

# REPORT TO MAYOR AND COUNCIL

PRESENTED:MAY 31, 2021 – REGULAR MEETINGFROM:ENGINEERING DIVISIONSUBJECT:SANITARY SEWER LOCAL AREA SERVICE19900 BLOCK OF 36A AVENUE

 REPORT:
 21-58

 FILE:
 5320-20-SWR21-01

### **RECOMMENDATIONS:**

**That** Council consider the request of property owners and authorize staff to prepare and distribute the official petition to the benefitting properties in the 19900 block of 36A Avenue, as shown in Attachment A, to determine the level of support to proceed with a Local Area Service for provision of municipal sanitary sewerage in accordance with applicable regulations, policies, and procedures;

**That** subject to determination of sufficiency of the petition process, staff be authorized to set the interest rate for the 36A Avenue 19900 block Sanitary Sewer Local Area Service project at 3.27%, which is equivalent to the Municipal Finance Authority of British Columbia's 20 year Capital Financing Rate plus 0.25%; and further

**That** Council authorize funding the project from Local Area Service Reserves, as identified in the Financial Implications section of this report and authorize staff to proceed with the preparation of necessary bylaws subject to completion of a successful petition process.

### **EXECUTIVE SUMMARY:**

The Township of Langley is in receipt of a request from property owners in the 19900 block of 36A Avenue requesting initiation of a Local Area Service (LAS) process for expansion of the municipal sanitary sewer system. If the official petition is successful, a bylaw outlining the costs will be prepared for Council's consideration of adoption prior to commencement of construction works.

There are twelve properties benefitting from the proposed LAS, including one (1) property owned by the Township. Nine (9) properties expressed preliminary support of the LAS, representing 75% of the properties within the benefitting area, which exceeds the required minimum 60% threshold for preliminary support prior to commencement of the official process pursuant to Township Policy. The Community Charter provides authorization for local governments to provide local area services for which all the costs may be recovered via local service taxation from benefitting properties.

The preliminary cost estimate of \$227,300, which is based on a Class C estimate as no design or survey work has been completed, excludes service connections to the property line and any work on private property. The property owners will be charged their respective appropriate share of costs based on the actual project costs that will be finalized and determined as part of the competitive tender process should the petition be successful. For the official petition to be successful, it must be signed by the owners of at least 50% of the benefitting parcels representing at least 50% of the assessed value of the properties (Land and Improvements) within the defined benefitting area. Property owners will have the option to either pay their portion of the actual costs in one single payment or have it added to their property taxes over 20 years.

### PURPOSE:

To seek Council's authorization to prepare and distribute a sanitary sewer LAS petition.

### BACKGROUND/HISTORY:

The Township of Langley is in receipt of a request from property owners in the 19900 block of 36A Avenue submitted by Mrs. Laurie Vnuk, requesting initiation of a Local Area Service (LAS) for the expansion of the municipal sanitary sewer system.

There are twelve properties benefitting from the proposed LAS including one (1) TOL owned property. The TOL owned property is 19899 36 Avenue and is leased to the Brookswood Senior Centre. Nine (9) properties expressed preliminary support of the LAS, representing 75% of the properties within the benefitting area, which exceeds the required minimum 60% threshold for preliminary support pursuant to Township Policy.

As part of the preliminary petition, all benefitting property owners received a letter related to process, scope of work, cost estimate, and funding utilization such that the benefitting property owners may make an informed decision.

### DISCUSSION/ANALYSIS:

Policy 05-007 Local Area Services and Business Improvement Area Services (the Policy) defines conditions where the Township may undertake certain works as a local area service by petition from property owners or on the initiative of Council.

To ensure the benefitting properties can be serviced by gravity to 200 Street pursuant to Township bylaws and sound engineering principles, the proposed length of the sewer along 36A Avenue is limited based on the existing elevation of the trunk sewer on 200 Street and elevations of the property and homes

Pursuant to the Policy, benefitting property owners shall be 100% liable for the costs of installation for the sanitary sewer works. The preliminary cost estimate to complete this project is \$227,300 and excludes service connections to the property line and any work on private property.

Cost Estimate Breakdown		
Sanitary Sewer	\$161,000	
Engineering	\$23,000	
Contingency (20%)	\$32,000	
Administration Fee	\$11,300	
Total (Rounded)	\$227,300	

The preliminary cost estimate is based on a Class C estimate as no design or survey work has been completed. The property owners will be charged their appropriate share of costs based on the actual project costs that will be finalized and determined as part of the competitive tender process should the petition be successful. For the official petition to be successful, it must be signed by the owners of at least 50% of the benefitting parcels and these parcels must represent at least 50% of the assessed value of Land and Improvements. Property owners will have the option to either pay their portion of the actual costs in one single payment or have it added to their property taxes over 20 years, pursuant to applicable regulations.

Property owners will have the opportunity to have service connections installed at the time of mainline construction at their cost. The cost of such a connection is typically less than if the connection is installed after the mainline construction has been completed.

The table below provides additional information and estimated cost based on taxable frontage:

Number of	Total Sanitary	Total Taxable	Cost per Meter of	Estimated
Parcels	Sewer Length (m)	Frontage (m)	Taxable Frontage	Project Cost
12	190	311.92	\$728.72	\$227,300

Attachment B contains the estimated commuted costs for the benefitting properties.

All benefitting properties will be forwarded a letter outlining these costs as part of the official petition mailing package. If the official petition is deemed successful in accordance with Sections 211 and 212 of the Community Charter and pursuant to Township Policy, a Local Area Service Bylaw outlining the costs will be prepared for consideration and adoption by Council. Pursuant to Section 5.9 of the LAS Policy, the Township will sign the official petition for the Township owned property if the official petition meets the required threshold.

## **Financial Implications:**

The estimated cost of this project is \$227,300 and will be recovered from benefitting property owners over 20 years. The Local Area Service Reserve has sufficient funds to complete this project therefore, funding for this local area service project is proposed to come from the Local Area Service Reserve.

It is Township policy that the fixed interest rate to be charged on a new local area service be established at the time an official petition is approved by Council for circulation. The current LAS rate would be 3.27%, which reflects the Municipal Finance Authority of British Columbia's 20 year Capital Financing Rate of 3.02% plus 0.25% as per Policy 05-007.

Respectfully submitted,

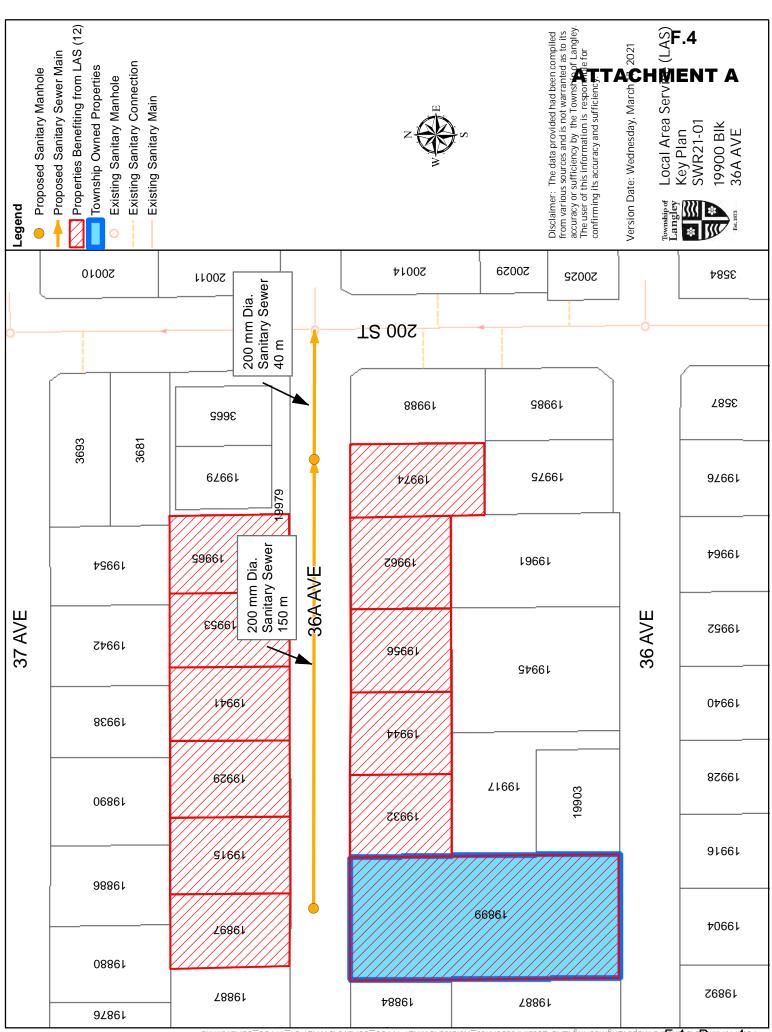
Richard Welfing MANAGER, ENGINEERING SERVICES for ENGINEERING DIVISION

This report has been prepared in consultation with the following listed departments.

CONCURRENCES	
Division / Department	Name
FINANCE DIVISION	S. Ruff

ATTACHMENT A Map of Benefiting Properties

ATTACHMENT B Estimated Costs for Each Benefitting Property



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					Preliminary	Adjusted Taxable		
					Taxable	Frontage (m)		
HOUSE #	STREET	Frontage (m)		Rearage (m) Perimeter (m)	Frontage (m)	Min. 15m / Max. 61m	Commuted	Notes
19897	36A AVE	24.90	24.90	128.86	23.87	23.87	\$17,396.26	
19899	36 AVE	40.84	40.84	259.75	41.58	41.58	\$30,298.70	\$30,298.70 TOL property
19915	36A AVE	24.90	24.90	128.85	23.87	23.87	\$17,396.15	
19929	36A AVE	24.90	24.90	128.86	23.87	23.87	\$17,396.26	
19932	36A AVE	27.23	27.23	121.51	25.14	25.14	\$18,316.49	
19941	36A AVE	24.90	24.90	128.85	23.87	23.87	\$17,396.15	
19944	36A AVE	27.23	27.23	121.52	25.14	25.14	\$18,318.26	
19953	36A AVE	24.90	24.90	128.85	23.87	23.87	\$17,396.04	
19956	36A AVE	27.23	27.23	121.51	25.14	25.14	\$18,316.49	
19962	36A AVE	30.48	30.48	128.02	27.74	27.74	\$20,212.46	
19965	36A AVE	24.90	24.90	128.85	23.87	23.87	\$17,396.04	
19974	36A AVE	24.38	24.38	137.84	23.96	23.96	\$17,460.68	

# Table 1: SWR21-01 36A Ave Sanitary Sewer LAS

)+((4F+TP)/10)]/2	
TF = [(2F+R)/3)-	Where:

TF = Taxable Frontage

F = Frontage

R = Rearage

TP = Total Perimeter

311.92	\$227,300	\$728.72
Total TF (m)	<b>Cost Estimate</b>	Est. \$ per TF(m)

**F.4**