

ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: February 20, 2025

RE: **Security Issuing Bylaw for City of Penticton**

Administrative Recommendation:

THAT Security Issuing Bylaw No. 3104, 2025, being a bylaw of the Regional District of Okanagan-Similkameen to borrow up to five million one hundred thousand (\$5,100,000) for designing, expanding, and constructing upgrades to the Penticton Avenue Pressure Reducing Valve in the City of Penticton, be read a first, second and third time and be adopted.

Purpose:

To authorize the entering into an agreement respecting financing between the Regional District of Okanagan-Similkameen and the Municipal Finance Authority of British Columbia (MFA).

Reference:

Penticton Loan Authorization Bylaw No. 2022-32

Business Plan Objective:

Goal 1.1 To be an effective, fiscally responsible organization.

Background:

City of Penticton council adopted Loan Authorization Bylaw No. 2022-32 on October 18, 2022, for the purpose of designing, expanding, and constructing upgrades to the Penticton Avenue Pressure Reducing Valve. The project is expected to cost \$5,100,000, inclusive of debt servicing costs.

A Certificate of Approval for the loan authorization bylaw was issued by the Inspector of Municipalities certifying that the bylaw has been lawfully and validly made and enacted.

Analysis:

The City of Penticton has made a borrowing request to the Regional District to participate in the MFA Spring 2025 long-term debt issue to borrow \$5,100,000 over a 20-year term. The deadline for the Regional District to submit adopted security issuing bylaws for the Spring 2025 issue is March 14, 2025, after a ten-day quashing period.

Financial Implications:

The City of Penticton debt repayment funding source is water user rates.

Alternatives:

THAT Security Issuing Bylaw No. 3104, 2025, not proceed.

Communication Strategy:

The City of Penticton will be advised of the adoption of the security issuing bylaw.

Respectfully submitted:

"Gillian Cramm"

G. Cramm, Deputy Corporate Officer

Endorsed by:

C. Malden, Corporate Officer