

Report to Council



Date: February 25, 2019

File: o600-10

To: City Manager

From: City Clerk

Subject: South Okanagan Mission Agricultural Users Local Area Service – Certificate of Sufficiency
Report Prepared by: R. Westlake, Senior Engineer and C. Boback, Legislative Coordinator

Recommendation:

THAT Council receives for information, the report from the City Clerk, dated February 25, 2019 regarding South Okanagan Mission Irrigation Water Integration Local Service Area;

AND THAT Council receive the Certificate of Sufficiency dated February 13, 2019 pertaining to the South Okanagan Mission Agricultural Local Area Service;

AND THAT Bylaw No.11745 being South Okanagan Mission Agricultural Users Local Area Service Establishment Bylaw be forwarded for Council consideration;

AND FURTHER THAT Bylaw No.11746 South Okanagan Mission Agricultural Users Loan Authorization Bylaw be forwarded for Council consideration.

Purpose:

To receive the Certificate of Sufficiency for the South Okanagan Mission Agricultural Users Local Area Service from the customers involved in the South Okanagan Mission Irrigation Distribution Water Integration Project and to forward the Establishment and Loan Authorization Bylaws for reading consideration.

Background:

In July 2016, the Board of the SOMID passed a resolution indicating their intent to dissolve and be integrated into the City's Water Utility. In August 2016, the City commissioned an engineering assignment to undertake preliminary engineering to determine the costs to integrate the SOMID system with the City's system. This work was broadened to include integration of the South-East Kelowna Irrigation District. The engineering work was substantially completed in the fall of 2016.

The federal/provincial Clean Water and Wastewater Fund program came available for local government applications in the fall of 2016. The City made application for water infrastructure upgrades to SOMID, SEKID and City systems to complete the integration of these systems. Senior government funding was announced in March 2017.

The senior government grants will cover the costs of the City's supply integration infrastructure. The remaining costs will need to be recovered through a Local Service Area process as per the Community Charter. These remaining costs and the apportionment of them, have been explained to the affected property owners.

As of January 2019, owners of the affected properties signed in favor a Local Area Service petition for the construction of the water upgrades. For a petition to be sufficient under the Community Charter, at least 50% of affected owners **and** at least 50% of the total assessed values must approve the local service area. As of January 30th, 2019, the Office of the City Clerk received valid signatures representing 7 of the 7 affected properties.

With the Community Charter conditions achieved, Council may consider construction of the requested improvements.

Subject to Council's approval of initial readings of the Loan Authorization bylaw, City staff will forward the bylaw to the Ministry of Municipal Affairs for their approval. Once we receive the Ministry's approval of the Loan Authorization Bylaw, staff will bring a report to Council for final reading of the establishment and loan authorization bylaws.

The dissolution of SOMID will take place on January 1, 2020. Once the bylaws are approved, the infrastructure improvements will be scheduled for construction.

Internal Circulation:

Accounting Operations Manager
Budget Supervisor
Division Director, Financial Services
Financial Planning Manager
Infrastructure Delivery Department Manager
Utilities Operations Manager
Utility Planning Manager

Legal/Statutory Authority:

Community Charter - Section 179 – Borrowing
Community Charter -Section 210 & 216 – Authority for Local Service Areas
Community Charter -Section 211 – Requirements for establishing a Local Service Area

Legal/Statutory Procedural Requirements:

Community Charter – Section 212 – Requirements for the Owner initiated Local Area Service.
Community Charter – Section 212(2) to (6) – Petitioning requirements and Corporate Officer sufficiency determination.

Existing Policy:

The City's policy regarding financial participation of benefiting property owners as set out in the existing policy.

Financial/Budgetary Considerations:

Considerations not applicable to this report:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by:

S. Fleming, City Clerk

Approved for inclusion:



cc:

City Manager

Divisional Director, Financial Services

Infrastructure Delivery Department Manager

Infrastructure Engineering Manager

Infrastructure Operations Department Manager