

To fulfill this purpose, the *Study* will undertake a thorough, objective, transparent and technical examination of amalgamation and its implications for governance, service delivery and municipal finances, including property taxes, as well as a robust engagement process to provide the Steering Committee with the information needed to make a recommendation on next steps.

**STEERING
COMMITTEE:**

The *Study* will be led by a joint Steering Committee established by each municipality as a select committee of Council under Section 142 of the *Community Charter*. The Committee will be comprised of the following members:

- two (2) council members from each of the City of Trail and Village of Warfield
- four (4) residents from each jurisdiction, appointed by the respective Councils based on a jointly issued public call for candidates, with an effort to include a diverse range of demographics, interests and circumstances, including long-time residents and relative newcomers to the area

In addition to the members above, an invitation could be extended to local First Nations to participate on the Committee, as well as representatives from the business community (Chamber of Commerce) and Teck Resources Ltd., given the role of Teck as both a significant local employer, and a key player in the Village's water system.

The Chief Administrative Officers of the Village and the City, along with other municipal staff (as determined by the Chief Administrative Officers), will provide administrative support to the Committee and the consultants, and will be members of a Joint Municipal Project Team to help facilitate the municipal research (see reference to the Project Team later in this document).

The purpose of the Steering Committee is to oversee and guide a locally focused process to study the impacts of local government structural change. The Committee will serve as an objective fact-finding and oversight body, established to understand the information collected and presented by the *Study*, and ensure that the *Study* presents the information in a neutral and balanced fashion. The Committee will review the approach and provide direction to the consultant retained to prepare the *Study*. The Committee will also be responsible for reviewing and approving the community engagement plan, and will participate in community events related to the *Study*. Most importantly, the Committee will be in place to make a final recommendation to both Councils on whether to proceed with an amalgamation vote, based on the consultant's input and the communities' feedback.

Generally, Committee members should view themselves as process managers, not decision-makers — consensus rather than votes are the preferred method of moving the process forward, although votes can be used consistent with Council procedures to resolve issues that do not have unanimous support. Individual members of the Committee are expected to participate in good faith and remain impartial and act as stewards of the process, ensuring that it is thorough and carried out in an open and transparent manner, and that expressions of personal opinions do not undermine the Committee's neutrality or credibility as an oversight body, or as a conduit for providing information to the public. The Steering Committee is not intended to deliberate and conclude whether it supports amalgamation — this feature sets the Steering Committee apart from a Citizens' Assembly. The Committee, as noted, is in place to ensure the information is thorough, clear and unbiased, and to listen to the community.

The Steering Committee will be supported throughout the *Study* by an independent local government consulting team with experience in service, financial, governance

and restructure studies. The consultants will undertake and present the findings of the technical analysis to the Committee, and will develop and execute a robust engagement strategy to present all findings to, and to seek to understand the perspectives of, the Trail and Warfield communities. The inclusion of consultants with engagement expertise is an integral component of the *Study* (see Community and First Nations Engagement section below).

All Committee meetings will be open to the public; all materials produced by the Committee will be available for public review. Progress reports to the respective Councils will be facilitated by the Council members who sit on the Committee.

Volunteer Steering Committee members can expect to serve for a total of between 1 to 1.5 years until the conclusion of the *Study*. Two (2) Co-Chairs will be nominated and selected by the Committee from the eight (8) resident representatives (i.e., not council members), and will work with the consultants directly in delivering clear and consistent messaging as the designated spokespeople for any updates from the Committee, including media inquiries. The Co-Chair roles will therefore require an additional time commitment, but will be supported by the consulting team.

**STUDY
COMPONENTS:**

The process through which the *Study* will be conducted is expected to include the following components, all of which will be conducted under the direction of the Steering Committee:

- *Warfield and Trail Current State* — The *Study* will document the current state of governance, service delivery, and service funding in each municipality. Information will be identified and documented by the consultants based on research and on discussions with staff at both municipalities, facilitated through the Joint Municipal Project Team. The consultants will rely heavily on the information presented in the *Municipal Sustainability Study* as background for the Village of Warfield. The information will include:
 - the local government services currently provided by each municipality, including references to service levels and resources needed to provide the services
 - the approach to service delivery, including reliance on the RDKB or others to deliver certain services
 - the governance model for each municipality, including Council's use of advisory committees
 - the municipalities' finances, including their respective assessment bases and revenue sources, costs and cost drivers
 - current or upcoming capital projects or issues that may impact amalgamation
 - an overview of each community's character and demographics
- *Amalgamation Context* — The *Study* will provide some context on amalgamations and restructure initiatives, in BC and elsewhere, recognizing that every amalgamation occurs within its own unique legal, political, and economic context. The context will reference the potential for benefits of

amalgamation and acknowledge potential disadvantages.

- *Impact Analysis* — The consultants will determine and describe the service, governance, financial, property tax and other implications associated with the amalgamation of the two municipalities. The analysis will include not only the local services provided by each municipality, but also identify any changes to the local services or funding provided by the RDKB, and the Provincial Government as a result of amalgamation. The section will also reference any challenges or impacts of not amalgamating.
- *Property Tax Implications* — The consultants will provide information on the property tax implications of amalgamation, for sample residential, business and industrial properties within both municipalities, based on some guiding assumptions and scenarios developed together with support from the Joint Municipal Project Team and approval by the Steering Committee.
- *Implementation Process* — The consultants will outline the process through which amalgamation would be implemented. Included in this outline will be an overview of any restructure or transition assistance that would be available through the Provincial Government in the event of an amalgamation, potential naming opportunities, as well as the voting that would need to occur to implement amalgamation.
- *Preparation of a Preliminary Technical Report* — A technical report will capture the information collected, and the results of the analysis undertaken. The report will first be provided to the Joint Municipal Project Team to review, then the Steering Committee and the Ministry for review and comment. Once finalized, the report will be provided to both municipalities as an update of the Steering Committee and consultant's work.
- *Community and First Nations Engagement* — The consultants, working with the Steering Committee, will develop a comprehensive community engagement strategy. The strategy will ensure that the electors within both municipalities, local First Nations, the RDKB and other interested and affected parties, have opportunities to review, understand, and question the implications of amalgamation as presented in the Preliminary Report, and share feedback with the consultants and Steering Committee. Additional details and requirements of the engagement process are outlined in the next section of this document, but at a minimum the strategy will include the provision of a website and hard-copy materials, at least two (2) in-person community meetings in each municipality as well as online meetings or hybrid options, and feedback opportunities to identify key issues or areas for more specific focus or information. It is intended that the materials prepared as part of the *Study* would also be relevant resources in the event that the *Study* results in a subsequent referendum. The engagement strategy would include communications of the Committee's recommendations and next steps.
- *Final Report* — Based on the input provided by the community through the

engagement process, and after considering the comments provided by the Joint Municipal Project Team, Steering Committee and the Ministry, the consultant will produce a Final Report for the *Study*. The Final Report will include a synopsis of the public engagement process and feedback provided, including key themes and issues raised, combined with the Preliminary Report information completed previously. The report will also include the Steering Committee's recommendation on whether to proceed with an amalgamation vote. The report will be submitted to both the municipalities and the Ministry, and will be presented by the Steering Committee, supported by the consultants, to the Councils.

**COMMUNITY
AND FIRST
NATIONS
ENGAGEMENT:**

In British Columbia local governance is matter for local communities to consider. Neither the *Amalgamation Study* nor the Steering Committee is expected — or, indeed, invited — to determine whether amalgamation is the right solution. The *Study* and Committee, instead, will determine only whether sufficient rationale and community interest exist to recommend an amalgamation vote. As part of the *Study*, the Committee will ensure that information and resources are available to enable residents to understand the anticipated impacts of amalgamation, in order to make an informed decision in the event of any subsequent vote.

The consultant(s) will provide opportunities for residents, local First Nations and interested parties to:

- learn about the existing services, governance model and finances in both municipalities,
- review and discuss information regarding the implications and impacts of amalgamation, and ask questions
- learn and engage in discussions about the pros and cons of amalgamation, and how the change in structure would impact governance, finance, services and property taxes
- provide feedback to the Committee on all aspects of the *Study*, and on possible next steps
- learn about the Study outcomes and next steps

While the strategies and approaches will need to be determined together with the Steering Committee, as guidance for the consultants, the process is expected to include:

- a dedicated website including frequently asked questions;
- radio/newspaper/social media communication including advertisements in the Trail Times and the Warfield Scoop
- in-person open houses— 4 in total (2 Warfield, 2 in Trail), in addition to online meetings or hybrid options
- direct mailings to every household (subject to Canada Post availability);
- outreach to local First Nations;
- communicating the Committee recommendations, and subsequent Council decisions at the conclusion of the *Study*, and information on next steps

The development and execution of an engagement strategy is a critical component of the *Study*. Engagement will require a variety of outreach strategies to ensure residents of both Trail and Warfield are aware of the Study, have access to the information and resources, and have opportunities to understand and engage with the information, including in-person meetings, virtual meetings, print materials, focus or small group discussions, and workshops with community organizations. Engagement will involve communicating information to residents but also soliciting opinions and feedback from residents to understand their key interests, concerns, and information gaps. As noted previously, it is expected that the materials prepared as part of the *Study* would also be relevant resources in the event that the *Study* results in a subsequent referendum.

The consultant will develop a strategy for review and approval by the Steering Committee that identifies opportunities not only for residents of each municipality, but also affected jurisdictions such as the RDKB to participate, as well as the timing and methods of engagement. While consultation with First Nations is the Province's direct responsibility, based on guidance from the Ministry, outreach to area First Nations will be part of the engagement strategy, with opportunities to engage, share information and receive feedback.

**MINISTRY OF
HOUSING AND
MUNICIPAL
AFFAIRS:**

The City of Trail and Village of Warfield will jointly apply for Ministry of Housing and Municipal Affairs restructure planning grant assistance to help fund the *Amalgamation Study*. Once the *Study* is initiated, the Ministry will provide guidance to the Steering Committee, consultants, and municipal staff as needed throughout the process.

The Ministry is responsible for detailing any funds that may be available to assist the two municipalities in the transition to an amalgamation, if the communities were to jointly choose to pursue that route.

The Province is also responsible for broader consultation with First Nations throughout the *Study*, although the engagement strategy referenced previously will also be designed to be inclusive and respectful of Indigenous communities, and will consider how to best to engage with area First Nations. The Province's consultation will be conducted consistent with the Provincial commitment to the *Declaration of the Rights of Indigenous Peoples Act* and the associated *Action Plan*.

At the end of the *Study*, the Village of Warfield Council and City of Trail Council will provide a recommendation to the Ministry on whether or not the two Councils wish to pursue amalgamation through a referendum vote in each municipality. Each Council's recommendation will take into consideration the report and recommendation of the Steering Committee. If both Councils recommend proceeding with a referendum, if the Minister accepts the recommendations (following consultation with area First Nations), the Ministry will assist in the process to schedule a referendum, and prepare for the potential structural transition (i.e., amendments to the letters patent). As noted, a majority of votes cast by electors in each municipality is needed to proceed with amalgamation.

**CITY OF TRAIL
AND
VILLAGE OF
WARFIELD:**

As referenced previously, the Village of Warfield and the City of Trail Council will each appoint four (4) Steering Committee members representing their municipality, based on a call for applicants, as well as two (2) members of Council, to serve on the Steering Committee.

Each municipality will appoint the Chief Administrative Officer and if required, one other staff member, to a Joint Municipal Project Team. The role of the Joint Municipal Project Team is to be the key municipal contact for coordinating the sharing of all data, background studies and other information requested for the technical analysis, and to review the materials and communications prepared by the consultants to ensure the accuracy of the municipal information. The Project Team will be copied on all information requests, and will be used to vet written materials, as well as discuss any assumptions that need to be made as part of the information (e.g., property tax assumptions, future budget scenarios, capital project priorities, etc.). The Project Team will also facilitate regular communication between the two municipalities, enable oversight of the project, and ensure all terms and conditions of Provincial funding are fulfilled.

In-kind assistance will be provided by both municipalities to support the *Study*, including assistance from various departmental staff in sharing information, in booking meetings and engagement venues, taking minutes of Committee meetings, updating municipal websites, and advertising community engagement opportunities. Finally, either the Village or the City will administer the contract with the consultants.

BUDGET:

The Study will be funded jointly by the Province, Village of Warfield and City of Trail. The budget for the *Study*, including the public engagement, is estimated at \$150,000 to \$200,000, but is dependent upon, and subject to, further discussions with the Province regarding scope and available funding.

The budget amount will include all consulting costs, travel and disbursements. The budget will not include any costs, in kind or other, incurred by the Village of Warfield or City of Trail to support the Steering Committee, to provide information to and liaise with the consultants, or to administer the consultants' contract.

TIMELINE:

It is expected that the *Study* will take between 12 and 18 months to complete from the time the Steering Committee has its initial meeting with the selected consultant(s). Key project milestones and timing of each phase are proposed as follows, recognizing that adjustments may be required to reflect the actual project approval and initiation dates:

Date	Milestone/Deliverable
Q4 2025	Request for Proposals issued
Q1 2026	Consultant(s) selected
Q1 2026	Committee selected and established
Q1/Q2 2026	First meeting of Committee with consultant

Q1 2027	Research and analysis completed and Preliminary Report tabled for both Councils and Ministry review
Q2 2027	Community Engagement completed
Q2 2027	Final Report submitted

OUT OF SCOPE: Each municipality has considerable asset management, technical analysis and financial planning information that references infrastructure condition and future capital requirements that will be made available to the consultants and will inform the *Amalgamation Study*. While it is anticipated that the existing information will be sufficient to support the *Study*, if the Steering Committee determines that any significant gaps preclude the ability to provide sufficient information to the Committee and residents, and thereby prevent completion of the *Study*, recommendations can be made and discussions held with the two municipalities and Ministry to determine options for proceeding. Any detailed or updated engineering infrastructure condition assessments are therefore not included in the scope of these *Study* terms, and if required, would be contracted separately.



Village of Warfield

555 Schoefield Highway
Trail, B.C. V1R 2G7
250-368-8202
www.warfield.ca



City of Trail

1394 Pine Avenue
Trail, B.C. V1R 4E6
250-364-1262
www.trail.ca

November 25, 2025

The Honourable Christine Boyle
Minister of Housing and Municipal Affairs
Email HMA.Minister@gov.bc.ca

Dear Minister Boyle:

Re: Request for Approval and Funding – Proposed Amalgamation Study Terms of Reference

On behalf of the Councils of the Village of Warfield and the City of Trail, we are pleased to submit the Proposed Terms of Reference (ToR) for a joint Amalgamation Study between our two municipalities.

These Terms of Reference have been developed collaboratively, guided by a neutral consulting team, and shaped by input from Council members and staff in both communities. The Ministry of Housing and Municipal Affairs has also reviewed the proposed Terms and provided helpful feedback, which has been integrated into the final version now presented for formal consideration.

This work is a direct outcome of the Warfield Municipal Sustainability Study, completed earlier this year, which identified amalgamation with Trail as a potential and preferred restructuring option to support Warfield's long-term viability. The Province supported this earlier work both financially and through staff involvement, providing expert guidance throughout the process. Following Council's endorsement of the study, Warfield approached the City of Trail, which responded positively and agreed to participate in a formal study process under continued Provincial oversight.

Importantly, the Village of Warfield also received strong public support to proceed with an amalgamation review, reflecting a notable shift in thinking within the community. Residents expressed an understanding of the challenges facing the municipality and a willingness to explore new governance arrangements. Advancing to the next phase is not only a logical continuation of the work already completed, but also ensures that the Province's investment, both financial and in staff resources, continues to deliver value. If this opportunity is not pursued, the groundwork laid by the earlier study and the momentum and goodwill established

to date could be lost. We are also concerned that if the work stalls, the chances of reviving this initiative in the future would be slim, resulting in ongoing concerns that could negatively impact local government services and hinder future opportunities for economic growth.

The proposed study framework includes a technical evaluation of services, governance, and finances; a robust public and stakeholder engagement process; and the establishment of a joint Steering Committee to oversee the work and consider future steps. If warranted, the process may culminate in a referendum in both communities.

We are therefore requesting that the Province formally endorse the Terms of Reference and provide financial and staff support to initiate and carry out the study.

We understand that previous governance studies have often followed a one-third cost-sharing model among the Province and participating municipalities. However, we ask the Province to consider assuming a greater proportion of the study cost in this instance, based on the following factors:

- The Village of Warfield faces well-documented fiscal and capacity challenges, as outlined in its Sustainability Study. A one-third share of costs would represent a major financial burden.
- Although the City of Trail supports the initiative, the process was initiated by Warfield and was not originally identified as a strategic priority for the City.
- The Province has already invested in this process by funding the Warfield Sustainability Study and now has an opportunity to build on that work and support the next phase.
- The two municipalities already collaborate through formal agreements, including the shared Recreation and Library Service Agreement, and are currently reviewing the implications of the City providing treated water to the Village. These and other service arrangements highlight the need to evaluate a more integrated governance structure that could ensure services are delivered sustainably and efficiently, with costs fairly allocated based on benefit. Amalgamation could provide a more appropriate framework to manage these interdependencies and evaluate and manage appropriate collective service levels over the long term.

We believe that with Provincial endorsement and support, this study will allow both communities to make a well-informed, transparent decision about their future governance. More broadly, if the process leads to local government restructuring, it will establish a valuable precedent for similar initiatives across British Columbia. Many small communities are likely facing governance, infrastructure, cost, and service delivery pressures. The cooperative approach now being piloted between Warfield and Trail can serve as a template for future assessment and voluntary

restructuring in other regions, helping to modernize local governance, improve coordinated planning, and support more efficient and effective infrastructure investment and service delivery for larger population bases.

We thank you for your consideration of this request and look forward to the Ministry's continued support as we move into this next phase of collaborative planning for our region. This initiative presents an opportunity for the Province to lead the way in supporting innovative and locally driven governance solutions that can be replicated in other jurisdictions facing similar challenges.

Sincerely,

Frank Marino

Mayor, Village of Warfield

Colleen Jones

Mayor, City of Trail

cc: The Honourable Steve Morissette, MLA