



VILLAGE OF BELCARRA

"Between Forest and Sea"

4084 BEDWELL BAY ROAD, BELCARRA, B.C. V3H 4P8

TELEPHONE 604-937-4100 FAX 604-939-5034

belcarra@belcarra.ca • www.belcarra.ca



File:

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Belcarra Potable Water Infrastructure Project

A Town Hall Meeting was held at the Municipal Hall on December 17, 2009 to provide clarification on the project. At the meeting, it was agreed answers to the following questions required additional information, which is provided below.

1. Will HST have to be paid on the project?

The Village pays GST on project expenses and qualifies for the federal municipal GST rebate. Belcarra will have to pay HST on the project. BC will provide a rebate of 75 percent of the provincial portion of the HST for local government entities that qualify for the federal municipal GST rebate. The rebate will be administered by the Canada Revenue Agency, in a manner consistent with the current administrative practice for the GST. Given the HST rebate, the project costs should not be impacted by its implementation.

2. Was HST built into the cost estimate?

The cost estimate provided for the MRIF grant, and revised in December 2008, excluded GST as those amounts are refunded to the municipality. The HST was excluded from the cost estimate.

3. Is extra insurance required after installation of the water system?

The Municipal Insurance Association (MIA) confirms the Village does not require additional insurance after the water system installation. The Village would inform MIA once the system installation is complete. MIA informed they didn't think there was a basis for Belcarra property owners connected to the water system to be charged additional insurance on their home policies. It is recommended that property owners should verify insurance requirements with their individual home insurance providers.

4. Can the number of parcels included in the service area increase?

There are 3 scenarios which could affect the number of parcels within the boundary established by Bylaw 413.

a) Parcel Number Increase Resulting from Subdivision:

If a parcel located within the Local Area Service boundary established by Bylaw 413, 2008 is legally subdivided, then the number of parcels would increase equal to the number of additional lots created by subdivision. The 4 acre parcel on Senkler Road, once purchased from the Crown and owned in fee simple, would add 1 new parcel to the Local Area Service. Should the property be subdivided, then the number of parcels in the local area service would increase by the number of additional parcels created by the subdivision.

b) **Parcel Number Decrease Resulting From Subdivision:**

If an owner of 2 adjacent parcels successfully consolidates them into 1 parcel, the number of parcels in the Local Area Service boundary established by Bylaw 413, 2008 would be decreased by 1.

Parcel subdivision and consolidation is subject to meeting municipal bylaws and governing legislation requirements.

c) **Parcel Number Increase Resulting from Local Area Service Amendment Bylaw:**

The Local Area Service established by Bylaw 413, may be amended by bylaw, to expand and add additional properties to the serviced area. Such actions would be limited by the Municipality's water distribution system capacity and subject to the legislated processes set out in the Community Charter, and Council approval.

5. What percentage of the watermain has been installed to date?

Approximately 42% of the watermain has been completed to date. This work covered the distribution pipe and hydrant installation only. The 58% remainder under the potable water project includes installing water service connections and meter boxes along the existing distribution pipe, and installing the supply and distribution system, connections and meter boxes within the rest of the Local Area Service boundary.

6. Can latecomer fees be applied to properties that are added to the service area?

No, if the properties added to the local area service result from the subdivision of a parcel already included within the boundaries established by Bylaw 413.

Latecomer fees are associated with subdivision or land development and governed by the Local Government Act, s 939. In general terms:

- a) where the local government requires an owner of land that is to be subdivided or developed, to provide excess or extended services in order to serve land other than the land being subdivided or developed, latecomer fees may be imposed;
- b) the costs to provide the excess or extended services may be paid by the local government and/or the owner of the land being subdivided or developed;
- c) after the services are complete, a proportionate share of costs incurred to provide the excess or extended service is charged to properties that connect to the services, known as a latecomer fee;
- d) where the owner of the land being developed or subdivided paid for the costs of the excess or extended services, through agreement between the local government and the owner, the owner is reimbursed the latecomer fees; and
- e) latecomer fees may only be charged only for a 10 year period from the date the service is completed.