
CITY OF KELOWNA

MEMORANDUM

Date: February 5, 2003
File No.: 5340-09-22E
To: City Manager
From: Wastewater Manager
Subject: Dease Road Sewer Specified Area No.22E

RECOMMENDATION:

THAT the City of Kelowna initiate a Sewer Specified Area project pursuant to Section 646 of the Local Government Act, for the area shown on the attached Map A, which indicates the proposed Specified Area for the installation of sewer on Dease Road;

AND THAT the City of Kelowna initiate a Local Improvement project as shown on Map B consisting of road widening, road drainage, concrete curb and gutter and boulevard landscaping in conjunction with the City funded sidewalk and street lighting on one side of Dease Road from Leathead Road to the north end of Dease Rd., pursuant to Section 629 of the Local Government Act;

AND THAT Council receive the attached report for the proposed Local Improvement project prepared under Section 635 of the *Local Government Act*;

AND THAT Council direct staff to take the necessary steps of advising and involving the affected property owners as required by the Local Government Act;

AND FURTHER THAT the 2003 Financial Plan be amended to provide for this additional project.

BACKGROUND:

Last year, a Property Owner contacted the City Wastewater Department to assist them in getting a sewer system installed along Dease Road to service the businesses in the area. As a result of this, staff conducted a pre-design assessment of the project and determined the best pipe routes and the total estimated construction cost to install a sewer system to service all the properties indicated on the attached map.

An area representative took the information staff provided to them, and canvassed the neighbourhood to determine the level of interest in having sewer installed through a Specified Area process. The Wastewater Division hosted an informal meeting with a group of interested Owners on October 30th. At the meeting we described the options available to the owners to obtain sewer service, and the process of creating a Spec Area, as well as identifying the potential costs and timing. It was apparent from the petitions and from the response we received at the meeting, that the majority wished to proceed, and on this basis we recommend that

Council initiate a Sewer Specified Area project for the Dease Road area. This will determine the true level of interest in proceeding with a Sewer installation project.

The area proposed to be serviced with Sewer contains 11 Commercial and Industrial lots representing 53.78 EDU's. The estimated cost of installing the sewer main and services on Dease Rd. including the amount to equalize the payment to the sewer service area is approximately \$389,546 and the costs are proposed to be apportioned by Equivalent Dwelling Units (EDU's) with 2,600 ft² of Commercial & Institutional building area, and 15,557 ft² of Industrial land equaling 1 EDU. Based on the established Sewer Service Area charge, the one-time payment (cash commutation) is \$7,240 per EDU, and if the owner chooses to pay over a 20-year period, the estimated annual payment is approximately \$735. For the first time, we are attempting to develop an option to allow the property owners the opportunity to pre-pay their Spec Area fees if they wish to save the costs of interim financing, and that would allow them make an up-front payment of \$6,800 per EDU.

In addition to sewer service, several of the owners have indicated that they would like to participate in a Local Improvement project that will result in widening the road and constructing curb & gutters along both sides. Map B indicates the properties that will be required to participate financially in the road improvements however, the entire length of the road will be improved. The total estimated cost of the road improvements is \$382,000. In previous years, as many of the properties on Dease Rd developed, the owners paid fees totaling up to \$92,000 in advance for road improvements and since each of those properties were developed in isolation, the improvements were deferred. The City typically pays for some of the costs of these types of improvements along with some drainage work, and this project will require an investment of City funds in the amount of \$187,266. The Sewer project will subsidize approximately \$65,000 of the asphalt costs, calculated on the repair that would normally have been required. The amount to be recovered from the benefiting owners is \$37,734.

The sewer installation and road, curb & gutter and sidewalk improvements will be established as conditional bylaws so that all the improvements must occur together. This will avoid the possibility of gaining consent to make road improvements and not having the ability to install the underground sewer installation in advance of improving the road. After the bylaw has been given initial consideration, all the property owners will be sent a letter notifying them of the proposed Specified Area and Local Improvement, the terms of payment and of the opportunity to submit a counter-petition to oppose the projects. In addition, an advertisement in the newspaper will be posted, and another meeting will be hosted. If the majority of the property owners are in favour of the project, and do not submit counter-petitions, we anticipate proceeding with the Design and Tendering this spring to allow Construction to start this summer.

W.J. Berry, P.Eng.
Wastewater Manager

John Vos
Director of Works & Utilities

wjb/
attachment



DRAWN GT	DATE FEB. 3/03	THE CITY OF KELOWNA ENGINEERING DEPARTMENT	DIVISION W&U	
DESIGN	SCALE	PROPOSED DEASE ROAD SEWER SPECIFIED AREA 22E	DWG. NO.	REV. NO.
APPROVED	NTS			

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DRAWN GT	DATE FEB. 3/03	THE CITY OF KELOWNA ENGINEERING DEPARTMENT	DIVISION W&U	
DESIGN	SCALE	PROPOSED DEASE ROAD LOCAL IMPROVEMENT PROJECT	DWG. NO.	REV. NO.
APPROVED	NTS			