



Alternative Approval Process for the Church Road Well Field Project Loan Authorization Bylaw No. 725, 2020

Frequently Asked Questions

The SCRD is seeking approval of the electors to borrow up to \$9,000,000 over a 30 year term to fund the Church Road Well Field Project.

Q. Why does the SCRD want to borrow money?

- A. The SCRD wants to borrow money to increase water supply by completing the Church Road Well Field Project. This project will result in a significant increase in water supply in the Chapman Water System, reducing the stress felt during dry summer months. The Church Road Well Field Project is a result of the first round of groundwater investigation that started in 2017. The purpose of the Loan Authorization Bylaw is to provide funding for Phase Four, which is the final phase of the Church Road Well Field Project and involves engineering design, construction, and commissioning of the well field project.

Q. How much money does the regional district intend to borrow for this purpose, and what are the terms for borrowing?

- A. The regional district intends to borrow up to \$9,000,000 to fund the Church Road Well Field Project with repayment of the debt over a term not to exceed 30 years. The funds would be borrowed through the Municipal Finance Authority of BC which handles capital financing needs for local government. Authorizing a \$9 million loan doesn't necessarily mean the full amount will be borrowed. The SCRD will continue to review grant opportunities and consider alternate funding sources that might become available.

Q. Who will pay back the loan and how will this affect my taxes?

- A. If the AAP is successful, debt payments would amount to approximately \$34.45 per parcel on an annual basis over the 30 year period of the loan. Only those properties included in the Regional Water Service Parcel Tax Roll will be responsible for repaying the loan. For clarity, the parcel tax roll includes all parcels within the service area that are connected to, or have the ability to connect to, one of the seven water systems funded through the Regional Water Service. Those systems are Chapman, Langdale, Ruby Lake (Cove Cay), Waugh Lake (Egmont), Eastbourne, Granthams, and Soames.

Q. How will this project benefit the public?

- A. The Church Road Well Field project will result in a significant increase in water supply in the Chapman Water System, reducing the stress felt during dry summer months. It will reduce the 2025 water supply deficit by at least 40%. The supply deficit is the amount of water needed to avoid going to Stage 3 during a prolonged drought.

Q. Why does the SCRD need public approval to borrow the funds?

- A. Provincial legislation requires that a local government must receive approval of the electors to use long-term (more than five years) borrowing. The SCRD is seeking public approval to borrow funds through an Alternative Approval Process (AAP).

Q. What is an Alternative Approval Process?

- A. An Alternative Approval Process (AAP) is a method of obtaining elector approval on local government bylaws. If 10% or more of electors oppose the long-term borrowing, the loan authorization bylaw cannot be adopted without proceeding to an assent vote (referendum).

Q. Why are you using an AAP instead of a referendum?

- A. An AAP is less costly than a referendum and allows electors to submit responses over a period lasting at least 30 days. To accommodate impacts from the COVID-19 pandemic, the period to submit responses to this AAP has been extended to run for 37 days.

Q. How does an AAP work?

- A. The AAP is a process where a person only **submits a response form if they are opposed** to the proposed action, which in this case is to approve a 30 year loan to fund the design and construction of the Church Road Well Field. Response Forms are available to the public online and at the regional district office on Field Road. There is a 37-day period to submit response forms in this AAP.

If you support the SCRD using long-term borrowing to fund the Church Road Well Field Project, you do not have to take any further action. Approval of the electors is achieved if less than 10% of electors register objection to the borrowing.

Q. Can anyone participate in the process?

- A. To participate in the AAP, a person must meet the qualifications to be registered as an elector (under the *Local Government Act*) and must reside or own property within the SCRD 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).

Elector qualifications include:

- eighteen years of age or older;
- Canadian Citizen;
- resident of British Columbia for at least the last six months;
- resident of, OR registered owner of real property within, the service area for at least the last 30 days;
- not disqualified by law from voting in local elections.

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.

While all eligible electors in the regional water service will participate in this process, only those who have access to SCRD water will be responsible for repaying the loan. Specifically, only those properties included in the Regional Water Service Parcel Tax Roll will be responsible for repaying the loan. The parcel tax roll includes all parcels within the service area that are connected to, or have the ability to connect to, one of the seven water systems funded through the Regional Water Service. Those systems are Chapman, Langdale, Ruby Lake (Cove Cay), Waugh Lake (Egmont), Eastbourne, Granthams, and Soames.

Q. Electoral Area A – Egmont / Pender Harbour has a separate water service, so why are they participants in the AAP?

- A. They are eligible participants in the AAP but will not be responsible for re-paying the loan. This is due to provincial rules and the way the initial regional water service was established in the SCRD. The provincial rules for conducting an AAP specify that eligible participants for this AAP are determined by the geographic area defined in the original service establishing bylaw (SCRD Bylaw 1002) for the Water Supply and Service Distribution Area. This includes Electoral Areas A – Egmont/Pender Harbour, B – Halfmoon Bay, D – Roberts Creek, E – Elphinstone, F – West Howe Sound, and the District of Sechelt. While North and South Pender Harbour have since established separate water services, they still remain part of the initial service establishment for the Water Supply and Distribution Area and therefore must be included as participants in the AAP, but will not be responsible for repayment of the loan as North and South Pender water systems are each part of a separate and distinct service with their own parcel tax roll.

Q. What if the AAP fails?

- A. Expanding water supply infrastructure is a key priority for the SCRD. If the AAP fails, the Board will consider options including whether to proceed to an assent vote (also known as a referendum).

Q. Can a response form be withdrawn after it is submitted?

- A. Yes, response forms can be withdrawn **prior to the deadline of 4:30 p.m. on Monday, July 20, 2020**. Withdrawal requests must be in writing and contain sufficient information to identify the elector concerned. They must be signed by the person making the request for withdrawal and physically delivered to the Regional District office. Electronic copies cannot be accepted.

Q. Will response forms submitted electronically be accepted?

- A. No, only the original signed Elector Response form will be accepted. Forms can be hand delivered or mailed to the regional district and must be received before the deadline of 4:30 p.m. on Monday, July 20, 2020.

Q. Who can I contact for more information?

- A. More information on the AAP may be obtained by contacting Sherry Reid, Corporate Officer, at the SCRD office at 1975 Field Road or by telephone at 604-885-6825, or Jennifer Hill, Deputy Corporate Officer, at 604-885-6813.

The Notice of AAP, Information Package, and the Elector Response Form can be found at: www.scrd.ca/Alternative-Approval-Process.

Information on the Church Road Well Field Project may be obtained from the Infrastructure Services Department at 604-885-6806, infrastructure@scrd.ca, or online at <http://www.scrd.ca/Church-Road-Well>.