



To: General Purposes Committee
From: Cecilia Achiam
General Manager, Community Safety
Re: **UBCM Cannabis Costs Survey**

Date: May 21, 2019
File: 09-5000-01/2019-Vol
01

Staff Recommendation

That the responses summarized in the staff report titled "UBCM Cannabis Costs Survey", dated May 21, 2019, from the General Manager, Community Safety be approved for submission to the UBCM.

Cecilia Achiam
General Manager, Community Safety
(604-276-4122)

Att. 3

REPORT CONCURRENCE	
ROUTED TO:	CONCURRENCE
Finance Department	<input checked="" type="checkbox"/>
Community Bylaws	<input checked="" type="checkbox"/>
Fleet	<input checked="" type="checkbox"/>
Parks	<input checked="" type="checkbox"/>
Fire Rescue	<input checked="" type="checkbox"/>
RCMP	<input checked="" type="checkbox"/>
Policy Planning	<input checked="" type="checkbox"/>
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS:
APPROVED BY CAO 	

Staff Report

Origin

On October 17, 2018, the legalization of non-medical cannabis came into full force along with the Federal-Provincial-Territorial Agreement on Cannabis. This two year agreement enables the Federal Government to collect a 25% share, limited to a maximum of \$100 million, of the excise tax revenue on cannabis. The provinces and territories collect the remaining 75% or more share of the excise tax revenue. The Federal Government has not mandated any share of the excise tax revenue to local governments. As a result, each province or territory and their respective municipalities underwent separate negotiations on cannabis revenue sharing.

According to the Federation of Canadian Municipalities, only three provinces (Ontario, Quebec and Alberta) have publicly announced local government revenue sharing agreements on cannabis.¹ For the past two years, the UBCM and the Province have had ongoing discussions regarding revenue sharing of the cannabis excise tax. In July 2018, the UBCM proposed a revenue sharing model, similar to Ontario, where the Province would commit 40% of the cannabis excise tax revenue to local governments. UBCM's proposal was predicated on a claim that 46.4% of provincial excise tax revenue could cover the costs to local governments following cannabis legalization. The Province is now requesting that the UBCM provide "evidence from its members that supports the assertion that local governments will incur tangible one-time and ongoing costs that result from cannabis legalization in Canada."²

Analysis

On May 1, 2019, the UBCM launched a survey of local governments that explored the costs associated with the legalization of cannabis.³ This survey was developed with input from Government Finance Officers Association of British Columbia (GFOABC), and centres on a cannabis costing model that will be populated with survey data from local governments. The model consists of seven major cost categories: general government; development services; health, social and housing; protective services; solid waste; transportation and transit; airport services; and other services.

As a result of previous Council direction and research, attachment 1 is proposed as a response to the UBCM Cannabis Survey of incremental costs associated with cannabis legalization.

From 2018-2020, it is estimated that the City will incur a three year total of \$2,193,578 in costs directly or indirectly associated with the legalization of cannabis.⁴ A significant portion (\$1.8 million) of these costs will be borne by the Community Safety Division.

¹ <https://www.cbc.ca/news/politics/marijuana-cannabis-legalization-municipalities-cities-excise-1.5101880>

² <https://www.ubcm.ca/assets/Resolutions~and~Policy/Policy/Community~Safety/Marijuana~Regulation/02-UBCM%20Cannabis%20Cost%20Tracking%20Model%20-%20Introduction%20FINAL%20v2.pdf>

³ <https://www.ubcm.ca/EN/meta/news/news-archive/2019-archive/for-cfos-cannabis-costs-survey.html>

⁴ Cost estimates were utilized for all years (2018-2019) to ensure a comprehensive accounting of both the direct and indirect financial impact of cannabis legalization. Of note, the UBCM model originally advised that 2018 should include actuals costs and 2019-2020 should include estimates. However, UBCM staff later advised that estimates for all years were acceptable.

The cost estimate for Richmond Fire-Rescue (RFR) is \$932,176 and under the UBCM model the costs are associated with:

- RFR staff training regarding revisions to the BC Fire Code, and on emerging hazardous home cultivation processes such as the extraction of cannabis oils and the use of flammable hydrocarbons.
- Public education campaigns informing the public about the dangers of cannabis extract production etc.
- Inspection costs associated with legal/illegal home cultivation.
- HAZMAT and emergency response costs associated with legal/illegal home cultivation.

The cost estimate for the RCMP is \$597,087 and under the UBCM model the costs are associated with:

- Training costs for road side screening and drug recognition expertise to detect cannabis related impaired driving.
- Public education and prevention campaigns associated with addiction and illegal underage consumption.
- Increased investigative and emergency response burden associated with impaired accidents and illegal grow operations.

The cost estimate for Community Bylaws is \$299,916 and under the UBCM model the costs are associated with:

- Property standards enforcement to address issues/complaints related to potential degradation/danger to property such as smoke dispersion in multi-residential units or home cultivation, as well as the purchase of testing equipment.
- Increased staff training on enforcing bylaws and provincial/federal laws associated with the cannabis framework.
- Increased burden to enforcing smoke-free bylaws.

The cost estimate for Public Works' Fleet and Environmental Programs is \$148,002 and under the UBCM model the costs are associated with:

- Disposal of refuse from cannabis cultivation.

The cost estimate for the Planning and Development is \$131,597 and under the UBCM model the costs are associated with:

- Reviews, updates and management of zoning bylaws.

The cost estimate for the Community Services is \$84,800 and under the UBCM model the costs are associated with:

- Marketing and signage in parks, trails, and coordination and response to general public inquires or complaints.

Financial Impact

None.

Conclusion

Following direction from the General Purposes Committee, staff will submit the above response to the UBCM survey. This survey response provides an overview of the three years of estimated and incremental costs associated with cannabis legalization (2018-2020). Each City division was required to review and estimate any direct or indirect costs as per the UBCM cannabis costing model. While the majority of these costs will be borne by Community Safety Division there are notable costs in other departments. Staff will continue to research cost and other issues surrounding the Federal government's proposed regulatory regime for the *Cannabis Act* as well as the Province's *Cannabis Control and Licensing Act*.



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MC:mc

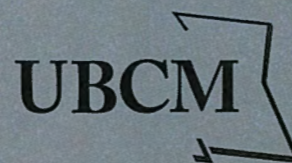
- Att. 1: Richmond Submission: Cannabis Cost Survey
- Att. 2: Overview of Local Government Tracking Model for Incremental Costs Associated with Cannabis Legalization
- Att. 3: Local Government Guide for Recording Incremental Costs Associated with Cannabis Legalization 2018-2020

Richmond Submission: Cannabis Cost Survey

UNION OF BRITISH COLUMBIA MUNICIPALITIES INCREMENTAL COSTS ASSOCIATED WITH CANNABIS LEGALIZATION FOR THE YEARS 2018 - 2020												
NAME OF LOCAL GOVERNMENT: City of Richmond												
POPULATION: 222,945												
RETAIL STORES APPROVAL: NONE												
SERVICE AREA	2018			2019			2020			TOTALS 2018 - 2020		
	CAPITAL COSTS	OPERATING COSTS ONE-TIME	ONGOING	CAPITAL COSTS	OPERATING COSTS ONE-TIME	ONGOING	CAPITAL COSTS	OPERATING COSTS ONE-TIME	ONGOING	CAPITAL COSTS	OPERATING COSTS ONE-TIME	ONGOING
<u>GENERAL GOVERNMENT</u>												
Municipal Admin and Support		23,000	12,000		15,000	5,000		7,000	5,000		45,000	22,000
<u>DEVELOPMENT SERVICES</u>												
Planning / Zoning			43,860			43,860			44,737			131,597
<u>PROTECTIVE SERVICES</u>												
Enforcement Services			97,514			99,952			102,450			299,916
Fire and Emergency Services	4,500	76,549	270,164		7,755	276,918	4,500	7,949	283,841	9,000	92,253	830,923
Policing	306,000	127,074	17,553	26,400	28,614	17,991	26,400	28,614	18,441	358,800	184,302	53,985
<u>SOLID WASTE</u>				50,000		48,516			49,486	50,000		98,002
<u>OTHER SERVICES</u>							2,000	2,000		12,000	5,800	
Marketing and Signage		1,800										
TOTALS	317,500	228,423	440,231	79,400	53,369	492,237	32,900	45,563	503,955	429,800	327,355	1,436,423
			TOTAL 2018		TOTAL 2019		TOTAL 2020		TOTAL 2018-2020			
			986,154		625,006		582,418		2,193,578			



Overview of Local Government Tracking Model for Incremental Costs Associated with Cannabis Legalization



May 2019

1. INTRODUCTION

The Union of British Columbia Municipalities (UBCM) has been engaged with the Province of British Columbia over the past two years in the lead up and adoption of legislation legalizing non-medical cannabis in Canada. A UBCM proposal for excise tax revenue sharing between the Province and local governments has been discussed with MLAs and Ministry of Finance officials but no excise tax revenue has been committed to address local costs.

Among the many issues arising from legislative changes, the tracking of incremental costs has been of interest in several provinces, particularly in terms of supporting revenue sharing, including both compensatory payments and the potential for 'community good' consideration should there be excise tax revenue available to a province that exceeds all costs.

The Province is looking to UBCM to provide evidence from its members that supports the assertion that local governments will incur tangible one-time and ongoing costs that result from cannabis legalization in Canada.

2. BACKGROUND

The federal government, in legalizing non-medical cannabis, determined that there would be a 10% excise tax added to the retail price of cannabis (minimum \$1 on product less than \$10).¹ Initially, 50% of this tax revenue was to be passed on to provincial governments and 50% retained to cover federal costs. The provinces' share was subsequently raised to 75% recognizing that local governments in each province would be incurring substantial costs, although revenue sharing decisions are entirely at the discretion of each province.

To date, revenue sharing commitments across Canada have been mixed. For example, the Province of Manitoba has determined that local governments will not receive a share of provincial excise tax revenue. The Province of Ontario made an agreement with its local governments early in the process to allocate \$40 million of excise tax revenue over the first 2 years based on initial projections. While there was no requirement originally for sharing to be contingent on costs, the Province has now stated that local governments will only receive revenue allocations up to the total of 'permitted' costs. Permitted costs are only those costs directly associated with cannabis legislation and incremental to any pre-legislation expenditures. Ontario has determined there will be an initial

¹ The proposed excise tax for cannabis edibles, extracts and topicals will be calculated based on THC content.

allocation of \$15 million distributed among all local governments, followed subsequently by a second \$15 million allocation available only to those jurisdictions agreeing to host retail stores. A total of \$10 million will be held in a contingency fund for unforeseen circumstances with no current timeline commitment.

UBCM's proposal for excise tax revenue sharing adopted the agreement framework utilized in Ontario, with a request for 40% of the estimated \$125 million Provincial portion of projected revenue over the first two years.²

3. MODELLING EXERCISE OVERVIEW

The Province has put forward the idea that local governments quantify incremental expenditures associated with cannabis legalization. To best accomplish this goal, it is important to develop a model that will provide consistency with regard to types of costs and facilitate analysis of information based on various criteria (e.g. size of local government, expenditure type, etc.).


The model will report on expenditures for the 3-year period, 2018-2020. Reporting for 2018 is to be based on actual expenditures; 2019-2020 reporting is to reflect budgeted expenditures. To ensure consistency, reporting will be based on current dollars and will not project inflation. Ongoing expenditures are to be recorded in each year.

The 3-year period was selected recognizing that, as of February 2019, there were over 400 paid applications for private retail cannabis storefronts and close to 300 have been forwarded to local governments for approval. While only a portion will be approved, there are incremental costs associated with review, licensing, bylaw development, etc. that may not be incurred until at least 2020.

² The provincial government, in February 2018, initially projected that it would receive \$125 million in excise tax revenue over the first two years of legalization (\$50 million in 2018/19 and \$75 million in 2019/20). The most recent 2019 provincial forecast projects \$10 million in 2018/19, \$38 million in 2019/20, and \$68 million in 2020/21.



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Local Government Guide for Recording
Incremental Costs Associated with
Cannabis Legalization
2018 - 2020



May 2019

1. MODEL COMPONENTS

There are two main components to the model. The first, contained in this document, will provide narrative information that will be integral to completion of the spreadsheet and ensure the spreadsheet is free of excessive wording and complexity. The second will be the spreadsheet to be completed by all local governments.

Guide to Facilitate Completion of the Spreadsheet

A. Service Areas Identification

Intended to capture the majority of service areas/departments where incremental cannabis related costs are incurred. When completing the spreadsheet, leave blank any areas that are not applicable to your local government.

B. Definitions/Descriptions

Within each service area/department, there is general guidance regarding the types of expenditures that are or will be incurred.

C. Cost Estimate Information

There are specific expenditure areas under which costs will be accumulated and recorded in the spreadsheet. Examples are provided in this document to assist in determining the calculation of costs to be included. These are not intended to be all-inclusive but serve as a guide for those completing the spreadsheet.

Spreadsheet for Cost Recording

There is a single spreadsheet for the years 2018 – 2020. Please insert the name of your local government, population and complete the drop down menu indicating the type(s) of cannabis retail permitted in your community. Currency formatting is set to the dollar.

Each year includes columns for both capital and operating costs. Operating costs are further defined as either one-time or ongoing.

Recorded costs are totalled for the three years on the far right side of the spreadsheet. Completion of all years on one spreadsheet will help facilitate the

consolidation of information from all reporting local governments and guide discussions with the Province.

Please record costs only in the coloured cells. Generally, the service areas identified are consistent with how Local Government Data Entry (LGDE) information is reported. Should you have material costs that do not match well with the service areas provided, replace the cell or cells in the 'Service Area' column that read '*Add Service Area Here*' under Other Services. There is space allocated for up to 4 additional service areas.

2. SERVICE AREAS, DESCRIPTIONS AND COST ESTIMATE INFORMATION

GENERAL GOVERNMENT

Municipal Administration and Administrative Support

Description:

Time spent by senior municipal departmental staff, senior leadership teams and staff in supporting departments such as Finance, Legal and Communications to implement, administer, coordinate and support all cannabis legalization work. This could include FTE hours for both start-up and ongoing administration in positions such as corporate policy development/revision/coordination, project management, business licensing administration, legal, communications and IT. These positions could be spread across several existing departments or centralized in a new department specifically for cannabis legalization.

Specific tasks may include but are not limited to: lawyers reviewing the enforceability of bylaws, a legal team providing ongoing support for enforcement of bylaws, intergovernmental staff to engage with other orders of government on this complex, multi-layered file, and/or development of a communications plan to help citizens understand bylaw changes.

There are also material costs such as public consultations, advertising public notices and communications products for specific local rules. It is recognized that costs under 'Administration' may be recorded in multiple departments within your local government and consolidated here.

New costs may be incurred related to workplace safety policies, air quality and areas associated with risk management.

There may also be costs associated with 311 or similar services, including increased staff time, particularly during implementation, to handle citizen enquiries regarding cannabis legalization. This could also include time and resources to train staff on the new changes and which local government departments address the principle areas of concern.

Cost Estimate Information/Examples:

- **New positions created:** Estimated hours x average hourly wage, or annual salary + benefits
- **Employee time spent on cannabis-related work, including responding to citizen enquiries and concerns:** Estimated hours x average hourly wage + benefits
- **Public engagement:** Number of engagements x average cost of engagement
- **Advertising and communications:** (Estimated hours x average hourly wage + benefits, or fee for professional services) + cost of material goods (signs, posters, etc.) + cost of paid advertisements (newspaper, radio, internet, etc.)
- **Graphic design, communications, and other related professional services and/or consultant fees**
- **Employee time spent updating administrative policies and procedures:** Estimated hours x average hourly wage + benefits, or annual salary + benefits
- **Training:** Cost per employee x number of employees receiving training
- **Legal fees for professional services**
- **Other local government administration costs including related facility costs**

Human Resources / Labour Relations

Description:

Internal and external staff time committed to ensuring local government drug policies are up-to-date/adequately address non-medical cannabis, and that employees are well informed of the new policies. This could include substance use guidelines and policy, workplace smoking policies, and/or hosting social event guidelines.

There may be additional FTE time spent engaging and negotiating with local government staff unions over drug policy changes.

Staff resources and capital costs may also be incurred to ensure there is capacity in place for testing local government employees, and if necessary, new staff training to address safety related to cannabis in the workplace and additional adjustments to safely integrate HR policies related to cannabis edibles when they are regulated federally.

Cost Estimate Information/Examples:

- **Legal fees to undertake research and update municipal drug and alcohol policies to reflect the legalization of non-medical cannabis**
- **HR staff:** Costs associated with the development of training for all staff; number of cannabis related incidents x number of hours to address cannabis in the workplace related incidents x hourly wage + benefits
- **Drug testing**
- **Other human resources/labour relations costs**

DEVELOPMENT SERVICES

Planning / Zoning

Description:

The personnel and capital cost to conduct bylaw reviews and updates, as well as the ongoing management of zoning bylaws. In addition to staff time (both in-house and consultant contracting) this also includes the cost to undertake

required public consultation processes and public education related to adding new criteria to zoning bylaws, business licensing and building code permits and inspections.

Cost Estimate Information/Examples:

- **In-house:** Additional staff, FTEs, legal fees to draft/amend bylaws, and time spent managing consultants
- **Consultant contracting:** Average daily rate x estimated number of consultant days to address suite of bylaw changes
- **Consultation:** Number of public consultations x average cost per consultation, public education content development (use equivalent existing campaign for comparison)
- **Staff training:** Number of staff x cost to develop and deliver new training (use equivalent training costs as estimate)
- **Other planning/zoning costs**

HEALTH, SOCIAL & HOUSING

Social Housing

Description:

In some jurisdictions where local governments have responsibilities or partner in the provision of social housing there may be costs associated with writing provisions in tenancy agreements which prohibit smoking cannabis in social housing units; additional FTEs to enforce the new provisions; and an operations and maintenance budget to address violations.

Cost Estimate Information/Examples:

- **Legal/consultant fees for professional services**
- **Security costs**
- **Consultation costs with tenants and housing authorities**

- **Employee time on agreements, policies, etc.:** Estimated hours x average hourly wage + benefits

PROTECTIVE SERVICES

Enforcement Services

Description:

Personnel and capital costs required to monitor and enforce the additional activities associated with cannabis legalization as predicated on local government bylaws and services.

This includes the costs associated with additional staffing requirements for bylaw management and enforcement in the following areas:

- Property use inspection – to investigate cannabis business license complaints.
- Zoning enforcement – to ensure cannabis retail and other cannabis related establishments are in adherence with local zoning bylaws.
- Property standards enforcement – to address issues/complaints related to potential degradation/danger to property such as smoke dispersion in multi-residential units or home cultivation, as well as the purchase of testing equipment.
- Training – time and capital spent to develop and undertake learning exercises related to the roles and responsibilities of local government staff tasked with administering and enforcing local government aspects of the cannabis framework such as business licensing.
- Community standards, public spaces and smoke-free bylaw enforcement - increase in service demand with new bylaws such as smoke-free bylaws and local government rules for vaping lounges, restaurants and cafes (where applicable) and public consumption.

Cost Estimate Information/Examples:

- **New positions created:** Estimated hours x average hourly wage + benefits, or annual salary + benefits

- **Employee time spent on cannabis related calls/inspections:** Number of cannabis-related calls/inspections x estimated hours spent per call/inspection x average hourly wage + benefits
- **Training:** Cost per employee x number of employees receiving training
- **Other enforcement services costs**

Fire Services

Description:

Cost increases directly or indirectly incurred by the local government department responsible for fire safety, prevention and submission. This includes the following positions and activities:

- Process changes - amendments to the fire inspection component of the business licensing approval process, protocol for one-time and ongoing inspections.
- Training – for fire department staff regarding revisions to the BC Fire Code, and on emerging hazardous home cultivation processes such as the extraction of cannabis oils and the use of flammable hydrocarbons.
- Public education – education campaigns informing the public about the dangers related to oil extraction processes and flammable hydrocarbons; development and printing of fire safety messaging.
- Fire investigation costs – costs primarily due to overtime pay for fire safety officers investigating code and safety issues (e.g. hazards in retail establishments); to a small extent for manufacturing/processing establishments; and, responding to fires associated with legal/illegal home cultivation.
- There are also public education, communications and citizen services costs to properly engage with the public and provide preventative public education campaigns.
- HAZMAT response - for both licenced and illegal producers.

Cost Estimate Information/Examples:

- **Training:** Cost per employee x number of employees receiving training
- **Public education:** (Estimated hours x average hourly wage + benefits, or fee for professional services) + cost of material goods (signs, posters, etc.) + cost of paid advertisements (newspaper, radio, internet, etc.)
- **Increased volume of calls/investigations:** Number of cannabis-related calls/investigations x estimated hours spent per call/investigation x average hourly wage + benefits
- **Equipment:** Cost of material goods and equipment
- **Other fire costs**

POLICING

Description:

The availability of more detailed information related to incremental costs may differ depending on whether policing is municipal or under contract (RCMP).

Costs may be associated with the following activities:

- Standard Field Sobriety Test (SFST) Training - Percentage of police force who require the Standard Field Sobriety Test training. This would include the per officer cost to undertake this training (time spent in class, course fees) plus any additional instructor fees.
- Drug Recognition Expert (DRE) Training - Drug Recognition Expert training is a more specialized diagnostic examination of a suspected drug-impaired driver undertaken after the initial SFST. Currently the majority of this training is undertaken in the United States meaning travel costs, exchange rates, extra time etc. need to be factored into the costing analysis for this expenditure.
- Facilities Enhancements - An increase in cannabis seizures was experienced in the US. Costs associated to additional evidence storage capacity.

- Bill C-45/46 General Training - Cost to develop and deliver a 1-day training program on the implications of Bills C-45 and C-46 to all officers, with specifics on the roles and responsibilities of the force within the local community.
- Roadside Screening Equipment and Supplies - Devices required by the police force to test for drug sobriety.
- Illegal Dispensary/Grow Op Initiatives - One of the primary federal objectives for the legalization of non-medical cannabis is to eliminate the illicit market. With expectations from the public, there will be pressure on local police forces to take action on this issue. Establishing and training specialized units to undertake this work and calculating the FTE required to undertake these disruption activities will help establish a cost estimate. Costs associated with initiatives to close dispensaries/grow operations (FTEs).
- Youth Education and Prevention in Schools & Community Engagement - Policing costs extend far beyond traditional enforcement duties as officers may be called upon to undertake important public education and prevention activities with the public. This includes both education on the changing rules and information on prevention of excessive or illicit cannabis consumption. These costs can include establishing public education resources, training and FTEs to deliver the appropriate cannabis specific messaging.
- Increase in Forensic Laboratory Capacity - The proposed legislation enables police to undertake blood draws for suspected drug impaired drivers. An increase in blood draws, testing equipment and forensic analysts is required.
- Additional Officers - Potential increases in illicit production activity, motor vehicle accidents, roadside testing, enforcement of public consumption rules etc. will place additional responsibilities on police services. Additional responsibilities will require additional officers to address issues safely and effectively. This category represents additional FTEs not captured in the other proposed categories.

Specific trackable items:

- Drug seizures
- RIDE spot checks

- Drug related criminal investigations
- Drug complaints
- Cannabis specific violations
- Motor vehicle collisions
- Cannabis related demands for service tracked through DFSS (proactive)
- DRE testing
- SFST testing

Cost Estimate Information/Examples:

- **Training:** (Number of officers trained x cost of training) + officer time for training
- **Conducting training activities:** Number of officers requiring recertification + (training of new recruits on an annual basis x cost of training) + officer time for conducting training activities
- **Cost of additional storage capacity**
- **Roadside screening devices:** Number of roadside screening devices required per 100 officers x cost of roadside screening device
- **Illegal activities:** FTE to establish and run illegal dispensary/grow op initiatives for the population served x average hourly wage of officer on a disruption team + benefits
- **Education:** FTE to develop community education content
- **Delivery of training:** FTE to deliver training course x hourly wage + benefits x number of schools in community and estimated number of relevant events
- **Youth program:** FTE needed for the development and delivery of a youth diversion program
- **Forensic costs:** Average cost to administer a blood draw x increased number of blood draws associated with cannabis legalization
- **Additional policing duties:** (Estimated number of FTEs required to fulfill additional duties x average hourly wage + benefits) + other indirect costs for officers to undertake tasks

- **Other Policing Costs**

Note: Ensure RCMP related costs recorded are limited to the local government's proportionate share.

SOLID WASTE

Description:

Waste Management - The development of municipal policies and procedures that address the proper disposal of refuse from cannabis cultivation.

Cost Estimate Information/Examples:

- **Employee time spent updating policies and procedures:** Estimated hours x average hourly wage + benefits, or annual salary + benefits

TRANSPORTATION AND TRANSIT

Transit

Description:

Increased contract costs related to driver and management training, security, and other identified costs that are eligible to be passed on to local governments.

Cost Estimate Information/Examples:

- **Assessment costs:** Staff time working with transit contractor and BC Transit in assessing impacts and actions required relative to cannabis usage
- **Contract costs:** Increased transit contract costs for driver training, security and other safety related costs related to cannabis usage

AIRPORT SERVICES

Description:

Costs may be associated with some of the following activities:

- Airport Administrative Costs - Additional costs for municipal employees related to training, signage, communications, bylaws and procedures.
- Contract Costs - Additional contract costs associated with security services, including additional training for personnel and additional service provision hours.
- Additional contract costs for policing.
- Other Airport Services Costs - Other recognized costs not included above; may include capital expenditures.

Cost Estimate Information/Examples:

- **Employee time on cannabis related work including tenant agreements, policies, security provisions, etc.:** Estimated hours x average hourly wage + benefits
- **Additional contract costs associated with training of security services personnel**
- **Additional contract costs associated with police training and increased on-site presence**
- **Other airport costs**

OTHER SERVICES

Description:

Material staffing, contract and capital costs that may not be incurred consistently across local governments in different regions but will still likely require budgetary considerations.

Please provide a brief description of the service being captured in the 'Service Area' column on the spreadsheet by replacing '*Add Service Area Here*' under Other Services. There is space allocated for up to 4 additional service areas.

Cost Estimate Information/Examples:

- **Contract cost increases**
- **Employee time:** Estimated hours x average hourly wage + benefits
- **Fees for professional services**
- **Cost of material goods and equipment**



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