



Water Meter Installations Project Loan Authorization Bylaw No. 730, 2021 Alternative Approval Process

Frequently Asked Questions

The SCRDR is seeking approval of the electors to borrow up to \$7,250,00 over a 15-year term to fund Phase Three (Sechelt area) of the Water Meter Installations Project.

For ease of use and understanding, this FAQ document is split into four short sections.

1. **About the Alternative Approval Process (AAP)** - you can find information on where to submit a form, whether you are eligible to take part, and why the SCRDR is using the AAP
2. **About the Loan** – learn more about why the SCRDR is seeking approval to borrow money and the projected costs of this loan in the coming years
3. **About the Water Meter Program** – learn about the benefits of the water meter program and how water meters affected grant applications
4. **Further information** – links and contact information should you have any questions about the AAP

1. About the Alternative Approval Process (AAP)

Q. What is an Alternative Approval Process?

A. An Alternative Approval Process (AAP) is a method of obtaining elector approval on local government bylaws. If 10% or more of electors oppose the long-term borrowing, the loan authorization bylaw cannot be adopted without proceeding to an assent vote (referendum).

Q. Why are you using an AAP instead of a referendum?

A. An AAP costs less than a referendum and allows electors to submit responses over a period of at least 30 days. To accommodate impacts from the COVID-19 pandemic, the period to submit responses to this AAP will run for 39 days. The cost for this AAP is budgeted at approximately \$12,000, while the cost of a referendum is budgeted at approximately \$93,500.

Q. How does an AAP work?

A. The AAP is a process where a person only submits a response form if they are opposed to the proposed action, which in this case is to approve a 15-year loan to fund water meter installations. Response Forms are available to the public online and at the Regional District Office at 1975 Field Road, Sechelt.

If you support the SCRDR using long-term borrowing to fund Phase Three of the Water Meter Installations Project, you do not have to take any further action. Approval of the electors is achieved if less than 10% of electors register objection to the borrowing.

Q. Can anyone participate in the process?

A. No. To participate in the AAP, a person must meet the qualifications to be registered as an elector (under the Local Government Act) and must reside or own property within the SCRD Water Supply and Distribution Service Area (Electoral Area A – Egmont/Pender Harbour, B – Halfmoon Bay, D – Roberts Creek, E – Elphinstone, F – West Howe Sound, and the District of Sechelt).

Qualifications include:

- eighteen years of age or older;
- Canadian Citizen;
- resident of British Columbia for at least the last six months;
- resident of, OR registered owner of real property within, the service area for at least the last 30 days;
- not disqualified by law from voting in local elections.

Only one non-resident property elector may sign an elector response form per property, regardless of how many people own the property. Property owned in whole or in part by a corporation does not qualify under the non-resident property elector provisions.

While all eligible electors in the regional water service will participate in this process, only those who have access to SCRD water will be responsible for repaying the loan. Specifically, only those properties included in the Regional Water Service Parcel Tax Roll will be responsible for repaying the loan. The parcel tax roll includes all parcels within the service area that are connected to, or have the ability to connect to, one of the seven water systems funded through the Regional Water Service. Those systems are Chapman, Langdale, Ruby Lake (Cove Cay), Waugh Lake (Egmont), Eastbourne, Granthams, and Soames.

Q. Electoral Area A – Egmont / Pender Harbour has a separate water service, so why can they participate in the AAP?

A. They are eligible participants in the AAP but will not be responsible for re-paying the loan. This is due to provincial rules and the way the initial regional water service was established in the SCRD. The provincial rules for conducting an AAP specify that eligible participants for this AAP are determined by the geographic area defined in the original service establishing bylaw (SCRD Bylaw 1002) for the Water Supply and Service Distribution Area.

This includes Electoral Areas A – Egmont/Pender Harbour, B – Halfmoon Bay, D – Roberts Creek, E – Elphinstone, F – West Howe Sound, and the District of Sechelt. While North and South Pender Harbour have since established separate water services, they still remain part of the initial service establishment for the Water Supply and Distribution Area and therefore must be included as participants in the AAP, but will not be responsible for re-paying the loan, as North and South Pender water systems are each part of a separate and distinct service with their own parcel tax roll.

Q. Why does the SCRD need public approval to borrow the funds?

A. Provincial legislation requires that a local government must receive approval of the electors to use long-term (more than five years) borrowing. The SCRD is seeking public approval to borrow funds through an Alternative Approval Process (AAP).

Q. What if the AAP fails?

A. Metering is a key priority for the SCRD and is listed as one of the objectives in the 2019-2023 Board Strategic Plan. If the AAP fails, the Board will consider options including whether to proceed to an assent vote (also known as a referendum).

Q. Can a response form be withdrawn after it is submitted?

A. Yes, response forms can be withdrawn prior to the deadline of 4:30 p.m. on Wednesday, July 7, 2021. Withdrawal requests must be in writing and contain sufficient information to identify the elector concerned. They must be signed by the person making the request for withdrawal and physically delivered to the Regional District office. Electronic copies cannot be accepted.

Q. Will response forms submitted electronically be accepted?

A. No, only the original signed Elector Response form will be accepted. Forms can be hand delivered or mailed to the regional district and must be received before the deadline of 4:30 p.m. on Wednesday, July 7, 2021.

2. About the Loan

Q. Why does the SCRD want to borrow money?

A. Since 2003, the SCRD has been working on the implementation of a Water Meter Program. In the 2019-2023 Strategic Plan, the SCRD commits to the full implementation of the metering program as one of the approaches to better meet water demand in the region. The purpose of the Loan Authorization Bylaw is to provide funding for Phase Three, which is the final phase of the water meter installations project and involves installing water meters in the Sechelt area. Meters have already been installed for SCRD water customers in Egmont/Pender Harbour, Halfmoon Bay, Roberts Creek, Elphinstone and West Howe Sound between 2014 and 2018.

Grant applications for Phase Three of the Water Meter Installations project were not successful and since the SCRD is committed to completing the project, the Board decided to fund it through a loan with a 15-year term.

Q. How much money does the regional district intend to borrow for this purpose, and what are the terms for borrowing?

A. The regional district intends to borrow up to \$7,250,000 to fund Phase Three of the Water Meter Installations Project with repayment of the debt over a term not to exceed 15 years. The funds would be borrowed through the Municipal Finance Authority of BC which handles capital financing needs for local governments.

Authorizing a \$7.25 million loan doesn't necessarily mean the full amount will be borrowed. The SCRD will continue to review grant opportunities and consider alternate funding sources that may become available.

Q. Who will pay back the loan and how will this affect my taxes?

A. If the AAP is successful, debt payments would amount to approximately \$53.98 per parcel on an annual basis over the 15- year period of the loan. Only those properties included in the Regional Water Service Parcel Tax Roll will be responsible for repaying the loan. For clarity, the parcel tax roll includes all parcels within the service area that are connected to, or have the ability to connect to, one of the seven water systems funded through the Regional Water Service. Those systems are Chapman, Langdale, Ruby Lake (Cove Cay), Waugh Lake (Egmont), Eastbourne, Granthams, and Soames.

3. About the Water Meter Project

Q. How will this project benefit the public?

A. Water meters help the SCRD and residents with early leak detection, avoiding property damage and water losses, and provide a better understanding of water use. Many municipalities and regional districts across Canada have already made the move towards metering, which is broadly accepted as a best management practice for water demand management. It is common for communities to realize a reduction in water consumption of at least 30% after the implementation of a water meter program. Read more about the program at www.scrd.ca/letstalk

Q. Is it true that we need to have meters in place to be eligible for future grants from the federal or provincial government?

A. Different grants have different requirements and funding criteria; however metering demonstrates responsible management practices that are looked upon favourably by senior levels of government and therefore strengthen the SCRD's ability to obtain senior government grant funding.

4. Further Information

Q. Who can I contact for more information?

A. More information on the AAP may be obtained by contacting Sherry Reid, Corporate Officer, at the SCRD office at 1975 Field Road, Sechelt, or by telephone at 604-885-6825 or Jennifer Hill, Deputy Corporate Officer at 604-885-6813.

The Notice of AAP, Information Package and the Elector Response Form can be found at: www.scrd.ca/Alternative-Approval-Process.

Information on the Phase Three of the Water Meter Installations Project may be obtained from the Infrastructure Services Department at 604-885-6806, infrastructure@scrd.ca, or online at www.scrd.ca/Water-Metering.