

Local Area Service Initiative for the Bridgeview East Phase 3 & 4 Vacuum Sewer Replacement Project

Public Open House

January 27, 2016

Open House Agenda

- Introductions
- Project Overview
- Local Area Service Petition Process
- Questions

Discussion Guidelines

- Take time to review the material and ask staff if you need more information
- Respect the views of others
- Keep questions to the end
- Keep comments brief

Introductions – Staff

LAS

May P.
Jeff
Robert
Samantha
May Z.
Hiroshi

Design & Construction

Jason
Ivano

Realty (Property Agents)

Charles
Gord
Ken

General Enquiries

Derek
Alyssa
Howard

Key Point

You do not have to pay the Local Service Tax
until you develop your property

Development = Rezoning, subdivision, consolidation, development permit, service connection application, temporary use permit, development variance permit, and building permit

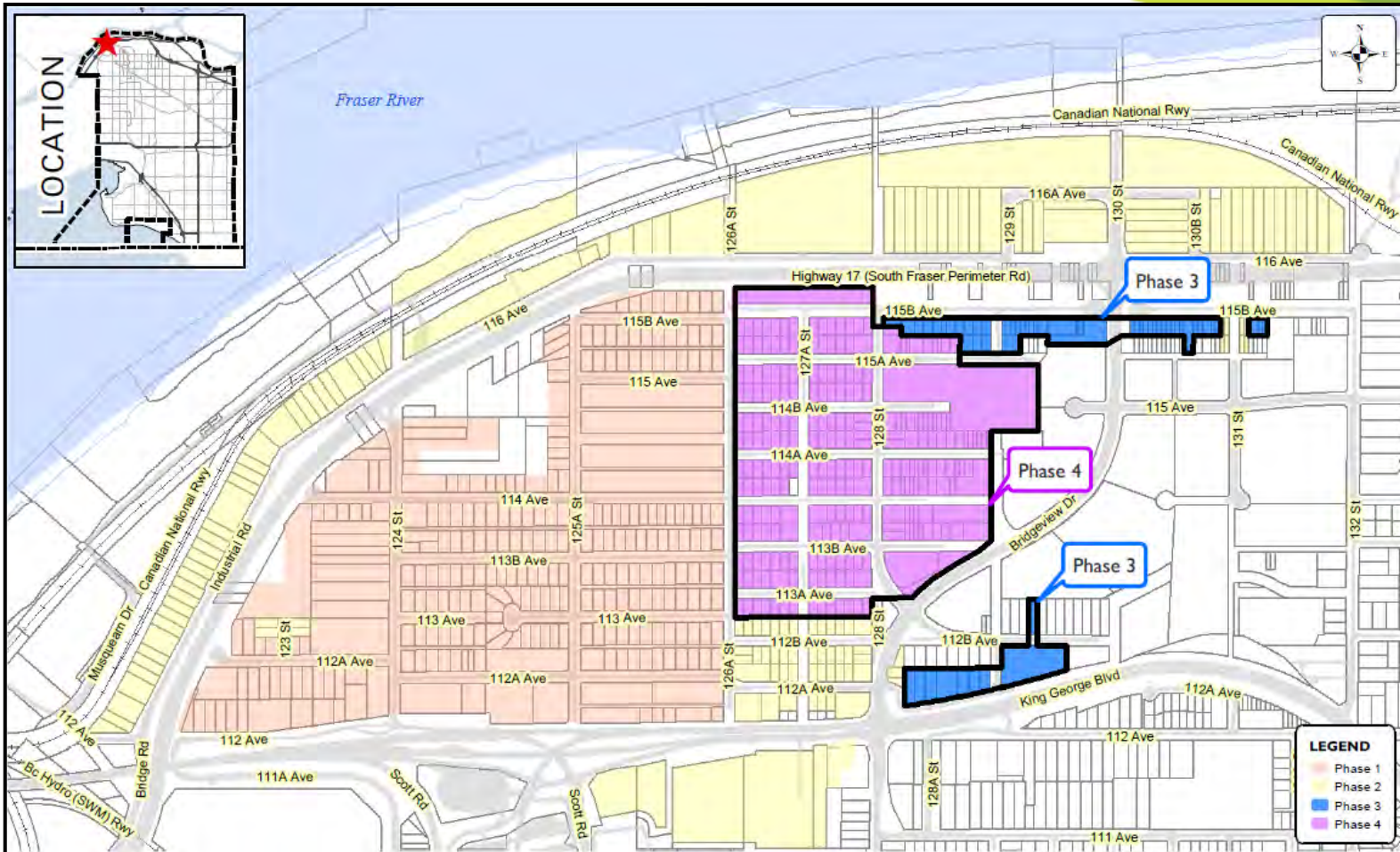
Project Overview

- Current Vacuum Sewer System
 - Installed in the 1970s
 - Prone to service disruption
 - 20 times more expensive to operate and maintain
 - At maximum capacity
 - Moratorium on new service connections
 - Impedes Development

Project Overview

- Study in 2006 evaluated sewer replacement options for all of Bridgeview
- Recommended strategy was a combination of Gravity and Pumped systems completed in 4 phases
- Phase 1 – completed in 2011
- Phase 2 – completed in 2014

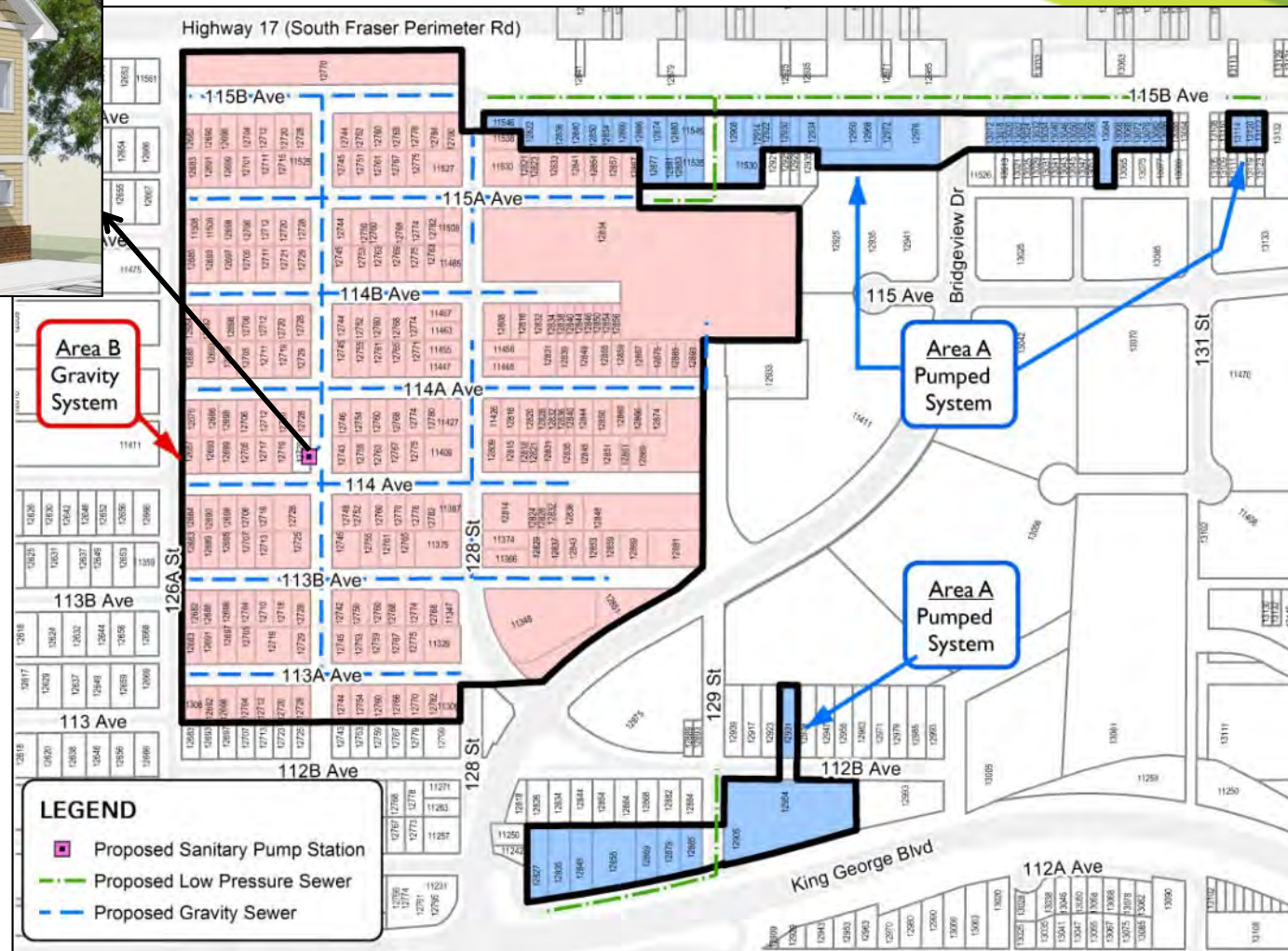
Bridgeview Phases 1 to 4 Overview Map



Local Service Area Phase 3 & 4



**Architectural Rendering of
Proposed Pump Station
At 114 Ave & 127A St**



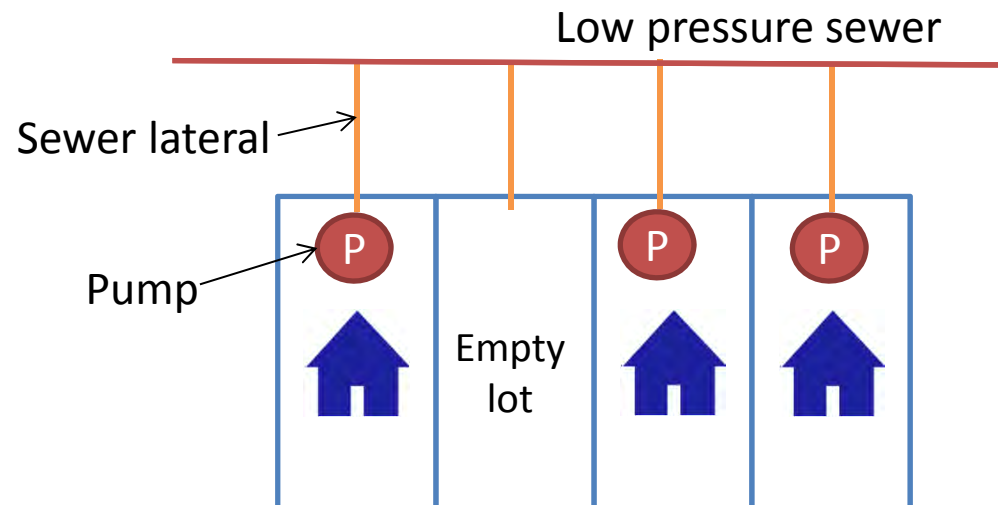
Phase 3 & 4

- Planned for 2016/2017
- 18 month construction duration
- Total estimated project cost is \$15.5M
- Includes replacing existing vacuum system with a combination of pumped and gravity systems
- Existing vacuum chambers will be removed.



Area A – Pumped System

Sewage flows from a building to a pump chamber on private property where it is pumped through a sewer lateral to the City's low pressure sewer mains.



Area A – Pumped System

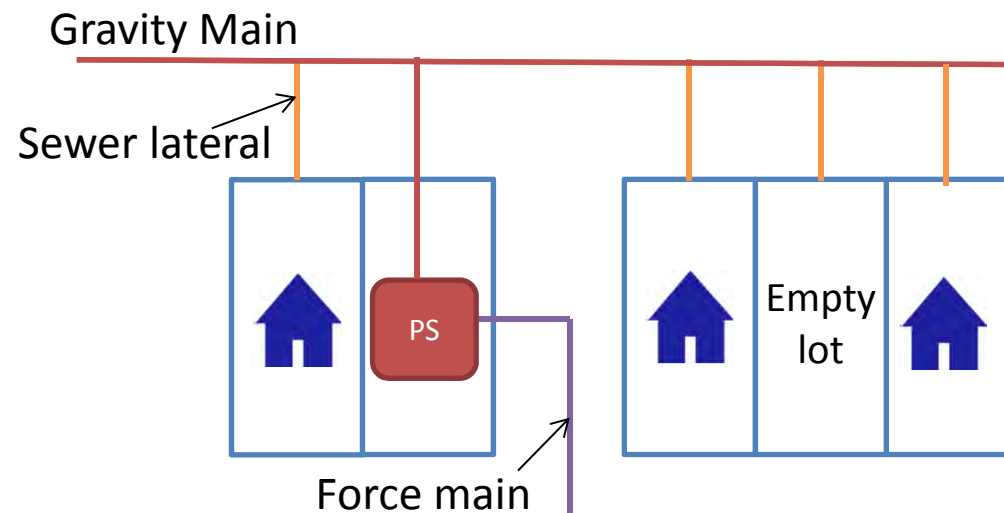
Pumped Connection - Active Sewer Accounts

- Pump and pump chamber on private property
- Owner operates, maintains, and replaces pump
- Receive a one-time pump compensation of \$13,100



Area B – Gravity System

Sewage flows from a building by gravity through a sewer lateral connecting to the City's gravity main where it continues to flow to a centralized pump station



Area B – Gravity System

Gravity Service Connection

- Conveys flow by gravity
- No pump, no compensation



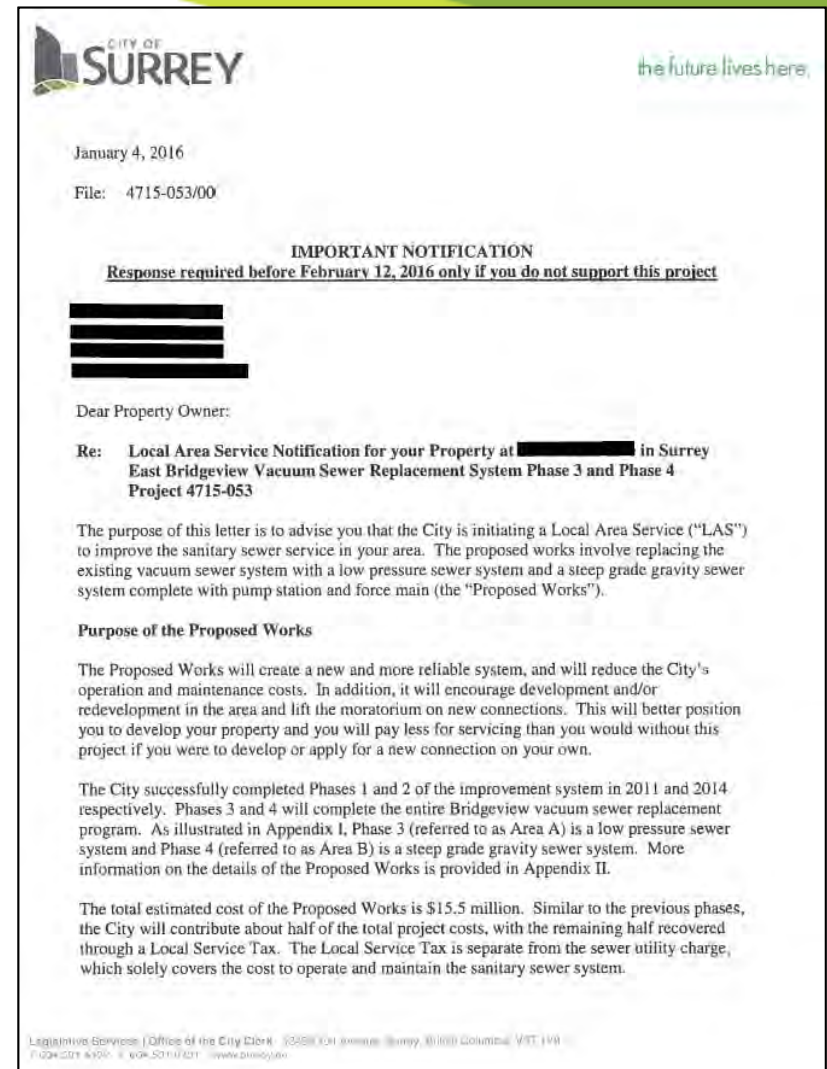
Project Benefits




- Newer and more reliable sewer system
- Proven technology
- Supports future development
- The City will pay 100% of the project costs to construct the new system and will gradually recover about 47% of the project cost when properties are developed or redeveloped

Local Area Service Process

- Council Initiated LAS Project
- Petition Against Process
- Petition Packages mailed to Property Owners in mid January



 CITY OF
SURREY

the future lives here.

January 4, 2016

File: 4715-053/00

IMPORTANT NOTIFICATION
Response required before February 12, 2016 only if you do not support this project

██████████
██████████
██████████

Dear Property Owner:

**Re: Local Area Service Notification for your Property at ██████████ in Surrey
East Bridgeview Vacuum Sewer Replacement System Phase 3 and Phase 4
Project 4715-053**

The purpose of this letter is to advise you that the City is initiating a Local Area Service ("LAS") to improve the sanitary sewer service in your area. The proposed works involve replacing the existing vacuum sewer system with a low pressure sewer system and a steep grade gravity sewer system complete with pump station and force main (the "Proposed Works").

Purpose of the Proposed Works

The Proposed Works will create a new and more reliable system, and will reduce the City's operation and maintenance costs. In addition, it will encourage development and/or redevelopment in the area and lift the moratorium on new connections. This will better position you to develop your property and you will pay less for servicing than you would without this project if you were to develop or apply for a new connection on your own.

The City successfully completed Phases 1 and 2 of the improvement system in 2011 and 2014 respectively. Phases 3 and 4 will complete the entire Bridgeview vacuum sewer replacement program. As illustrated in Appendix I, Phase 3 (referred to as Area A) is a low pressure sewer system and Phase 4 (referred to as Area B) is a steep grade gravity sewer system. More information on the details of the Proposed Works is provided in Appendix II.

The total estimated cost of the Proposed Works is \$15.5 million. Similar to the previous phases, the City will contribute about half of the total project costs, with the remaining half recovered through a Local Service Tax. The Local Service Tax is separate from the sewer utility charge, which solely covers the cost to operate and maintain the sanitary sewer system.

Legislative Services | Office of the City Clerk | 13288 131 Avenue Surrey, British Columbia, V3T 1V8
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LAS Process

- **Support** = Do nothing
- **Oppose** = Return signed petition form to the City by **February 12th**

PETITION AGAINST
Please return by February 12, 2016 only if you do not support the project

City Clerk
 City of Surrey
 13450 – 104 Avenue
 Surrey, B.C. V3T 1V8

Re: **Local Area Service (LAS) Petition - Project 4715-053**
East Bridgeview Vacuum Sewer System Replacement - Phases 3 and 4

I, _____, owner(s) of the land, _____
 _____ at civic address _____

do not agree **(this LAS is a subject to petition against process, only respond if you do not support this project to go forward)**

with the Local Area Service for East Bridgeview Vacuum Sewer System Replacement as described below:

Description of the Works:	Area A comprising of low pressure sewer mains, lateral connections to each lot, and an individual pump unit system to each lot with an active sewer account. Area B comprising of a pump station, a series of collection lines which include steep grade sewers with some deep sewer sections, and service connections.		
Boundaries of the Local Service Area:	The local service area is shown in Appendix I		
Estimated cost of the Works:	\$15.5 million		
Portion of the costs to be recovered as a Local Service Tax:	\$7.5 million (approximately 47.38 percent of the total estimated cost) ⁽¹⁾		
Estimated initial Tax for your lot: (Year 1 – Construction Completion)	System Replacement Tax Component:	_____	_____
	Frontage Tax Component:	_____	_____
	Sewer Lateral Tax Component:	_____	_____
	Pump Connection Tax Component:	_____	_____
	Local Service Tax	_____	_____
Estimated Tax after Year 1:	An interest charge of 5.32% per year will apply to the Tax starting Year 1 for a period up to 15 years. Refer to Appendix III which outlines the payment schedule for your property if paid after Year 1.		
Does your lot have an active sewer account:	Y (Yes/No)		
Payment due date for the Local Service Tax:	No payment is required until the time of <i>Development</i> ⁽¹⁾ or application for a new sanitary sewer connection.		
a) Tax components for System Replacement and Frontage:	a) At the time of <i>Development</i> ⁽¹⁾ of the lot or at the time of application for a new service connection. Residential lots with an active sewer account where an existing single family residence is demolished and a new one is built are exempted.		
b) Tax component for Sewer Lateral:	b) At the time of <i>Development</i> ⁽¹⁾ of the lot or at the time of application for a new service connection.		
c) Tax component for Pump Connection:	c) At the time of <i>Development</i> ⁽¹⁾ only for lots with an active sewer account. Exemption is given to residential lots as item a).		
Payment Method:	Full payment of the applicable Tax component plus the accrued interest at the payment due date.		
Pump Compensation:	Not applicable		

⁽¹⁾ Development includes rezoning, subdivision, consolidation, development permit, development variance permit, temporary use permit, and building permit.
⁽²⁾ In general, taxes on properties that do not have an active sewer account will be the full cost of all applicable tax components without the City's contribution. However, properties that abut an existing vacuum sewer line will be assisted with City's contribution for the Frontage Tax Component and System Replacement Tax Components.

I understand that the above costs are estimates only and the actual Tax will be based upon the determination of the final costs of the Works.

_____ <Owner 1>	_____ <Owner 2>	_____ <Owner 3>	_____ <Owner 4>
_____ (Print Name)	_____ (Print Name)	_____ (Print Name)	_____ (Print Name)
_____ Date	_____ Date	_____ Date	_____ Date

LAS Process



- To successfully petition against the LAS at least 50% of the properties must oppose this project
- Sufficient petition against = project stops, but the City may re-initiate the same process in one year
- Insufficient petition against = Council will decide if the project will proceed

LAS Process

- If the project costs after tendering exceeds \$15.5M by 10% or more, the property owners will be notified and given a choice to proceed or not.
- The final Local Service Tax applied to your property will be based on the final costs at the end of the project.

What do I have to Pay?

	Scenario	What do I pay?
1	I <u>do not</u> want to develop my lot	\$0
2	I want to subdivide my property in 5 years	Pay the Local Service Tax + accrued interest over 5 years
3	I want to do major renovations (>\$100,000) to my single family house next year	Only Pay Sewer Lateral Tax
4	I want to do minor renovations (<\$100,000) to my single family house next year	\$0
5	I want to demolish and rebuild my single family house in 10 years	Only Pay Sewer Lateral Tax + accrued interest over 10 years
6	I have an empty residential zoned lot and I want to build a new single family house in 20 years	Pay the Local Service Tax + accrued interest over 15 years

Development = Rezoning, subdivision, consolidation, development permit, service connection application, temporary use permit, development variance permit, and building permit

Summary



- More reliable service, less disruptions
- The City will pay 100% of the project cost to construct the new system and will gradually recover about 47% of the project cost when properties are developed or redeveloped

Summary

- **You do not have to pay the Local Service Tax until you develop your property**
- Tax **Exemption** applicable for residential zoned lots where an existing house is rebuilt or renovated (and the renovation value is >\$100,000) – you will only have to pay the “Sewer Lateral Tax Component” of the Local Service Tax.

Questions?