



AGENDA ITEM

Deferral of Utility Connections to the Sylvan Lake Communal Servicing System

May 13, 2021

BACKGROUND

At the May 14, 2020, Council meeting, Council passed the following resolution:

Moved by Ms. Shepherd that Lacombe County defer the requirement for property owners within the Sylvan Lake Communal Servicing Project area to connect to this system to October 31, 2021.

Carried.

Lacombe County has recently received requests to extend the connection deadline for a longer period from several affected residents. Council also heard from a delegation regarding this issue at the April 22, 2021 Council meeting.

ANALYSIS

The Water/Wastewater Reserve funds these projects and any funds collected from connection fees are transferred to the Reserve to replenish it for future projects.

In the case of the Sylvan Lake Communal Servicing Project, 34 of 69 lots remain unconnected and are required to connect by October 2021 as per the Bylaw.

The correspondence received all refer to the financial hardships that have been placed on homeowners due to Covid -19, which were considered by Council previously when deciding to defer the connections by one year.

Some residents have indicated that contractors are reluctant to make these connections due to Covid-19, but we have found that most contractors are looking for additional work as of this spring.

If approved, any deferral will require a change to the Sylvan Lake Communal Servicing Bylaw No. 1315-20. Section 4.5 states:



All owners of premises located within the Sylvan Lake Communal Subdivisions from which sewage is generated as of the date of passage of the Bylaw shall connect to the County Wastewater system on or before October 31, 2021.

ALTERNATIVES

1. Council does not further defer the connection date.
2. Council defers connections and payments to October 31, 2022.
3. Take other action(s) as determined by Council.

BUDGET IMPLICATIONS

Operating Budget Impacts

Deferring the connection deadline for the Sylvan Lake Communal Servicing system will impact the County's 2021 Operating Budget.

The 2021 budget anticipated a return from these connection fees of \$320,000 to the Reserve.

There will be a reduction of utility revenue in 2022 of approximately \$37,000.

Capital Budget Impacts

The capital cost to users of the Sylvan Lake Communal Servicing system is in the form of a flat-rate connection fee, which is increased annually by a rate based on the prime rate, plus 2.5%. As such, if the connection deadline is extended by one year, property owners would be subject to \$337 in additional connection fees.

LEGISLATIVE RESPONSIBILITIES

Section 3 of the Municipal Government Act (MGA) states the purposes of a municipality are:

- a) to provide good government,
- b) to provide services, facilities or other things that, in the opinion of Council, are necessary or desirable for all or part of the municipality, and
- c) to develop and maintain safe and viable communities.



Section 153(a) states that one of the duties of councillors is “to consider the welfare and interests of the municipality as a whole and to bring to council’s attention anything that would promote the welfare and interests of the municipality.”

STRATEGIC PLAN

The following elements of the County’s Strategic Plan are relevant to this issue:

Our Vision: “An attractive, balanced and progressive community”.

Our Mission: “Building a safe and vibrant community through leadership, innovation and the development of healthy relationships”.

Finance Strategic Priority: “To manage the financial assets of the County in order to obtain maximum value”.

PUBLIC PARTICIPATION

All participation initiatives will follow the Levels of Engagement table (at the end of the policy). Not all projects require the same extensive stakeholder consultation, but the appropriate approach should be selected on a project-to-project basis.

As the decision on this project directly affects only a few ratepayers at this time, and the decision is directive in nature; we will inform the affected parties through face-to-face meetings and inform them at this time as well as address concerns. Prior consultation is not necessary as the affected ratepayers are aware that Lacombe County would be servicing these lands based on deferred services agreements or bylaws that define the conditions of connection.

RECOMMENDATION

That Council defeat the following resolution:

That Lacombe County defer the requirement for property owners within the Sylvan Lake Communal Servicing Project area to connect to this system to October 31, 2022.

PREPARED BY: Keith Boras, Director of Community Services



REVIEWED BY: Tim Timmons, County Manager

