
City of Kelowna

MEMORANDUM

DATE: July 21, 2005
FILE: 3150-20
TO: City Manager
FROM: Financial Planning Manager
RE: **Wastewater - 20 Year Servicing Plan and Financing Strategy**

RECOMMENDATION:

THAT Council approve an extension to the Development Cost Charge Sector A for both the Wastewater Trunks and Treatment boundaries to include the north east corner of the City (extending from the current north boundary of Sector A to the City of Kelowna northern boundary);

AND THAT Kelowna Development Cost Charge Bylaw No. 9474 be advanced for reading consideration by Council;

AND FURTHER THAT final adoption be considered following approval of Bylaw No. 9474 by the Inspector of Municipalities with the boundary change to take effect on October 1, 2005.

BACKGROUND:

In February 2005, Council approved a process to obtain stakeholder input into a proposed extension of the Wastewater DCC sector boundaries at the north end of the city. An open house was held and one response letter was received from a property owner in that area.

The main concern of the property owner was that there are no local mains to connect to at the present time and with industrial properties there is often an ability to use a septic system due to the larger size of the properties thus avoiding the costs of connecting to a sewer system. However, local mains can be installed through development construction or a Local Services Area. With the major wastewater trunk in the area, and without a DCC boundary change, any property owner could connect to the wastewater system without having to make a contribution to the downstream trunk and treatment costs. This situation would be unfair to other property owners that have paid the development cost charge fees and to the utility rate payers. Also, smaller lots may be created from existing larger properties by having wastewater service to the area.

Using Official Community Plan growth information there will be an estimated 86,000 square feet of new institutional and 35 acres of new industrial development in this area over the life of the current 20 Year Servicing Plan. There will be a minor reduction in

DCC rates for wastewater trunks and treatment by expanding the boundary (from \$6,577 to \$6,538 per acre for Industrial property).

Attached is a map of the existing trunk and treatment sector boundaries and the proposed extension of Sector A at the north end of the City.

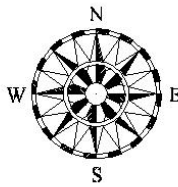
Keith Grayston
Financial Planning Manager

Approved for inclusion

Paul Macklem, CMA
Director of Financial Services

Attach.

cc. Director of Works and Utilities
Wastewater Manager

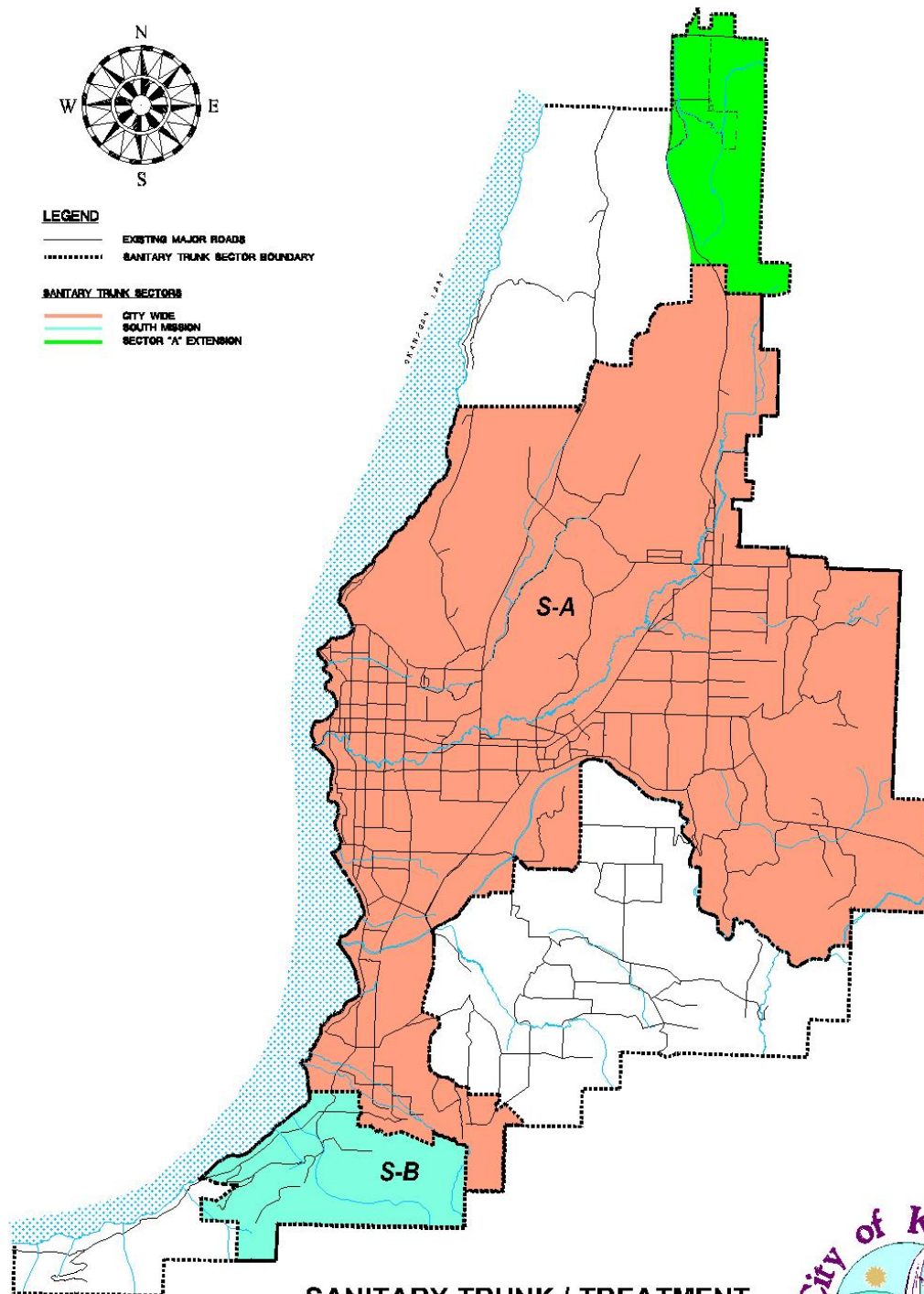


LEGEND

— EXISTING MAJOR ROADS
- - - - - SANITARY TRUNK SECTOR BOUNDARY

SANITARY TRUNK SECTORS

— CITY WIDE
— SOUTH MISSION
— SECTOR "A" EXTENSION



**SANITARY TRUNK / TREATMENT
SECTOR PLAN**

JANUARY 2005
KEY PLAN



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