



Making a difference...together
Corporate Services

**REPORT TO ELECTORAL AREA SERVICES COMMITTEE
MEETING OF WEDNESDAY, 2 SEPTEMBER 2009**

SUBJECT **Fees and Charges Bylaw to Cover 2009 Expenditures for the Gossip Island Electric Power Supply Service**

PURPOSE

The purpose of this report is to request Board approval of Bylaw No. 3639 to impose a fee per parcel on the participants in the Gossip Island Power Supply Service to cover the expenditures incurred in 2009 for this service.

BACKGROUND

On June 10, 2009 the Board adopted Bylaw No. 3578, in response to a petition, to establish a service to provide capital financing for the installation of electric power cabling to Gossip Island. Also adopted was Bylaw No. 3579, a loan authorization bylaw in the amount of \$770,000.

The Capital Regional District (CRD) has been notified by the law firm of Cook Roberts, who are acting on behalf of the Gossip Island Electrification Society, that a short term borrowing is required in 2009 in order to advance funds to B.C. Hydro for the purchase of the new power cable. Some legal and financing costs will be incurred in 2009 and the attached bylaw will allow for the recovery of those costs as a onetime fee to each of the participants. In subsequent years, the debt servicing costs will be recovered by way of a parcel tax.

The 2009 Five Year Financial Plan is being amended to include this service for the current year.

ALTERNATIVES

1. That Bylaw No. 3639, "Gossip Island Electric Power Supply Fees and Charges Bylaw No. 1, 2009" be introduced and read a first time, read a second time, read a third time and adopted.
2. That the Board not adopt Bylaw No. 3639 thereby creating a deficit in 2009.

FINANCIAL IMPLICATIONS

The costs expected to be incurred in 2009 are estimated at \$10,752. As there are 56 parcels participating in this service, the fee per parcel will be \$192.

SUMMARY/CONCLUSIONS

The Gossip Island Electric Power Supply Service was established during 2009. Legal and financing costs have been incurred to establish this service. The 2009 Five Year Financial Plan is being amended to include this service. The attached Fees and Charges Bylaw permits recovery of the costs expected to be incurred in 2009.

RECOMMENDATIONS

That Bylaw No. 3639, "Gossip Island Electric Power Supply Fees and Charges Bylaw No. 1, 2009" be introduced and read a first time, read a second time, read a third time and adopted.

Rita M. Estock, DBusM, FCGA
Sr. Manager, Financial Services

Diana E. Lokken, DBusM, CMA
General Manager, Corporate Services

Kelly Daniels
C.A.O Concurrence

COMMENTS

Attachments: 1