



## FINANCIAL SERVICES

---

**TO:** Council  
**DATE:** July 27, 2021 **DIVISION:** 1  
**FILE:** N/A **APPLICATION:** N/A  
**SUBJECT:** Local Improvement Tax for Water Supply Conversion – Wintergreen Woods

---

### POLICY DIRECTION:

Section 393 of the *Municipal Government Act* (MGA) provides that a group of owners in a municipality may petition the council for a local improvement.

### EXECUTIVE SUMMARY:

On June 10, 2021, property owners in the Wintergreen Woods subdivision submitted a petition requesting that Council proceed with the upgrade to their raw water co-op, including conversion from a raw to potable water supply line and connection to the Bragg Creek Water System. This would be facilitated through a Local Improvement Plan. In order to proceed Administration is seeking direction on the distribution of the local improvement plan as well as 1<sup>st</sup> reading to Borrowing Bylaw C-8217-2021.

### ADMINISTRATION RECOMMENDATION:

Administration recommends approval in accordance with Option #1.

### BACKGROUND:

The Wintergreen Woods subdivision property owners have submitted a petition to install a potable water line and are requesting that the costs that would be incurred for this project be collected from all owners within the subdivision via a 25-year Local Improvement Tax.

Currently, the owners who signed the petition are members of, and are provided water services through, the Wintergreen Woods Water Co-op. The co-op's water intake from the Elbow River has been insufficient to supply water due to changes in river course. To avoid costly intake upgrades and the continued burden of operating its own water treatment system, the residents have decided to abandon the Wintergreen Woods Water Utility and connect to the Bragg Creek Water System, which is in close proximity to the subdivision. The estimated cost is approximately \$507,000, with costs to be split over the 85 lots. The funding would be borrowed through the Alberta Provincial Government - Loans to Local Authorities (previously Alberta Capital Finance Authority), and the County would repay the debenture through the collection of an annual Local Improvement Tax on all of the lots.

In adherence with the MGA, when proposing a Local Improvement Tax, the following steps are required:

1. The Petition must be signed by 2/3s of the owners who would be liable to pay for the Local Improvement Tax. In this case, owners for 26 of the 33 lots have signed the petition in favor of the Local Improvement Tax. This meets and exceeds the 2/3s requirement; and
2. The owners who signed the petition must represent at least 50% of the value of the assessments prepared for the parcels of land upon which the Local Improvement Tax will be imposed. In this case, the owners who signed the petition in favor of the Local Improvement Tax exceed the 50% requirement.

---

### Administration Resources

Barry Woods, Financial Services



The Chief Administrative Officer has deemed the petition as sufficient, as it meets the requirements prescribed in section 392(2) of the MGA. The Declaration of Sufficient Petition (Attachment 'A') satisfies section 226(1) of the MGA.

**Local Improvement Plan**

Sections 394 and 395 of the MGA provide that the County must prepare a Local Improvement Plan that sets out detailed information on the local improvement. Information such as costs, method of Local Improvement Tax distribution to properties affected, and the direction of the Local Improvement Tax are included in this plan.

**Notification to Owners Liable to Pay Local Improvement Tax**

Section 396 of the MGA provides that the County must send notices to the persons who will be liable to pay the Local Improvement Tax. These notices must include a copy of the Local Improvement Plan. If after 30 days the Chief Administrative Officer has not received a sufficient petition objecting to the Local Improvement Tax, Council may proceed with the Local Improvement Tax within three (3) years after the sending of the notices.

**BUDGET IMPLICATIONS:**

Once the Local Improvement Plan and borrowing bylaw are completed, Administration will prepare a budget adjustment for Council's consideration.

**OPTIONS:**

- Option #1      Motion # 1:    THAT the Declaration of Sufficient Petition be received for information.
- Motion # 2:    THAT Administration be directed to prepare and send a Local Improvement Plan to all affected land owners for the water supply upgrade and conversion system installation in the Wintergreen Woods subdivision.
- Motion # 3:    THAT Borrowing Bylaw C-8217-2021 be given first reading as presented in Attachment 'B'.
- Option #2      THAT alternative direction be provided.

Respectfully submitted,

Concurrence,

"Barry Woods"

"Kent Robinson"

\_\_\_\_\_  
Manager, Financial Services

\_\_\_\_\_  
Acting Chief Administrative Officer

BW/rp

**ATTACHMENTS:**

- ATTACHMENT 'A' – Declaration of Sufficient Petition
- ATTACHMENT 'B' – Borrowing Bylaw – C-8217-2021