



April 15, 2021

District of Lantzville  
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Dear Property Owner:

### **Notice to Connect to Phase III Sanitary Sewer Collection System**

This letter has been sent to you because our records indicate that you own property located within the boundaries of the Local Service Area established by Phase III Sanitary Sewer Collection System (SSCS) Local Area Service Establishment Bylaw No. 143, 2017, that will be subject to a parcel tax for the new sewer service after it is constructed.

The District of Lantzville is pleased to advise you that construction of Phase III of the District's sanitary sewer collection system has been completed and the owners of property within the Phase III SSCS Local Service Area are now able to connect to sewer. All properties with improvements (buildings) within the Phase III Local Service Area must be connected within one year after completion of the Phase III sewer line construction. Connection to the utility service installed under the Local Area Service is mandatory by April 30, 2022, except for bare land, where connection would be delayed until an improvement is constructed (Sewer Parcel Tax for bare land is not delayed).

### **Process to Connect to Phase III Sewer**

- 1. Select a Contractor** – It is up to the property owner to obtain cost estimates and select a contractor to complete the work, e.g. assist completing the attached Municipal Sewer Service Connection Application (providing registered plumbing contractor, tradesman's qualification declaration, on site servicing drawing or sketch, etc.), construction of the sewer line and connection (on-site) from your building to the District sewer system connection at the property line or District right of way, as the case may be, and to decommission your septic system. The District of Lantzville does not warrant or recommend any specific contractor; however, we offer the following, in addition to those you may be aware of, for your consideration:

Cliff's Contracting	250.390.3702
Hudson Procter Contracting	250.741.6903
IWCE	250.756.9665
Knappett Industries 2006	250.390.3022
Roto-Rooter	250.758.8582
Windley Contracting	250.758.3411

The list of contractors is provided for convenience only and you are not obligated to use the contractors listed nor does the District assume any liability as to the workmanship of the contractor that the owner elects to hire. Each property owner is responsible for all costs, which may vary subject to location of building, length of sewer pipe, depth of sewer line, soil condition and amount of excavation, and for some properties (33) already notified, the cost of a pump and for the septic tank decommissioning, subject to location, condition and size of septic tank. The property owner/contractor are responsible to ensure the septic tank decommissioning and on-site works comply with the *BC Plumbing Code* and any other applicable bylaw or regulation related to the work.

- 2. Submit Municipal Sewer Service Connection Application** - to the District of Lantzville Municipal Hall with payment of **\$1,195** (2021 rate), which includes the RDN Southern Community Sewer Service Capital Charge (*per Bylaw No. 1257*) \$995 (2021 rate) plus the District of Lantzville Sewer Connection *Inspection Fee* \$200 (*per Bylaw No. 26*). The Sewer Connection *Installation Fee* based on pipe size referenced on the Municipal

Sewer Service Connection Application is not required as it is only for new extensions to the municipal service and does not apply to those within the Phase III Sanitary Sewer Service Area. You will be notified by email, or phone if no email is provided, with a Permit when the Director of Public Works has approved the work to proceed.

*NOTE: The Connection Inspection of the connection is performed by the District of Lantzville at the property line or District right of way, as the case may be, where the pipe from your property connects to the District sewer system. (The property owner/ contractor are responsible to ensure the connection and works comply with the BC Plumbing Code and any other applicable specification, bylaw or regulation related to the work.)*

*The RDN Capital Charge is required because the District of Lantzville does not own/operate a sanitary sewer treatment plant and the waste collected in the Phase III sewer will be conveyed, treated and disposed of through facilities constructed, owned and operated by the RDN for the Southern Community Sewer Service.*

- 3. Call for Inspection of Municipal Sewer Service Connection** – Notify the District by completing the Inspection Request on the Permit and returning it to [fspears@lantzville.ca](mailto:fspears@lantzville.ca) and [mwoods@lantzville.ca](mailto:mwoods@lantzville.ca) when the connection at the property line or District right of way, as the case may be, is ready for inspection and a site visit will be scheduled. All septic tanks must be decommissioned (pumped out) at time of sewer connection/inspection. The sewer connection will be activated immediately following the inspection. Effective the date of inspection and connection approval, sewer utility fees will apply (in addition to connection/ inspection fee and parcel tax) and be billed quarterly according to municipal rates (minimum quarterly rate, currently \$128.23 plus charges based on water consumption for residential or commercial, per Miscellaneous Fees and Charges Bylaw No. 26) and are payable according to the terms on the utility billing statement. These sewer user fees fund the operation and maintenance of the sewage collection and treatment system.

**4. Sewer Parcel Tax or Capital Cost Payout**

Now that the construction is completed and the estimated final cost of the project (the District's construction cost to bring the sewer line and connection points to the property line of properties located within the Phase III SSCS Local Service Area) is known (\$7,700,788), this letter is to reiterate that the Sewer Parcel Tax will begin approximately one year after completion, i.e., in the next tax year: 2022. Phase III property owners have the option to either pay their portion of the capital cost up front (estimated at \$10,875, which is below the maximum \$14,007 authorized by Bylaw), or be part of the 30-year payment plan (annual parcel tax) starting in 2022 currently estimated at an annual charge of \$378, subject to borrowing and interest costs.

Please note that the Parcel Tax stays with the property, i.e., if you sell the property the District does not require the Parcel Tax to be paid off, it will be charged to the next owner again as an annual Parcel Tax which they can choose to pay off at any time.

While it is a decision of the property owner whether to pay in full at one time up front or choose to pay over 30 years as a sewer parcel tax added onto your annual property taxes, you need to be aware of the potential benefit of the 30-year plan, which could include:

- property being subdivided, resulting in more users joining the Local Area Service (LAS) which would pay off the LAS debt more quickly;
- additional properties being added to the LAS through a petition and Bylaw amendment, resulting in more users join the LAS which would pay off the LAS debt more quickly;
- annual actuarial debt adjustments from the Municipal Finance Authority, which can aid in extinguishing LAS debt more quickly.

The District of Lantzville has borrowed funds from the *Municipal Finance Authority* to pay for the debt (maximum \$4,300,000) incurred on the project and to be recovered from the property owners through an annual Parcel Tax added on to your annual property taxes. As such, we are required to charge interest on the payment plan (Parcel Tax) because the payments are being made over 30 years and there is a cost to borrow money. Interest charges through the MFA are below regular market borrowing rates and are subject to re-financing every 5-10 years. The current borrowing rate is 0.91%. If the payment plan option is chosen, residents can choose to pay off their remaining balance at any point during the 30 years, with no penalty, but it must be a complete payout.

**5. Choosing a Payment Option**

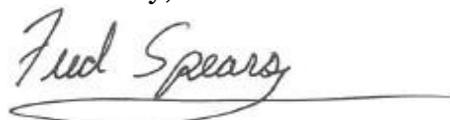
If you would like to choose the 30-year Parcel Tax option, you do not need to do anything. Your property will be added to the Sewer Phase III Parcel Tax Roll and you will receive a letter in spring 2022 that advises you as such. If your preference is to pay the entire capital cost up front, please inform the Finance department by e-mailing [finance@lantzville.ca](mailto:finance@lantzville.ca), or by calling 250.933.8084. The District will then generate an invoice that can be paid through any of our regular payment methods, including cash, cheque, or debit. The deadline to choose the original capital cost payment option is January 31, 2022. If the capital cost option is not chosen, the default payment option will be the 30-year Parcel Tax. If you have any questions about the Sewer Phase III payment options, please contact Jamie Slater, Director of Financial Services at 250.933.8084.

**6. Property Tax Deferment**

For BC homeowners who qualify for the Provincial Property Tax Deferment Program for their principal residence, the Sewer Parcel Tax for their principal residence can be deferred. However, like the garbage and recycling fee, the quarterly Sewer User Fee is not deferrable.

Thank you for your patience and cooperation during this process to bring sewer service to the Phase III Local Service Area. If you have any questions please do not hesitate to email [fspears@lantzville.ca](mailto:fspears@lantzville.ca) or call **250.933.2250**.

Yours truly,



Fred Spears  
Director of Public Works

Encls. Municipal Sewer Service Connection Application

c. Ronald Campbell, CAO; Jamie Slater, Director of Financial Services; Trudy Coates, Director of Corporate Administration;  
Kyle Young, Director of Planning & Community Services

File: 5330.20.SPHIII

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