

Memo



Date: June 16, 2011
File: 5370-01
To: City Manager
From: Manager, Special Projects
Subject: Brandt's Creek Tradewaste Treatment Plant
Report Prepared by: Kent Levang, Financial Analyst

Recommendation:

THAT Council rescinds the security issuing resolution passed during the June 13, 2011 P.M. Regular Meeting of Council as the term of borrowing should have been 15 years;

AND THAT Council approves borrowing from the Municipal Finance Authority of British Columbia, as part of their 2011 fall issue, \$3,850,000 as authorized through Loan Authorization Bylaw No. 10135 which authorized the construction of Brandt's Creek Tradewaste Treatment Plant;

AND FURTHER THAT the Regional District of Central Okanagan is requested to prepare a security issuing bylaw with a 15 year term.

Purpose:

To obtain Council approval that the Regional District of Central Okanagan is requested to prepare a security issuing bylaw with a 15 year term.

Background:

On June 13, 2011 the security issuing resolution to borrow funding for the BCTTP was put forward with a 20 year borrowing term. This is the standard City term for borrowing; however, in this particular case there was a negotiated agreement that specified the term of borrowing would be over 15 years. The remaining information in this background section was part of the original Memo of June 13, 2011.

The BCTTP originally constructed in 1973 was designed to treat tradewaste effluent to a level that met the Provincial standards for discharge to the adjacent Brandt's Creek. The plant was upgraded in 1986, but has since experienced operational problems and over-loading that has caused odours in the neighborhood. The upgrade of the facility will result in discharging all of the effluent into the sewer system and eliminate the outlet to Brandt's Creek. A sewer pump station and forcemain will allow the City to pump the effluent into the Ethel Street trunk sewer which has the capacity to deal with the anticipated flows from the BCTTP and the cost of this lift station and forcemain will be included in the Local Area Service project costs. This upgrade was completed at the end of 2010.

On March 23rd, 2009, Bylaw No. 10135 was read a first, second, and third time by Municipal Council. The approval of the Inspector of Municipalities was received on May 4th, 2009, and the assent of the Electors by Owner Initiated Petition Process was completed on February 24th, 2009.

Bylaw No. 10135 was adopted by the Municipal Council of the City of Kelowna on May 25th, 2009. Certificate of Approval # 16478 was issued by the Province of British Columbia on July 16, 2009.

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 (previously under the Local Government Act a security issue bylaw was required by the municipality)

Considerations that were not applicable to this report:

Internal Circulation:

Legal/Statutory Authority:

Existing Policy:

Financial/Budgetary Considerations:

Personnel Implications:

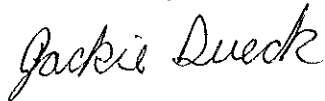
External Agency/Public Comments:

Community & Media Relations Comments:

Alternate Recommendation:

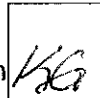
Considerations not applicable to this report:

Submitted by:



J. Dueck, Manager Special Projects

Approved for inclusion



K. Grayston, Director, Financial Services