

SANITARY SEWER LOCAL AREA SERVICE
 28 AVENUE AND 204 STREET TO 24 AVENUE
 AND 208 STREET
 Page 3 . . .

Attachment B contains the approximate commuted costs for all 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 LAS Bylaw outlining the costs will be prepared for consideration and adoption by Council.

Financial Implications:

The estimated cost of this project is \$2,647,000 and will be recovered from benefitting property owners. Budget authority for the project will be included in the 2022-2026 Financial Plan. The Local Improvement Reserve is not sufficient to fund this project. Therefore, funding for this local area service project is proposed to come from a 20-year debt issue through the Municipal Finance Authority pursuant the following two sections:

Section 217 (1) (a) of the Community Charter states the following,

If all of the costs of borrowing for the purposes of a local area service are to be recovered by a local service tax, the loan authorization bylaw does not require the approval of the electors under section 180, but it may only be adopted if, the borrowing has been proposed by petition in accordance with section 212 [petition for local area service],

Since all part of the costs of borrowing are to be repaid by the owners of the benefitting properties in the local service area, the benefitting property owners of the local service area must approve the borrowing to establish the local area service.

Section 212 (2) (d) states the following:

*Each page of a petition for a local area service must do the following:
 If it is proposed that the municipality borrow for the purposes of the service and all or part of the costs of borrowing are to be recovered by means of a local service tax, indicate*

- i. The total amount proposed to be borrowed under the bylaw,*
- ii. The maximum term for which the debenture may be issued, and*
- iii. The portion of those costs that are to be recovered by a local service tax.*

It is Township policy that the fixed interest rate to be charged on a new local area service be established at the time a petition is approved by Council for circulation. The current LAS rate would be 2.86%, which reflects the Municipal Finance Authority of British Columbia’s 20-year Capital Financing Rate of 2.61% 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 Benefitting Properties
- ATTACHMENT B Estimated Costs for Each Benefitting Property

