
CITY OF KELOWNA

MEMORANDUM

Date: September 30, 2008
File No.: 1750-30
To: City Manager
From: Financial Planning Manager
Subject: MFA Borrowing Automated Collection Curbside Carts

RECOMMENDATION:

THAT Council approves borrowing from the Municipal Finance Authority of British Columbia, as part of their 2009 spring issue, \$7,500,000 as authorized through Loan Authorization Bylaw No. 9963 which provides for the purchase of automated collection curbside carts;

AND THAT the Regional District of Central Okanagan be requested to prepare a security issuing bylaw with a ten year term.

BACKGROUND:

A new contract was awarded for the automated collection of garbage, recycling and yard waste and recently the contract to supply the curbside carts was awarded. The intent has been to borrow for the cart purchase and collect annually through the property tax notice for the repayment of the carts. The borrowing term is set at 10 years to be within the expected useful life of the carts.

On March 17th, 2008, Bylaw No. 9963 was read a first, second and third time by Municipal Council. The approval of the Inspector of Municipalities was received on April 24th, 2008, and approval of the Electors by Alternative Approval Process was completed on June 30th, 2008. Bylaw No. 9963 was adopted by the Municipal Council of the City of Kelowna on July 7th, 2008. The Certificate of Approval was issued by the Province of British Columbia on September 2nd, 2008.

Borrowing to the maximum of \$7,500,000 is requested to cover the purchase of the collection carts. The actual amount required will be determined after notification on the General Strategic Priorities Fund grant application.

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

Under the Community Charter, Section 182, Municipal financing through regional district, the authority for the Regional District to proceed with borrowing through the Municipal Finance Authority of British Columbia requires a Council resolution and the adoption of a municipal loan authorization bylaw by the Regional District.

FINANCIAL/BUDGETARY CONSIDERATIONS:

Annual debt repayment will be collected through a Garbage Collection Charge on the tax notice.



Considerations that were not applicable to this report:

INTERNAL CIRCULATION TO:

LEGAL/STATUTORY AUTHORITY:

EXISTING POLICY:

PERSONNEL IMPLICATIONS:

TECHNICAL REQUIREMENTS:

EXTERNAL AGENCY/PUBLIC COMMENTS:

COMMUNICATIONS CONSIDERATIONS:

ALTERNATE RECOMMENDATION:

Submitted by:



K Grayston, Financial Planning Manager

Approved for Inclusion:



Cc: Director of Financial Services
City Clerk
Environment & Solid Waste Manager
Financial Analyst