
CITY OF KELOWNA

MEMORANDUM

Date: June 8, 2004
File No.: 5340-09-23

To: City Manager

From: Wastewater Manager

Subject: **Creation of Local Service Area No. 23 (South West Rutland)**

RECOMMENDATION :

THAT the City of Kelowna initiate Sewer Local Service Area No. 23 (South West Rutland) so as to include those properties identified on MAP 'A' as attached to the report of the Wastewater Manager dated June 8, 2004;

AND THAT Council direct staff to take the necessary steps to advise and involve the affected property owners as required by the *Community Charter*;

AND THAT Bylaw No. 9244, being a bylaw to create Local Service Area No. 23 (South West Rutland), be advanced for reading consideration;

AND THAT upon fourth and final reading and adoption of this bylaw, that Bylaw 8469 be amended so that all the properties within this Local Service Area be removed from Sewer Service Area No. 23;

AND FURTHER THAT Council authorize the payment of all the funds collected from the Service Area Reserve Account No. 995-73-* -FU520-R923 (Service Area 23) to be used for the South West Rutland Local Service Area sewer project.

BACKGROUND:

At the end of 2004 the large Local Service Area (Specified Area) No. 20 sewer project (North Rutland) should be completed and there will be an opportunity to continue with the direction established in our Strategic Plan and attempt to facilitate the extension of sewer in the Rutland Area. When Springfield Road was reconstructed as a 4-lane road in 2002, the Wastewater Utility used that opportunity to install a "dry" DCC trunk sewer in Springfield Road, from Ziprick to Monterey. The Contract price we obtained at that time was very attractive, so tenders were quickly invited for the construction of a trunk sewer main up Ziprick Road, from Springfield to Baron Road. The completion of the Byrns/Baron trunk sewer resulted in making the Ziprick and the Springfield Road trunk sewers operational, and allows us to now service the large un-sewered area in the South West area of Rutland (Shown on the attached MAP 'A'). Over the last few years, Wastewater staff has received an increasing number of calls from property owners in this area of the City, asking for the City to facilitate the installation of sewer in the area. The Interior Health representatives have mentioned that this area consists largely of

homes of the same age and that the septic fields are now very likely to be at or near the end of their useful life.

To attempt to determine the property owners' interest in a sewer project, Wastewater Utility staff, along with representatives from Finance, Inspection Services, the Transportation Division, the City Clerk's office and Interior Health hosted two Public Meetings for all the affected property owners on June 1st and 2nd. We explained the projected costs, the Local Service Area process and the anticipated time-lines. We estimate that approximately 900 people attended over the two evenings and it appeared that a strong majority of those people were in favour of proceeding with the sewer work.

There are approximately 1,450 Single Family Equivalents (SFE's) in the boundaries of the proposed Local Service Area and the total cost of the project is estimated at approximately \$11,272,000. The costs will be recovered from the affected property owners. Based on the estimated cost of construction (in 2005 \$), the Local Service Area charge including the estimated interest charges results in a one-time payment (cash commutation) of approximately \$7,300 per SFE, or if the owner chooses to pay over a 20-year period the estimated annual payment is expected to be approximately \$820.

Following the initial reading of the Local Service Area bylaw, all the affected property owners will be sent a letter notifying them of our intent to initiate the proposed Sewer project and invite them to a (third) Public Meeting. In addition, multiple newspaper ads will be published. At the Open House meeting, which is scheduled on June 29th at Quigley Elementary School, staff will further outline the process and timelines that we intend to follow and we will explain the terms of payment. We are targeting construction of the sewers in this Local Service Area to commence in the spring of 2005 and proceed over 3 years with completion at the end of 2007.

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



Approved for inclusion:
John Vos
Director of Works & Utilities

WJB/

attachment

cc Director of Financial Services
 City Clerk
 Revenue Manager

MAP 'A'

