



## Request for Decision

Assent Voting - Bralorne Wastewater Treatment System Loan Authorization Bylaw & Bralorne Sewer System Local Service Conversion and Establishment Bylaw

**Date of Meeting:** Regular Board Meeting – November 28, 2018

### Recommendations:

THAT pursuant to section 407 of the *Local Government Act*, participating area approval in respect of the following proposed bylaws be obtained via assent voting:

- Squamish-Lillooet Regional District Bralorne Wastewater Treatment System Loan Authorization Bylaw No. 1595-2018; and
- Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995, Amendment Bylaw No. 1594-2018.

THAT the question to be placed on the ballot for assent voting in respect of the proposed bylaws be as follows:

*Are you in favour of the Squamish-Lillooet Regional District adopting the following proposed bylaws:*

1. *Squamish-Lillooet Regional District Bralorne Wastewater Treatment System Loan Authorization Bylaw No. 1595-2018*, which will permit the borrowing of up to \$700,000 for the purpose of completing the construction of the new wastewater treatment system in the Bralorne Sewer Service Area (the associated estimated annual debt servicing costs will be \$38,750 and recovered via tax requisition as set out below); and
2. *Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995, Amendment Bylaw No. 1594-2018*, which will permit an increase of \$38,750 to the maximum annual tax requisition amount, which is estimated to be \$429.31 per parcel (and is in addition to the existing maximum annual tax requisition of \$346.22 per parcel resulting in a total annual estimated tax requisition of \$775.53 per parcel.)

Yes No

THAT pursuant to section 176(4) of the *Local Government Act*, the Notice of Assent Voting contain the following synopsis of the proposed bylaws:

*The intent of Squamish-Lillooet Regional District Bralorne Wastewater Treatment System Loan Authorization Bylaw No. 1595-2018 and Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995, Amendment Bylaw No. 1594-2018 is to:*

- *borrow up to \$700,000 which is required to complete the construction of the new wastewater treatment system in the Bralorne Sewer Service Area, with annual debt servicing costs estimated to be \$38,750; and*
- *increase the maximum annual tax requisition amount by \$38,750 so that the annual debt servicing costs associated with such borrowing can be requisitioned.*

*The area that is the subject of the proposed bylaws is the Bralorne Sewer Service Area as identified in the map below.*

THAT pursuant to section 58(1) of the *Local Government Act*, Kristen Clark is appointed as Chief Election Officer and Philippa Campbell as Deputy Chief Election Officer for conducting the assent voting, with power to appoint other election officials as required for the administration and conduct of such assent vote.

### **Key Issues/Concepts Defined**

#### Previous Resolutions

At the Board Meeting on July 25, 2018 the Squamish-Lillooet Regional District (SLRD) Board passed the following resolutions:

1. *THAT Bylaw No. 1595-2018, cited as “Squamish-Lillooet Regional District Bralorne Wastewater Treatment System Loan Authorization Bylaw No. 1595-2018”, be introduced and read a first, second and third time.*
2. *THAT Bylaw No. 1595-2018, cited as “Squamish-Lillooet Regional District Bralorne Wastewater Treatment System Loan Authorization Bylaw No. 1595-2018” (as at third reading) together with the associated staff report be forwarded to the Inspector of Municipalities for approval pursuant to the Community Charter and the Local Government Act.*
3. *THAT upon receiving approval of the Inspector of Municipalities and as soon as applicable publication deadlines allow, Squamish-Lillooet Regional District (“SLRD”) staff be directed to publish the Notice of Alternative Approval Process in accordance with section 86(3)(a) of the Community Charter and SLRD Board Policy No. 3.3 (Alternative Approval Process) including the following information as required by section 86 of the Community Charter:*
  - a. *82 as the total number of electors within the Bralorne Sewer Service Area as established by Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995, to which the Alternative Approval Process applies.*



*Municipalities for approval pursuant to the Community Charter and the Local Government Act.*

8. *THAT upon receiving approval of the Inspector of Municipalities and as soon as applicable publication deadlines allow, Squamish-Lillooet Regional District ("SLRD") staff be directed to publish the Notice of Alternative Approval Process in accordance with section 86(3)(a) of the Community Charter and SLRD Board Policy No. 3.3 (Alternative Approval Process) including the following information as required by section 86 of the Community Charter:*
  - a. *82 as the total number of electors within the Bralorne Sewer Service Area as established by Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995, to which the Alternative Approval Process applies;*
  - b. *the Notice of Alternative Approval Process shall be published in the Bridge River Lillooet News and the Pique Newsmagazine, as well as additional notice provided via the notice board located at the SLRD offices, the SLRD website and the SLRD's Facebook page;*
  - c. *the deadline for receiving elector responses shall be established as 4:30 p.m. on the next business day following the 30-day statutory elector response period, with the start date of the 30-day statutory elector response period being based upon the second publication date that is the latest in respect of the newspapers noted above;*
  - d. *the elector response form will provide for only a single elector response on each form and will be available at the SLRD offices and on the SLRD website from the first publication date of the Notice of Alternative Approval Process until the deadline of elector response period as determined above; and*
  - e. *elector response forms are able to be submitted in any one of the following manners:*
    - i. *In person at: 1350 Aster Street – 2nd Floor, Pemberton, BC (Monday to Friday, 8:00 AM - 4:30 PM, excluding Statutory Holidays);*
    - ii. *Via mail to: Box 219, Pemberton, BC, V0N 2L0;*
    - iii. *Via fax at: 604-894-6526; or*
    - iv. *Via email attachment to: [info@slrd.bc.ca](mailto:info@slrd.bc.ca) with the subject heading: "Elector Response".*
9. *THAT, in accordance with section 86(4) of the Community Charter, the staff report associated with Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995, Amendment Bylaw No. 1594-2018, which includes the basis upon which the determination was made of the total number of electors of the SLRD, be made available to the public. This staff report will be available on the SLRD website as well as at the SLRD offices.*

## Background

The community of Bralorne is serviced by the original sanitary sewer system (the “Sewer System”) and community water system, both of which were constructed more than 90 years ago. The SLRD operates the Sewer System within a defined area of Electoral Area A as established by the Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995 as amended (the “Service Area Bylaw”).

The Interior Health Authority, the Ministry of Environment and SLRD staff have identified the upgrade of the Sewer System as critical to the long-term health and sustainability of the Bralorne community. (Refer to Staff Reports from July 25, 2018 for correspondence and background information on the project: [Bralorne Wastewater Treatment System Loan Authorization Bylaw No. 1595-2018](#) and [Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995, Amendment Bylaw No. 1594-2018](#))

The Bralorne Sewer System Upgrade Project aims for a complete replacement and upgrade of the Sewer System, comprising 2.3 km of piping, 107 service connections and a new wastewater treatment plant capable of meeting modern standards (the “New Sewer System”).

Given the small size of the tax base it has been beyond the ability of the Service Area to contemplate financing the complete replacement. As a result, the SLRD secured funding from a variety of sources, including:

- a Gas Tax Grant in the amount of \$1,999,530 (Original expiry date December 2018, extension to December, 2019)
- the remaining reserves of \$38,000 in the Sewer System’s Cost Centre (Cost Centre #2800); and
- the remaining \$91,000 of Electoral Area A’s Federal Gas Tax Agreement Community Works Funds.

Despite this funding and efforts by the SLRD to reduce the cost, the funding for the project has a shortfall of up to \$700,000 due to skyrocketing construction costs as observed across the SLRD. Therefore, in order to complete both phases of the project, it is necessary to secure a loan of up to \$700,000 and to increase the maximum requisition amount in the Service Area Bylaw in order to requisition for the associated borrowing costs.

## Project Progress

The SLRD has entered into a contract with Hazelwood Construction Services for the Phase 1 work with a completion date of December 31, 2018. The SLRD has an agreement with Hazelwood Construction Services to complete Phase 2 by August 1, 2019 whereby the initiation of the Phase 2 work is dependent upon obtaining the SLRD receiving the required elector approval in respect of the loan and the commensurate increase to the maximum tax requisition amount, with the deadline for providing such notice to the contractor being February 15, 2019.

Elector Approval via Alternative Approval Process (AAP)

Further to the Board’s resolutions above to undertake an AAP with respect to these 2 bylaws, the AAP deadline was November 13, 2018 at 4:30 p.m., following which the Corporate Officer certified the results (attached). The AAP has failed, as more than 10% of the estimated electors opposed the Board’s intention to adopt the proposed bylaws. Therefore, if the Board wishes to be able to consider the adoption of the proposed bylaws, it is necessary to first obtain the approval of the electors via an assent vote (i.e. referendum). The assent of the electors will only be obtained if a majority of the votes cast are in favour of the proposed bylaws.

Pursuant to the Local Government Act, the assent voting must occur no more than 80 days after the AAP deadline (AAP deadline was November 13 + 80 days = no later than February 1, 2019) and must occur on a Saturday.

Assent voting is conducted in the same manner as an election and is governed by the Squamish-Lillooet Regional District Election, Assent and Mail Ballot Voting Bylaw No. 1581-2018 (the “Election Bylaw”),

The Chief Election Officer has the responsibility of selecting the date and location for the General Voting Day, which is tentatively planned to be Saturday January 26, 2019. The two advance voting days are determined as per the Election Bylaw, which would be respectively 10 days and 5 days before the General Voting Day (January 16, 2019 and January 21, 2019 – locations to be determined).

Staff has estimated the costs for the assent vote to be approximately \$11,000, broken down as follows:

Item	Estimated Cost
Statutory notices: Notice of Applications for Scrutineers and Notice of Assent Voting (2 notices x 2 weeks each in 2 newspapers)	\$5,400
Labour: (2 people x 3 voting opportunities) Advance Voting and General Voting	\$2,700
Travel expenses	\$1,500
Ballots and mail ballot packages	\$700
Room rental	\$700
<b>TOTAL:</b>	<b>\$11,000</b>

As noted above, at the July 25, 2018 Board meeting, the Board passed a resolution committing \$60,000 per year for 5 years (each of the years 2019 through 2022) from the Area A Northern Area BC Hydro Payment in Lieu of Taxes (PILT) Funds Reserves to the Service Area for the purposes of assisting in repaying the loan and to establish a capital/maintenance reserve for the wastewater treatment system in order to keep the amounts required to be tax requisitioned from the Bralorne community down in the short-term. This \$11,000 could be paid for out of this allocation of funds for 2019.



### Considerations on Public Consultation

Staff will hold additional public information sessions to provide information to electors about:

- the project;
- the implications for property tax rates and the community;
- the environmental and health issues regarding the aging system;
- the implications to the community of not completing the sewer system project;
- the sources of funding already secured;
- impending deadlines for retention of that funding; and
- the impact of the loan on the taxable properties in the Service Area.

It should be noted that the commitment of PILT funds for 2019 through 2022 as noted above in addition to the other funding sources may have the effect of reducing the annual parcel tax increase associated with the loan.

### **Options**

- 1) Approve the Recommendations as presented. Please note that the Board is required, pursuant to the *Local Government Act*, to approve the referendum question and the synopsis of the bylaws.
- 2) Make changes to the Recommendations and then proceed to an assent vote in respect of the Bylaws.
- 3) Do not proceed to an assent vote in respect of the Bylaws.

### **Preferred Option**

Option 1 is the preferred option based on the time-sensitive nature of the project.

Notable deadlines include:

- The 80 day window for assent voting in respect of the proposed bylaws ends on February 1, 2019;
- Hazelwood Construction Services are contractually obligated to hold their pricing until February 15, 2019 for Phase 2 construction. A decision later than this time may risk an increase in construction costs (refer to the January 5, 2018 Staff Report for more information on construction cost trends in the SLRD);
- The impending Gas Tax Grant deadline of December 31, 2019, which requires construction to be completed by the end of 2019 in order to qualify for the full amount of the grant (otherwise the program administrator could claw back 15% or \$299,929 of the total funding amount);

- Regulatory concerns by the Ministry of the Environment regarding the age of the system and quality of effluent being discharged into Cadwallader Creek.

Staff considers that it will be extremely unlikely for his project to receive further grant funding, given the amount (\$1,999,530 subject to the potential 15% [\$299,929] claw back) originally provided by the Gas Tax program.

**Regional Considerations**

None

**Attachments**

1. July 25, 2018 Staff Reports links:
  - [Bralorne Wastewater Treatment System Loan Authorization Bylaw No. 1595-2018](#)
  - [Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995, Amendment Bylaw No. 1594-2018](#)
2. Corporate Officer’s Certification - Result of AAP Process
3. Assent Vote Timeline

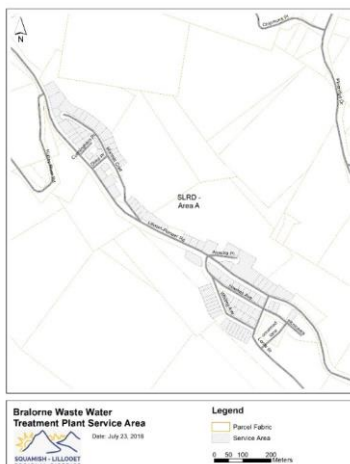
<b>Submitted by:</b>	Kristen Clark, Director of Corporate and Legislative Services
<b>Reviewed and Approved by:</b>	Lynda Flynn, CAO



### Corporate Officer's Certification

I, the undersigned Corporate Officer, as the person assigned responsibility for corporate administration under section 236 of the Local Government Act, certify the results of the Alternative Approval Process that was conducted to obtain the approval of the electors for the following bylaws: (1) Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585, 1995, Amendment Bylaw No. 1594-2018; and (2) Squamish-Lillooet Regional District Bralorne Wastewater Treatment System Loan Authorization Bylaw No. 1595-2018 (collectively, the "Bylaws"):

1. The number of qualified electors established by the Squamish-Lillooet Regional District Board as eligible to sign an elector response form was **82**.
2. The number of elector responses required to prevent the Squamish-Lillooet Regional District Board from proceeding without the further assent of the electors was determined at **8**, being 10% of the electors of the area to which the Alternative Approval Process applies (being the community of Bralorne as identified in the map below):



3. The deadline for submitting elector responses opposing the Bylaws was November 13, 2018 at 4:30 p.m.
4. **11** elector response forms were received on or before the stated deadline of November 13, 2018 at 4:30 p.m.
5. Therefore, in accordance with section 86 of the Community Charter, the approval of the electors has not been obtained.

Dated this 15<sup>th</sup> day of November 2018 at Pemberton, B.C.



---

Kristen Clark  
Squamish-Lillooet Regional District Corporate Officer



**Proposed Timeline  
Assent Vote -  
Bralorne Sewer System Upgrade**

**Squamish-Lillooet Regional District Bralorne Wastewater Treatment System Loan  
Authorization Bylaw No. 1595-2018**

**Bralorne Sewer System Local Service Conversion and Establishment Bylaw No. 585,  
1995, Amendment Bylaw No. 1594-2018**

<b>Proposed Timeline</b>
(Assumption: 2019 Draft Meeting Calendar, as drafted, will be adopted at the November Board meeting)
<b>Board Approval of Assent Vote and Question</b>
November 28, 2018
<b>Statutory Publication - Notice of Applications for Scrutineers</b>
BRLN deadline: December 6, 2018
Pique deadline: December 10, 2018
BRLN Publication #1: December 12, 2018
Pique Publication #1: December 13, 2018
BRLN Publication #2: December 19, 2018
Pique Publication #2: December 20, 2018
<b>Statutory Publication Notice of Assent Voting</b>
BRLN deadline: December 20, 2018
Pique deadline: December 28, 2018
BRLN Publication #1: January 2, 2019
Pique Publication #1: January 3, 2019
BRLN Publication #2: January 9, 2019
Pique Publication #2: January 10, 2019
<b>10 day period for receiving scrutineer applications</b>
January 2 - 11, 2019 inclusive
<b>Advance Voting Day #1 (Area A)</b>
January 16, 2019 - Location to be determined
<b>Mail Ballots to be made available</b>
January 16, 2019 (for pickup at SLRD office or for mailing out)
<b>Advance Voting Day #2 (Pemberton?)</b>
January 21, 2019
<b>General Voting Day and last day to submit mail ballot packages</b>
January 26, 2019

<b>Certify Assent Vote Results</b>
January 28, 2019 & update Board meeting agenda accordingly
<b>Deadline to confirm Phase 2 construction with Contractor for Summer 2019</b>
February 15, 2019
<b>Earliest date to adopt both bylaws if assent vote is successful</b>
January 30/31, 2019
<b>30-day quashing period (LA Bylaw)</b>
Feb. 1, 2019 to March 3, 2019
<b>Apply for Certificate of Approval (LA Bylaw)</b>
March 4, 2019
<b>Board Meeting to give 3 readings/adoption of Security Issuing Bylaw</b>
March 20/21, 2019
<b>10-day quashing period (SI Bylaw)</b>
March 22 – March 31, 2019
<b>Apply for Certificate of Approval (SI Bylaw)</b>
April 1, 2019
<b>Deadline to apply for MFA financing (Fall 2019 issue)</b>
TBA 2019