

## **COUNCIL REPORT**

**To:** Mayor and Council

**From:** Corporate Services

**Date:** April 7, 2026

**Subject:** Morfee Mountain Road – 2026 Operating Budget

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### **RECOMMENDATION:**

THAT Council authorizes the 2026 operating budget allocation of up to \$67,000 from the McLeod Lake Mackenzie Community Forest Dividends for the Morfee Mountain Road License of Occupation first-year requirements.

### **BACKGROUND:**

In September 2025, Council authorized staff to enter into a License-of-Occupation agreement with the Province of BC for a portion of Morfee Mountain Road. A copy of the report has been attached for further information. The agreement was approved with three main requirements that must be met this year:

- Caribou Informational Signage be installed at the top parking lot;
- Barricades be put up at the top parking lot to prevent vehicle and ATV traffic from entering the caribou moratorium area as established by the Province of BC; and
- Perform appropriate road maintenance in alignment with the required management plan submitted with our application.

In addition to the required works, it is recommended we grade the road following spring inspection and then install safety/traffic signage along the route to mark sharp corners, speed limits, and any potential hazards. This work was identified in the road assessment and asset management plan that was completed in the fall of 2025.

The total cost of these activities is estimated to be \$67,000. Staff will be looking for cost saving measures where possible and have identified grants that could be leveraged to help fund the ongoing maintenance and capital works that may be needed on the road going forward.

### *2026 Operating Funding*

The road is not considered a District-owned asset, as a result our auditors have stated that any work completed on the road would be considered operational in nature and must be funded

this year through property tax, MLMCF Dividends, or grant funding. Another option is to set-up a specific reserve for the road, which staff are exploring for future year's budgets.

For 2026, staff are proposing to fund the required works through McLeod Lake Mackenzie Community Forest Dividends, resulting in no impact to other operating budgets or the previously approved property tax rates.

#### *Next Steps*

If approved, staff will work with a project manager to complete the required works by end of summer and review the asset management plan created for the road to prioritize the necessary future capital works and identify options for funding them. To support communication and decision-making with respect to road maintenance and capital improvements going forward, staff will also be establishing a road-user committee.

#### **BUDGETARY IMPACT:**

Funding for this recommendation would be allocated from the McLeod Lake Mackenzie Community Forest Dividends,

#### **COUNCIL PRIORITIES:**

##### **Community and Social Development**

- Our investment in the municipality's services and infrastructure, our commitment to principles of social equity and well-being, and our belief in the value of resident engagement, creates a healthy community in which everyone feels valued and enjoys a high quality of life.

##### **Economic Vitality**

- The District is a leader on efforts aimed at diversifying the community's economy, supporting local businesses, and attracting new investment to the community. Diversification, a strong business sector and new investment are key to our economic vitality.

#### **RESPECTFULLY SUBMITTED:**

Emily Kaehn, Director of Corporate Services

**Reviewed By:** Corporate and Financial Services

**Approved By:** Chief Administrative Officer