

August 15, 2013

Council endorses alternate approval process for water and sewer loan authorization

At its August 13 meeting, Campbell River City Council endorsed an alternate approval process to establish elector consent for potential future borrowing to cover the cost of replacing aging water and sewer services.

The City's five-year capital plan includes borrowing \$15 million to pay for water and sewer infrastructure replacement. The funding amount and replacement plans are based on council's direction during 2013 budget deliberations.

"Aging infrastructure is a serious issue across the country, and addressing this issue is a strategic priority of Council," says Councillor Andy Adams, who holds Council's finance portfolio. "This loan authorization bylaw process is simply the next step to complete Council's directive to ensure we are in the position to continue to repair our roads, water and sewer systems."

Loan authorization does not necessarily mean that projects will automatically proceed because every project is required to come back to Council for final financial approval.

"The Loan Authorization is like a pre-approved line of credit that enables the City to move forward with planning for projects that will be brought before Council for approval – with the additional advantage of being in a better position to act quickly on federal and provincial matching funding initiatives, and provides for proactive long-range planning," Adams says.

He points out that past and current projects such as the 19A highway improvements and the St. Ann's Block infrastructure improvements would not have been possible without pre-approval.

"Council has done an excellent job in lowering the City's debt ratio and will continue to be prudent in ensuring that infrastructure projects proceed in a timely manner while maintaining minimal debt," Adams concludes.

Under the Community Charter, elector assent for infrastructure replacement loans can be obtained by either a referendum or alternate approval process.

The alternate approval process will be advertised in the local newspapers, August 16 and 21. The process stipulates that Council may borrow the funds, unless at least 10 per cent of the electors (2,401 people) object and indicate by signing elector response forms, in which case Council must obtain the assent of the electors by way of referendum.

September 23 is the deadline for people to oppose loan authorization for water and sewer infrastructure by signing an elector response form.

The forms are available at the City Clerk's office, City Hall, 301 St. Ann's Road and on the website at www.campbellriver.ca and must be submitted to the City Clerk, City of Campbell River, 301 St. Ann's Road, Campbell River, BC, V9W 4C7, by mail or in person before the deadline.

At the June 25, 2013 meeting, Council gave Loan Authorization Bylaws 3518 (Water) and 3519 (Sewer) for infrastructure upgrades first three readings and provided approval to forward the bylaws to the Inspector of Municipalities. The City received inspector approval on these two bylaws in July.

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