

TRI-VILLAGE REGIONAL SEWER SERVICE COMMISSION

Proposed policy re: Subdivision and new properties and Expansion within properties.

ADOPTED July 16, 1993

In 1990 when the system was built financing was arranged whereby 75% of the cost was paid for by Government grants and 25% by local improvement charges financed by 25 year debentures. The terms of the debenture approval required every legally described parcel of land at that date to be charged for a share of the cost. The 25% of cost covered by debenture varied in each village, Alberta Beach ^{1019⁸⁴}, Val Quentin ^{1248⁵⁸}, and Sunset Point \$1,304.63. Using an average of \$1,200 for the 25% portion, the average total cost to each parcel served by the system was about \$4,800.00.

Any parcel that subsequently is sub-divided or new parcels added to the villages and being required to connect to the system will result in costs to the parcel that is being developed or added. Sub-division developers and new owners will be required to build the gathering system within the development to the satisfaction of the T.V.R.S.S.C., (see clause in Master Agreement) with ownership of the system serving the new parcels becoming the property of T.V.R.S.S.C.

The cost of system within the new development that is added to the cost of the land will be paid for in the sale of the new parcels. The only portion not costed is the share of the infrastructure that is in place i.e. lift stations, lift lines, main pump station and lagoon. An off-site levy against the new properties (levied by the municipality and passed to T.V.R.S.S.C.) is in order to cover buying into the infrastructure. The value

of the levy should be an amount equal to the cost portion of the infrastructure referred to previously as it relates to the new parcels. Using a cost of \$4,800 per property it is estimated that less than \$1,000 applies to the infrastructure referred to previously and this figure should be used as a starting point in negotiations.

The golf course is a unique situation in that it was allowed a connection as part of the easement agreement. The question arises as to whether additional charges apply for development within the property. The golf course would have been defined as one parcel of land as defined under the terms of the debenture if the debenture had applied to this parcel. The same principle applies to the Alberta Beach campground which was one parcel of land when counted in the parcels of land covered by the debentures, but it developed it's own gathering system within the property at it's own cost with no extra costs applying to the system. A similar situation applies to the Pentecostal Camp to some degree. They paid an equivalent to 90 parcels of land although there are only 14 defined legal parcels. The potential is for between 200 - 300 connections to the gathering system connected to the main system. The camp is responsible for it's gathering system within the property to service it's sites and cannot be charged for any more connections.

Requests will eventually be received from property owners outside the boundaries of the 3 villages to connect to the system and some buy-in costs will be required.

Recommendations:

1. Subdivision or new development and newly annexed property: Apply the principle of the developer pay costs as stated and negotiate an off-site levy to be paid to T.V.R.S.S.C.
Each new subdivision is to be considered as a separate entity.
2. Where a parcel is expanding services within the legally defined parcel the owner pays the costs of the gathering system and is responsible for maintenance, the same as any other property owner, within the boundaries of the property with no extra charges being levied by the commission. Operating costs recovery should take into consideration the number of services within the property. If the property is subdivided into separate legal parcels an off-site levy could then be considered.
3. Properties outside the boundaries of the village if allowed to connect should be responsible for their own costs and maintenance up the point of connection onto the system within the village boundaries. A charge could apply for infrastructure or a larger user fee could apply. A one time connection fee with normal user fees would possibly be the best approach.

Funds received by the commission for off-site levies should be credited to the Capital Replacement Reserve and invested accordingly.