



***Church Road Well Field Project
Loan Authorization
Bylaw No. 725, 2020***

Information Package

Index

General Information on Groundwater Investigation Phase 4 - Church Road Well Field Project Loan Authorization	1
<i>Church Road Well Field Project Loan Authorization Bylaw No. 725, 2020</i>	2
Notice of Alternative Approval Process – as published in the Coast Reporter June 5 and 12, 2020.....	4
Calculation of Eligible Electors	6
Financial Information / Budget Implications.....	7



General Information on Church Road Well Field Project Loan Authorization Bylaw No. 725, 2020

The Sunshine Coast Regional District (SCRD) is proceeding with an Alternative Approval Process (AAP) for *Church Road Well Field Project Loan Authorization Bylaw No. 725, 2020*. The bylaw proposes to borrow up to \$9,000,000 to be repaid over a 30 year term to fund the Groundwater Investigation Phase 4 - Church Road Well Field Project. Approval of the electors is required since the borrowing proposed is for a period longer than five years.

Project Background

Adopted in 2013, the Comprehensive Regional Water Plan outlines the need for increasing groundwater supply. The Groundwater Investigation Phase 4 - Church Road Well Field Project is a result of the first round of groundwater investigation started in 2017 to secure additional groundwater supply sources for the Chapman Water System. The project will result in a significant increase to the water supply in the Chapman Water System, reducing the stress felt during dry summer months.

The construction of the Church Road Well Field will include the development of new wells, a new water treatment plant, pump station, and a new transmission and distribution infrastructure. The project will improve the connection between three SCR D water systems: Granthams, Soames, and the Chapman Water Systems to ensure the new water supply can access the largest amount of people possible in the SCR D's Water Supply and Distribution Service Area.

The AAP

The question posed by this AAP is whether the SCR D can proceed with long-term borrowing (30 years) to fund this project.

The SCR D has recognized the critical importance of completing the Groundwater Investigation Phase 4 - Church Road Well Field Project, as it will secure additional water supply sources for SCR D water system users. If the AAP fails, other options such as proceeding to an assent vote (referendum) may be considered.

What do I do?

If you are **opposed** to the SCR D using long-term borrowing to fund the Groundwater Investigation Phase 4 - Church Road Well Field Project, you may submit an Elector Response Form to indicate your opposition.

If you support the SCR D using long-term borrowing to fund the Groundwater Investigation Phase 4 - Church Road Well Field Project, you do not need to take any further action.

Who can I contact for more information?

More information on the AAP may be obtained by contacting Sherry Reid, Corporate Officer at the SCR D office at 1975 Field Road or by telephone at 604-885-6825 or Jennifer Hill, Deputy Corporate Officer at 604-885-6813. Information on the Church Road Well Field Project may be obtained from the Infrastructure Services Department at 604-885-6806.

SUNSHINE COAST REGIONAL DISTRICT

BYLAW NO. 725

A bylaw to authorize the borrowing of up to Nine Million Dollars for the design and construction of the Church Road Well Field Project

WHEREAS the Board of the Sunshine Coast Regional District has established by Bylaw No. 1002, a service for the purpose of providing potable water to the Water Supply and Distribution Service Area;

AND WHEREAS it is deemed desirable and expedient to design and construct the Church Road Well Field to expand the available potable water supply to the Water Supply and Distribution Service Area;

AND WHEREAS the Board of the Sunshine Coast Regional District wishes to borrow for debt incurred by the design and construction of the Church Road Well Field Project (the "Works");

AND WHEREAS the estimated cost of the Works, including expenses incidental thereto, that is not covered by other sources of revenue, is the sum of up to Nine Million Dollars (\$9,000,000) which is the amount of debt created by this bylaw;

AND WHEREAS the maximum term for which a debenture may be issued to secure the debt created by this bylaw is for a term not to exceed thirty years;

AND WHEREAS the authority to borrow under this bylaw expires five years from the date on which this bylaw is adopted;

AND WHEREAS the Board of the Sunshine Coast Regional District has obtained the approval of electors in the entire Water Supply and Distribution service area by alternative approval process in accordance with the *Local Government Act* and the *Community Charter*;

NOW THEREFORE, the Board of the Sunshine Coast Regional District in open meeting assembled, enacts as follows:

1. This bylaw may be cited as *Church Road Well Field Project Loan Authorization Bylaw No. 725, 2020*.
2. The Board is hereby empowered and authorized to undertake and carry out or cause to be carried out the design and construction of the Church Road Well Field Project serving the Water Supply and Distribution Service Area generally in accordance with plans on file in the regional district office and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
 - a) To borrow upon the credit of the Regional District a sum not exceeding Nine Million Dollars (\$9,000,000);
 - b) To acquire all such real property, easements, rights-of-way, licenses, rights or authorities

as may be requisite or desirable for or in connection with the design and construction of the Church Road Well Field Project.

- 3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is thirty years.

READ A FIRST TIME this 12th day of March, 2020

READ A SECOND TIME this 12th day of March, 2020

READ A THIRD TIME this 12th day of March, 2020

APPROVED BY THE INSPECTOR OF MUNICIPALITIES
 this 8th day of May, 2020

RECEIVED THE APPROVAL OF THE ELECTORS BY
ALTERNATIVE APPROVAL PROCESS
 this day of

ADOPTED this day of

CORPORATE OFFICER

CHAIR

SUNSHINE COAST REGIONAL DISTRICT

NOTICE OF ALTERNATIVE APPROVAL PROCESS

Church Road Well Field Project Loan Authorization Bylaw No. 725, 2020

NOTICE IS HEREBY GIVEN THAT, the Sunshine Coast Regional District (SCRD) proposes to adopt *Church Road Well Field Project Loan Authorization Bylaw No. 725, 2020* to authorize borrowing of up to \$9,000,000 over a thirty year term to design and construct the Church Road Well Field Project to expand the available potable water supply to the Water Supply and Distribution Service Area. The costs of the debt will be recovered through a parcel tax on those properties that have access to SCR D water in the Water Supply and Distribution Service Area (Electoral Areas A – Egmont/Pender Harbour, B – Halfmoon Bay, D – Roberts Creek, E - Elphinstone, F – West Howe Sound, and the District of Sechelt).

The Groundwater Investigation Phase 4 - Church Road Well Field Project is a result of the first round of groundwater investigation started in 2017 to secure additional water supply sources for SCR D water system users. The construction of the Church Road Well Field will connect three SCR D water systems: Granthams, Soames, and the Chapman water system, and will significantly increase the water supply in the Chapman Water System, reducing the stress felt during dry summer months.

Approval of the electors is required since the borrowing proposed is for a period longer than five years. The annual debt servicing cost over a thirty year period would be approximately \$382,049 per year for the term of the debt based on the current indicative long-term lending rate. The average parcel tax would amount to approximately \$34.45 per parcel on an annual basis until the debt is retired.

More information on this matter can be viewed at the Sunshine Coast Regional District office, 8:30 a.m. to 4:30 p.m. Monday to Friday, except Statutory Holidays, at 1975 Field Road, Sechelt, BC. Information Packages are also available online on the SCR D website at www.scrd.ca.

The SCR D Board may adopt Bylaw No. 725 and proceed with the borrowing as noted above if, after the deadline, elector response forms are certified by the Corporate Officer as having been signed by less than 10% of the eligible electors in the Water Supply and Distribution Service Area (Electoral Areas A – Egmont/Pender Harbour, B – Halfmoon Bay, D – Roberts Creek, E – Elphinstone, F – West Howe Sound, and the District of Sechelt). If, after the deadline elector response forms are certified by the Corporate Officer as having been signed by at least 10% of the eligible electors in the Service Area (calculated at **1,960** electors), the Board may not proceed with the borrowing under Bylaw No. 725 without obtaining assent of the electors in a voting proceeding.

Elector Response Forms

The response of the electors must be in the form established by the SCR D. Forms are available at the SCR D office located at 1975 Field Road, Sechelt. Forms are also available on the SCR D website at www.scrd.ca. An accurate copy of the elector response form is also acceptable. For an elector response to be accepted it must meet the following conditions:

- only eligible electors within the Water Supply and Distribution Service Area are entitled to sign an elector response form;

- the full name of the elector must be stated;
- the residential address of the elector must be stated;
- the elector must sign the elector response form;
- if applicable, the address of the property in relation to which the person is entitled to vote as a non-resident property elector must be stated; and,
- the elector response form must be submitted to the Corporate Officer before the deadline.

Forms may be submitted in person or by mail to be received by the Corporate Officer at the Sunshine Coast Regional District office located at 1975 Field Road, Sechelt, B.C. V0N 3A1 **NO LATER THAN 4:30 P.M. ON Monday, July 20, 2020**. Elector response forms must be in the possession of the Corporate Officer by this time as postmarks **WILL NOT** be accepted as date of submission. **ELECTOR RESPONSE FORMS MAY NOT BE RETURNED BY FAX OR EMAIL.**

Eligible Elector

An eligible elector for the purpose of this Alternative Approval Process is a resident who meets the following criteria:

- is age eighteen or older;
- is a Canadian Citizen;
- has been a resident of British Columbia for at least six months;
- has been a resident of the Service Area for at least thirty days; and,
- is not disqualified from voting by any enactment.

A non-resident property elector who meets the following criteria is also an eligible elector:

- is not entitled to register as a resident elector for the Service Area;
- is age eighteen or older;
- is a Canadian Citizen;
- has been a resident of British Columbia for at least six months;
- has been a registered owner of the real property within the Service Area for at least thirty days; and,
- is not disqualified from voting by any enactment.

Note: 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.

More information on the AAP may be obtained by contacting Sherry Reid, Corporate Officer at the SCR D office at 1975 Field Road or by telephone at 604-885-6825 or Jennifer Hill, Deputy Corporate Officer at 604-885-6813. Information on the Church Road Well Field Project may be obtained from the Infrastructure Services Department at 604-885-6806.

Sherry Reid
Corporate Officer

Calculation of Eligible Electors

The total number of electors of the area to which the approval process applies (the Water Supply and Distribution Service Area – Electoral Areas A – Egmont/Pender Harbour, B – Halfmoon Bay, D – Roberts Creek, E – Elphinstone, F – West Howe Sound, and the District of Sechelt) has been calculated at **19,600**.

The number of electors was calculated as follows:

The number of resident electors on the Provincial voters list in the Service Area, as received from Elections BC on April 24, 2018 **(19,272)**

plus

The number of non-resident property electors currently registered for properties within the Service Area, excluding those who also reside within the Service Area **(328)**

Approval of the electors by alternative approval process is obtained if the number of elector responses received by the established deadline is less than 10% of this total **(1,960)**.

Financial Information / Budget Implications

Church Road Well Field Project – Groundwater Investigation Phase 4

If the AAP for the Loan Authorization is successful, it is proposed that the debt recovery will occur via an average parcel tax of approximately \$34.45 per parcel until the debt is retired (for parcels with access to Regional District water).

The annual debt servicing cost over a thirty year period would be approximately \$382,049 per year based on the current indicative long-term lending rate of 1.78%. The table below summarizes the estimated annual debt servicing costs, total interest, and the average cost per parcel in year one based on a 1.78% interest rate over a 30 year borrowing term.

Note: The overall rate structure may vary from year to year depending on changes to capital plans and the availability of other sources of funding such as provincial and federal grants.

Estimated Costs	30 Year
Annual Debt Servicing Costs*	\$382,049
Total Interest Over Term*	\$4,806,000
Average Cost Per Parcel in Year One	\$34.45

*Based on the indicative Municipal Finance Authority (MFA) long-term lending rate for 10 year borrowing terms of 1.78% as posted on May 21, 2020 (<https://mfa.bc.ca/long-term-lending-rates>). Rates are subject to change.