

ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: February 20, 2025

RE: Chain Lake – Shinish Creek Diversion and Dam

Administrative Recommendation:

THAT third reading of Chain Lake-Shinish Creek Service Establishment Amendment Bylaw No. 1382.01, 2024, be rescinded and the bylaw re-read a third time as amended.

Purpose:

To ensure the requisition limit in the service establishment bylaw accurately reflects the debt servicing and operational costs of providing the service.

Reference:

October 3, 2024, Administrative Report

Business Plan Objective:

KSD 2.2 To meet public needs through the continuous improvement of key services

Background:

On October 3, 2024, the Board of Directors gave three readings to Chain Lake-Shinish Creek Service Establishment Amendment Bylaw No. 1382.01, 2024, and Chain Lake-Shinish Creek Loan Authorization Bylaw No. 3063, 2024, and authorized elector approval be obtained through a petition process in accordance with Section 408 of the *Local Government Act*.

The purpose of the loan authorization bylaw is to provide for the repair and maintenance of the Chain Lake – Shinish Creek dam and diversion. The service establishment bylaw must be amended to broaden the scope of the service, increase the requisition limit, and address some “housekeeping” issues such as referencing provincial legislation.

Analysis:

The current requisition limit of \$10,000 has been in place since at least 1993 and has been sufficient to cover operational costs. However, administration has identified that the requisition limit will not be sufficient to cover anticipated operational costs once the dam repair is complete. Consequently, it is proposed to increase the maximum requisition amount to \$24,000.

The Manager of Public Works has provided the following comments:

- Although a large portion of the work is done by volunteers, it must be anticipated that with the dam structure and diversion, Public Works staff may need to attend the site more frequently, and budget would need to be available when this occurs.
- The dam and diversion will require more ongoing maintenance and inspections by public works staff, even with the volunteers, to meet our monitoring and reporting requirements.
- The increase will contribute to a capital reserve to complete future upgrades of the diversion and dam.
- Based on calculations and known requirements, the increase to \$24,000 for the annual operating costs should be sufficient for the next 15-20 years.

Financial Implications:

It is anticipated that annual costs will continue to be financed through parcel tax. The estimated parcel tax, covering operational and debt servicing cost, is expected to be \$1,389.53 annually, per parcel. This is an increase from the previous estimate of \$1,163.72 with the lower requisition limit.

Alternatives:

1. THAT the requisition limit of Chain Lake-Shinish Creek Service Establishment Amendment Bylaw No. 1382.01, 2024, remain at \$10,000.
2. THAT three readings of Chain Lake-Shinish Creek Service Establishment Amendment Bylaw No. 1382.01, 2024, and Chain Lake-Shinish Creek Loan Authorization Bylaw No. 3063, 2024, be rescinded and the bylaws abandoned.

Communication Strategy:

In keeping with the communication plan provided in October, the petitions and fact sheet will be mailed to each property owner. [RDOS Regional Connections](#) has an active panel for this project. A community meeting held via Webex on February 5, 2025, was attended by twenty-six residents.

Respectfully submitted:

"Gillian Cramm"

G. Cramm, Deputy Corporate Officer

Endorsed by:

C. Malden, Corporate Officer