
CITY OF KELOWNA
MEMORANDUM

Date: March 19, 2003
File No.: 5340-09-22E
To: City Manager
From: Wastewater Manager
Subject: Dease Road Sewer Specified Area No.22E

RECOMMENDATION :

THAT Council approve the payment options for the Dease Road Sewer Specified Area No. 22E initiated under Bylaw No. 8962 as outlined in the report from the Wastewater Manager dated March 19, 2003

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 previously recommended that Council initiate a Sewer Specified Area project for the Dease Road area, and the bylaw was given initial consideration. Since that time, staff worked to develop a new option to allow two different Cash Commutation dates to allow the Property Owners to either pay on an established date before Construction and save the interim financing costs, or pay after Construction in the conventional manner and pay the interim financing costs. The Owners supported this initiative and signed a petition that provides enough signatures to create a "Resident Initiated" Specified Area and avoid any delay caused by the 30 day petitioning period. The petition that was recently submitted has been signed by 8 of the 11 Owners, representing approximately 73% of the properties, and is sufficient to initiate a Specified Area 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 \$404,306 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 and interim financing charges, the one-time payment (cash commutation) will be \$7,240 per EDU, or if the owner chooses to pay over a 20-year period, the estimated annual payment is approximately \$735. If the Owner elects to pay by May 2, 2003 in advance of Construction, the one-time payment will be \$6,800 per EDU.

In addition to sewer service, several of the owners indicated that they would like to participate in a Local Improvement project to have curb & gutter installed with road widening and a sidewalk on one side. A bylaw for these improvements has been given initial readings and is presently in the process of the 30-day petitioning period.

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

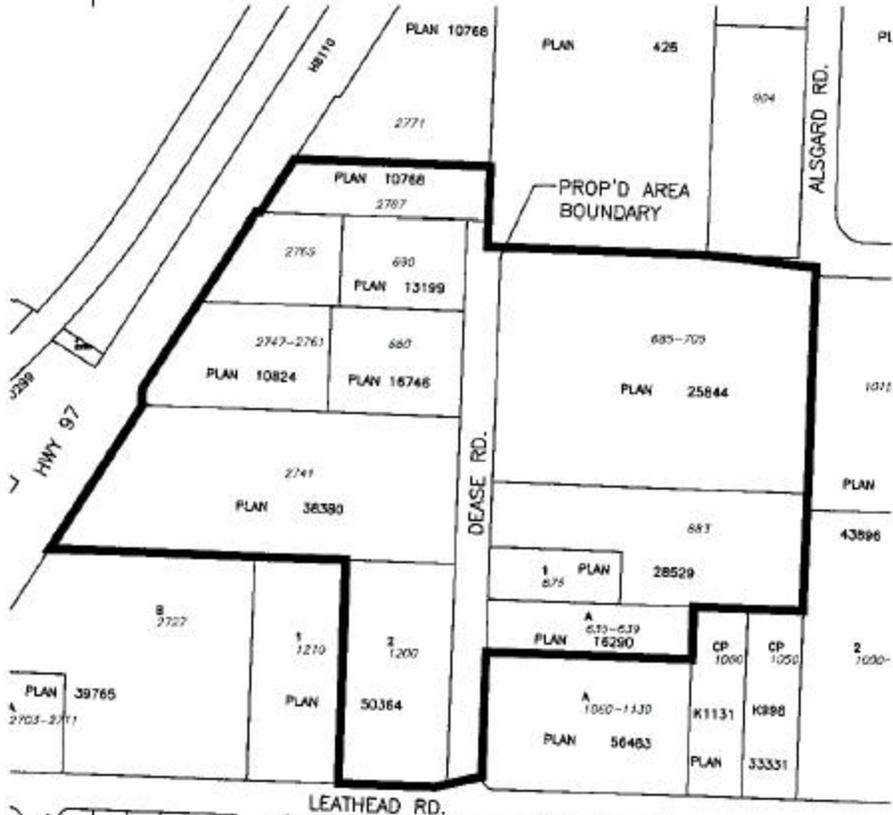
John Vos
Director of Works & Utilities

wjb/

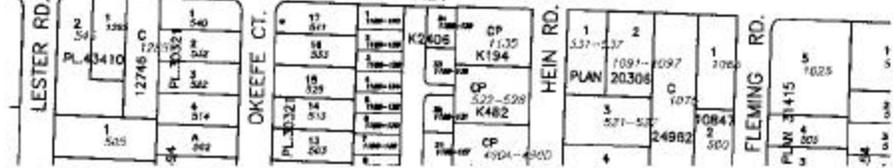
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cc Deputy Director of Finance
Transportation Manager
City Clerk

MAP A



B:\WU\UTILITY\SEWER\CAPWORKS\2003\DEASE



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