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**CITY OF KELOWNA**

**MEMORANDUM**

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**Date:** April 19, 2005  
**File No.:** 5340-09-28  
**To:** City Manager  
**From:** Wastewater Manager  
**Subject:** **Sewer Service Connection costs for Okaview**

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City Council was recently presented with information about adjusting the Sewer Service Connection costs for the remaining properties in the Okaview area. A copy of that report is attached. It appears as if there are some further questions regarding the application of the proposed new charges in the area.

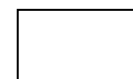
The Sewer Service Connection charges are intended to equalize the connection charge for property owners and Developers in a common "catchment" area of a proposed new sewer system. The charges have been quite beneficial in equalizing fees for customers and have provided advance funding, in many cases, which assisted in the costs for the remaining unsewered properties and therefore the success of a Local Area Service project.

There are now 465.9 SFE's in fragmented neighbourhoods in the Okaview area that still require servicing (see attached map). The options available are to leave all the remaining properties in a single area, or to make each area an individual Sewer Service Area. The advantage to leaving the area as a whole, is that everyone will equally benefit from any development that occurs in the area and pay approximately the same amount for sewer service.

The alternative to retaining the Sewer Service Area as a single area as recommended, is breaking up the neighbourhoods into individual Service Areas. A couple of neighbourhoods in the area have expressed an interest in attempting to initiate a Local Area Service project right away, however these happen to be the areas that are the least cost. If carried out on their own, and if these neighbourhoods were removed from the overall area, that would leave the remainder of the areas with yet higher costs. A table listing the potential costs of removing the lower-cost neighbourhoods is attached. A further disadvantage is that there are some neighbourhoods with properties that are likely to develop and thereby reduce the costs for the participating property owners, and if the neighbourhoods are separated, some of them will see a benefit from development and others would not.

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



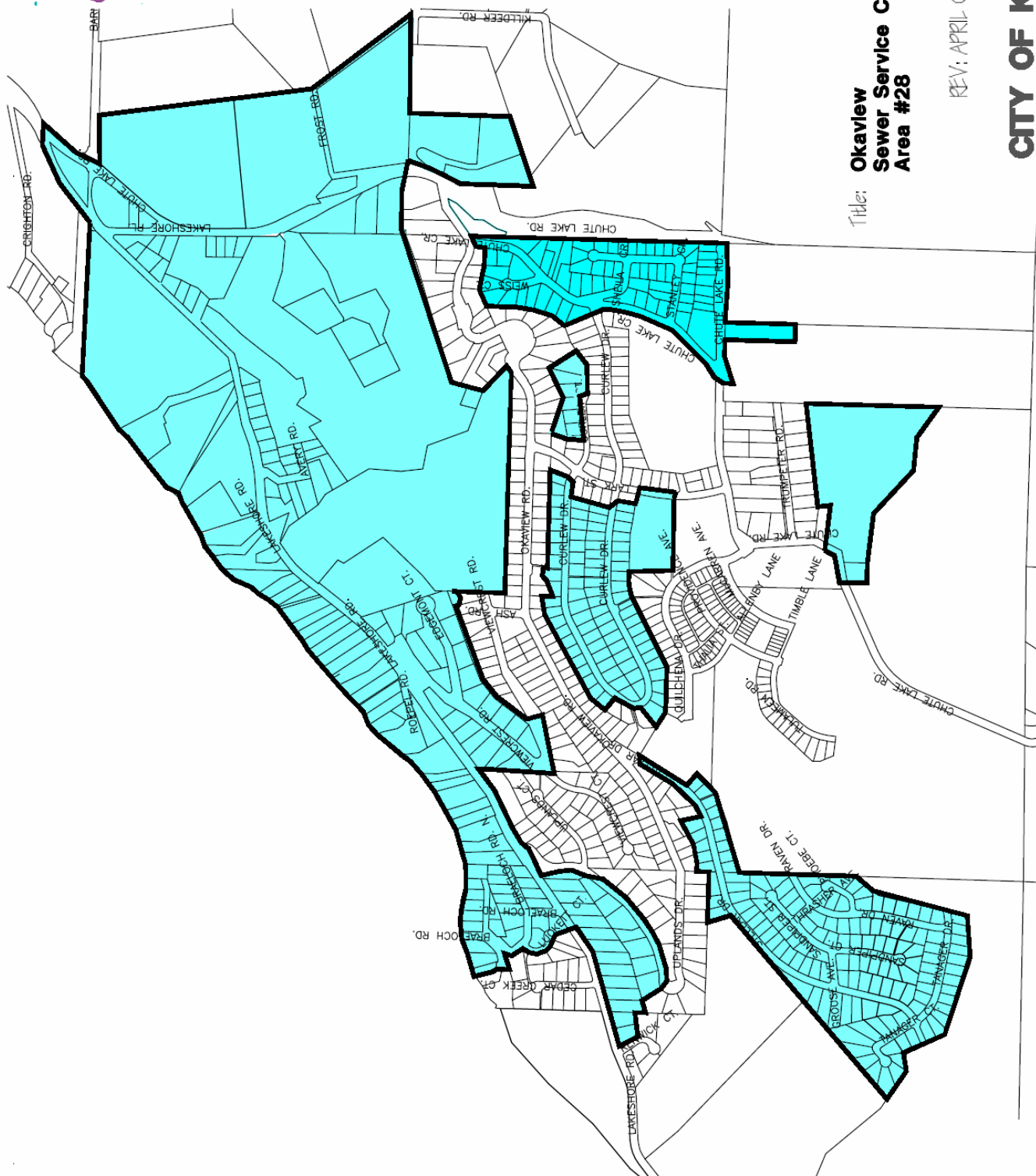
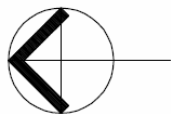
Approved for inclusion:  
John Vos  
Director of Works & Utilities

**Okaview Sewer Connection Areas**  
(After sewerling burned area)

<b>Connection Charge Area</b>	<b>Area Number</b>	<b>Total Area Cost</b>	<b>Total Area SFE's</b>	<b>Cost / SFE (if pre-paid)</b>
Chute/Stanley/Sheila		\$ 1,009,456	76.9	\$ 13,100
Curlew areas (2)		\$ 1,648,599	87	\$ 18,900
Belcarra		\$ 1,812,370	137	\$ 13,200
Areas contributing to Lakeshore (5)		\$ 3,552,598	165	\$ 21,500
<b>TOTAL...</b>		<b>\$ 8,023,023</b>	<b>465.9</b>	<b>\$ 17,200</b>

**Costs for remaining Okaview Area:**

If Chute/Stanley/Sheila proceeds exclusively	\$ 7,013,567	389	\$ 18,030
If Chute/Stanley/Sheila proceeds at \$10,900	\$ 7,182,747	389	\$ 18,465
If Belcarra also proceeds exclusively	\$ 5,201,197	252	\$ 20,640



Title: **Okaview Sewer Service Connection Area #28**

REV: APRIL 05/04

**CITY OF KELOWNA  
WORKS AND UTILITIES**