

# Langdale Wellfield Construction Project Loan Authorization Bylaw No. 777, 2025

# **Information Package**

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## General Information on Langdale Wellfield Construction Project Loan Authorization Bylaw No. 777, 2025

The Sunshine Coast Regional District (SCRD) is proceeding with an Alternative Approval Process (AAP) for *Langdale Wellfield Construction Project Loan Authorization Bylaw No. 777, 2025.* The bylaw proposes to borrow up to \$13,181,144 to be repaid over a 20-year term to fund the Langdale Wellfield Construction Project. Approval of the electors is required since the borrowing proposed is for a period longer than five years.

#### **Project Background**

To improve water supply within the Chapman Water System, the SCRD is developing a new wellfield located near the BC Ferries Langdale terminal. The Langdale Wellfield would consist of three new wells and would produce approximately 60 litres per second, almost 20% more than the Church Road Wellfield, which was completed in 2023. The project includes the construction of six kilometres of watermain to connect the wellfield to the Chapman system, a new reservoir, and several pumps.

Once completed, the wellfield will increase water supply for the community. The development of this wellfield will, in combination with other ongoing initiatives, result in the SCRD making considerable progress towards Water Supply objectives as identified in the 2025-2035 Water Supply Strategy.

The Board has directed staff to advance design and construction and to seek elector approval for long term borrowing; external contributions (grants) have reduced the amount that must be financed. Approval of the loan authorization bylaw will secure the remaining funds, allowing staff to proceed with detailed design, issue construction tenders in 2026, and commission the wellfield by 2028 (subject to permitting and approval processes).

#### The AAP

The question posed by this AAP is whether the SCRD can proceed with long-term borrowing (20 years) to fund this project.

The SCRD has recognized the critical importance of completing the Langdale Wellfield Construction Project, as it will secure additional water supply sources for SCRD water system users. If the AAP fails, other options such as proceeding to an assent vote (referendum) may be considered.

#### What do I do?

If you are **opposed** to the SCRD using long-term borrowing to fund the Langdale Wellfield Construction Project, you may submit an Elector Response Form to indicate your opposition.

If you support the SCRD using long-term borrowing to fund the Langdale Wellfield Construction Project, you do not need to take any further action.

#### Who can I contact for more information?

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 Kristi Evans, Deputy Corporate Officer at 604-885-6813. Information on the Langdale Wellfield Construction Project may be obtained from the Infrastructure Services Department at 604-885-6806.

#### SUNSHINE COAST REGIONAL DISTRICT

#### **BYLAW NO. 777**

A bylaw to authorize the borrowing of up to Thirteen Million One Hundred and Eighty-One Thousand One Hundred and Forty-Four Dollars for the design and construction of the Langdale Wellfield Project

WHEREAS the Board of the Sunshine Coast Regional District has established by Bylaw No. 1002, a service for the purpose of providing potable water to the Water Supply and Distribution Service Area:

AND WHEREAS it is deemed desirable and expedient to design and construct the Langdale Wellfield to expand the available potable water supply to the Water Supply and Distribution Service Area;

AND WHEREAS the Board of the Sunshine Coast Regional District wishes to borrow for debt incurred by the design and construction of the Langdale Wellfield Project (the "Works");

AND WHEREAS the estimated cost of the Works, including expenses incidental thereto, that is not covered by other sources of revenue, is the sum of up to Thirteen Million One Hundred and Eighty-One Thousand One Hundred and Forty-Four Dollars (\$13,181,144) which is the amount of debt created by this bylaw;

AND WHEREAS the maximum term for which a debenture may be issued to secure the debt created by this bylaw is for a term not to exceed twenty (20) years;

AND WHEREAS the authority to borrow under this bylaw expires five years from the date on which this bylaw is adopted;

AND WHEREAS the Board of the Sunshine Coast Regional District has obtained the approval of electors in the entire Water Supply and Distribution service area by alternative approval process in accordance with the *Local Government Act* and the *Community Charter*;

NOW THEREFORE, the Board of the Sunshine Coast Regional District in open meeting assembled, enacts as follows:

1. This bylaw may be cited as Langdale Wellfield Project Loan Authorization Bylaw No. 777, 2025.

- 2. The Board is hereby empowered and authorized to undertake and carry out or cause to be carried out the design and construction of the Langdale Wellfield Project serving the Water Supply and Distribution Service Area generally in accordance with plans on file in the regional district office and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
  - a. To borrow upon the credit of the Regional District a sum not exceeding Thirteen Million One Hundred and Eighty-One Thousand One Hundred and Forty-Four Dollars (\$13,181,144);
  - b. To acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with the design and construction of the Langdale Wellfield Project.
- 3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is twenty (20) years.

READ A FIRST TIME	this	24 <sup>th</sup>	day of	July, 2025
READ A SECOND TIME	this	24 <sup>th</sup>	day of	July, 2025
READ A THIRD TIME	this	24 <sup>th</sup>	day of	July, 2025
APPROVED BY THE INSPECTOR OF	MUNIC this	CIPALIT 2 <sup>nd</sup>	ΓΙΕS day of	September 2025
RECEIVED THE APPROVAL OF THE ELECTORS BY ALTERNATIVE APPROVAL PROCESS this day of				
	uns		day of	
ADOPTED	this		day of	
				<u>-</u>
			CORPORAT	E OFFICER
			CHAIR	· · · · · · · · · · · · · · · · · · ·

# SUNSHINE COAST REGIONAL DISTRICT NOTICE OF ALTERNATIVE APPROVAL PROCESS



# NOTICE OF ALTERNATIVE APPROVAL PROCESS

Loan Authorization Bylaw No. 777 Langdale Wellfield Construction Project

An Alternative Approval Process (AAP) is a cost-effective method to engage with the community to determine whether there is support for certain initiatives, such as long-term borrowing, or other service-related projects. If 10% or more of the eligible electors oppose the initiative, the SCRD cannot proceed with it and must consider other options including going to an assent vote (referendum).

The SCRD is proposing to utilize long-term borrowing to fund the Langdale Wellfield construction project described below. Eligible electors may submit an Elector Response Form to indicate their **opposition** to the SCRD utilizing long-term borrowing to fund this initiative.

The response must be in the form established by the SCRD or be an accurate copy of the elector response form. Forms are available at the SCRD Field Road Administration office or online at www.scrd.ca/aap.

## IMPORTANT NOTICE REGARDING SUBMISSION METHODS:

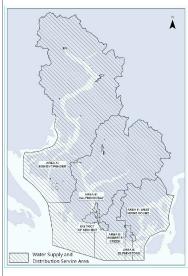
Due to the ongoing Canada Post labour disruption, mail-in submissions of Elector Response Forms will not be accepted. Electors may submit completed Elector Response forms by the following two methods:

- ✓ Email <u>legislative@scrd.ca</u> (Emailed copies of elector response forms must be a legible, hand-signed, scanned copy).
- Drop off at the SCRD in Person at 1975 Field Road, Sechelt, BC from Monday to Friday, 8:30 am to 4:30 pm, excluding statutory holidays, or drop off after hours in the mail drop slot located on the east side of the building.

DEADLINE for receipt of Elector Response Forms at the SCRD is Monday, November 24, 2025 at 4:30 p.m.

Forms MUST be received by the deadline to be counted.

#### SCRD Water Supply and Distribution Area



Description: To improve the water supply of the Chapman Water System, the SCRD is developing a new wellfield located near the BC Ferries Langdale terminal. The Langdale Wellfield would consist of 3 new wells and could produce approximately 60 litres per second, almost 20 l/s more than the Church Road Wellfield, which was completed in 2023. The projects include the construction of 6 km of watermain to connect the wellfield to the Chapman system, a new reservoir, and several pumps. The SCRD Board has directed staff to advance design and construction and to seek elector approval for long-term borrowing. Approval will secure the funds necessary to proceed with detailed design, issuance of construction tenders, and commissioning of the wellfield

**Taxpayer Impact:** The bylaw proposes to borrow up to \$13,181,144 to be repaid over a 20-year term. If approved, the costs of the debt will be recovered through the Regional Water Service parcel tax on those properties that have access to SCRD water in the Water Supply

and Distribution Area (Electoral Area A – Egmont / Pender Harbour, B – Halfmoon Bay, D – Roberts Creek, E – Elphinstone, F – West Howe Sound and the District of Sechelt). The average parcel tax would amount to approximately \$97.28 per parcel on an annual basis until the debt is retired. Annual principal and interest payments are estimated at \$1,095,087 over a 20-year term, based on current indicative long-term lending rates. Because the borrowing term exceeds five years, elector approval is required.

#### **Calculation of Eligible Electors:**

Only eligible electors within the Water Supply and Distribution Area (Electoral Areas A, B, D, E, F, and the District of Sechelt) are entitled to sign an elector response form. The SCRD may proceed with long-term borrowing to fund the Langdale Wellfield Construction Project unless, by the deadline, at least 10% (2,197) of the eligible electors in the service area indicate their opposition thereby requiring the SCRD Board to obtain the assent of electors before proceeding.

Copies of the loan authorization bylaw, the calculation of eligible electors, and other documents or reports related to this initiative may be obtained from the SCRD website at www.scrd.ca/aap, or from the SCRD Field Road Office between 8:30 a.m. and 4:30 p.m. Monday to Friday, excluding statutory holidays.

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 Kristi Evans, Deputy Corporate Officer, at 604-885-6813.

Sherry Reid, Corporate Officer

#### **Calculation of Eligible Electors**

The total number of electors of the area to which the approval process applies (the 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) has been calculated at **21,974**.

The number of electors was calculated as follows:

The number of resident electors on the Provincial voters list in the Service Area, as received from Elections BC on April 24, 2018 **(21,759)** 

plus

The number of non-resident property electors currently registered for properties within the Service Area, excluding those who also reside within the Service Area (215)

Approval of the electors by alternative approval process is obtained if the number of elector responses received by the established deadline is less than 10% of this total (2,197).

#### **Financial Information / Budget Implications**

#### **Langdale Wellfield Construction Project**

If the AAP for the Loan Authorization is successful, it is proposed that the debt recovery will occur via an average parcel tax of approximately \$97.28 per parcel until the debt is retired (for parcels with access to Regional District water).

The annual debt servicing cost over a twenty-year period would be approximately \$1,095,087 per year based on the current indicative long-term lending rate of 4.79%. The table below summarizes the estimated annual debt servicing costs, total interest, and the average cost per parcel in year one based on a 4.79% interest rate over a 20-year borrowing term.

Note: The overall rate structure may vary from year to year depending on changes to capital plans and the availability of other sources of funding such as provincial and federal grants.

Estimated Costs	30 Year
Annual Debt Servicing Costs*	\$1,095,087
Total Interest Over Term*	\$12,627,536
Average Cost Per Parcel in Year One	\$97.28

<sup>\*</sup>Based on the indicative Municipal Finance Authority (MFA) long-term lending rate for 20 year borrowing terms of 4.79% as posted on June 20, 2025 (<a href="https://mfa.bc.ca/long-term-lending-rates">https://mfa.bc.ca/long-term-lending-rates</a>). Rates are subject to change.