

The benefits to proceeding with this project now include:

- The availability of a BC Hydro grant to help fund the costs of design and construction.
- The cost of re-paving the roads in the Local Service Area will be attributed to the recently complete water main replacement project, and will not be included in the Local Service Area tax.

The scope of the project includes:

- All construction on public land to enable the undergrounding of overhead utility services.
- Construction, safety and environmental management during construction.
- Removal of existing overhead wires and poles from public lands.
- Project and contract administration.

The project scope does not include work required on private lands (the area within the parcel/lot boundaries) or to connect residents to the new underground service.

In February 2020 the RMOW contracted project management and engineering services from C. Boehringer & Associates to develop a preliminary cost estimate, coordinate the service area petition process, and provide ongoing home-owner consultation and engagement and to work with the utility providers to develop a coordinated preliminary design and cost estimate.

LOCAL SERVICE AREA PETITION

A petition package, specifying a petition closing date of September 15, 2020, was issued to White Gold home owners on August 4, 2020 and, due to Covid-19, the petition packages to some countries were delayed or rejected at the international mail entry point. The petition closing deadline was extended through a follow-up petition letter issued September 8, 2020 to all home-owners who had not already responded to the petition. The second petition letter identified a new petition closing date of October 9, 2020.

Section 212(3) of the *Community Charter* defines that the project must receive at least 50% support from homeowners within the subject area and the value of those supportive properties must represent at least 50% of the total tax assessed value of all properties within the proposed Service Area.

In order for the petition to be certified as a sufficient and valid petition it had to be complete and received by the project team by the closing date. Given the total value homeowners would be required to pay if the petition was successful, the consultant tabulated all positive petitions post-closing and then sent a confirmatory email on October 10, 2020 to those homeowners who voted in support. The email re-stated expected project cost, the expected service area tax value per property and that each owner had committed to coordinate and fund the work on their private properties. The email provided supportive owners the opportunity to retract their petitions if they chose to do so. No petitions were retracted within the specified time period.

Petition Results

Within the proposed White Gold Service Area there are 160 properties with an assessed value of land and improvements that would be subject to the local service tax totalling \$465,957,600.

	Service Area Totals	50% Threshold	Petition Results	% of Service Area
Properties	160	80	93	58.5
Tax Assessed Value	\$465,957,600	\$232,978,800	\$273,017,100	58.6

The property owners who returned the petition represent more than 50% of the properties in the proposed Service Area and more than 50% of the total property value. The petition received a certificate of sufficiency from the Corporate Officer (Appendix B) on October 26, 2020.

The petition process for this project was fair, vigorous and confidential, and the end result is that a majority of home-owners have voted in support of undergrounding overhead utilities in the White Gold subdivision.

Figure 1: Property locations to which a future Local Service Area Bylaw will apply



POLICY CONSIDERATIONS

Official Community Plan

The proposed resolution is consistent with s. 212 of the *Community Charter*, and the undergrounding of the overhead utilities in the White Gold neighbourhood is consistent with the Corporate Plan Goal that states: “Corporate policies and operations ensure continuous excellence in infrastructure, facility and program management”.

Section 12.4. of Whistler’s OCP has the Goal of “Ensure Whistler is adequately serviced with telecommunications and energy services in a way that minimizes environmental and resort community impacts.”

12.4.1. Objective: Support the provision of a full range of high quality energy and telecommunications offerings to support community livability and economic viability, while minimizing costs and potential resort community and environmental impacts resulting from infrastructure installation and usage.

12.4.1.3. Policy: Encourage choice in telecommunications for residents and visitors, provided that the number of service providers and the impacts of their infrastructure do not degrade livability or the resort experience, or increase costs to the municipality.

12.4.1.4. Policy: Recover costs from energy and telecommunications providers taking into consideration actual ongoing costs to the municipality to ensure that telecommunications providers install, maintain, operate and renew their infrastructure within public lands.

12.4.2. Objective: Protect the resort community’s aesthetics by discouraging new overhead telecommunications and electrical energy installations within Whistler.

12.4.2.1. Policy: Partner with provincial agencies and regulators to discourage any new overhead telecommunications and electrical energy installations within Whistler.

This project will support the goal of Section 12.4, and especially aligns with Policies 12.4.1.4 and 12.4.2.1.

BUDGET CONSIDERATIONS

The current estimated budget for work on public land and cash flow for this project is \$5,520,000 and is shown as follows in the below table from 2021 – 2023, project number T078-01 “White Gold Utility Undergrounding”:

RMOW Budget

2021	2022	2023	2024	2025
\$1,500,00	\$3,620,000	\$400,000	\$0	\$0

The estimated budget and cash flow, totaling \$5,520,000, includes engineering support, contract administration, construction and environmental management and supply and installation of the undergrounded White Gold utilities (BC Hydro, Telus and Shaw).

The 30-year amortization period, as specified by the White Gold residents, to repay this loan and the expected repayment value per property is estimated to be between \$1,130 and \$1,230 per year. This estimate is dependent on the Municipal Finance Authority (MFA) long-term interest rate in place at the time the loan is procured and how many home-owners will choose to pay their allotted value as a lump-sum payment in July 2024 when the service area tax will be applied to their property taxes.

In the communications packages sent to the White Gold residents it was recommended, if desired, that homeowners coordinate as soon as possible the planning and design relocation of utility lines (electrical and telecommunications) on their private property parcels. The RMOW has delayed paving of the roads from the 2019 White Gold water main project in order to accommodate utility undergrounding work. This paving deferral results in an approximate \$800,000 net benefit to White Gold homeowners as the road will only need to be repaved once, and the cost of the paving will be included as part of the previous watermain replacement project (not part of the costs to be shared by the Local Service Area).

Project Expenditures to Date

Staff and consultants have allocated time and effort to this project since 2019. Approximately \$65,000 have been spent on a BC Hydro preliminary design fee, consultant fees for cost estimation, issuing and tabulating petition submissions, developing project communications and responding to owner requests for further information. To date this work has been funded from the general capital reserves budget.

Grant Application

A beautification grant from BC Hydro was awarded by BC Hydro on February 19, 2020 in the amount of \$1,236,566 to be applied to BC Hydro direct costs only. The expected amount of BC Hydro costs that will be applicable and claimed for this project is approximately \$860,000 for the BC Hydro portion of this project. These grant monies will be applied to the total project cost to reduce the total amount the RMOW will need to borrow from the MFA to approximately \$4,660,000. The consultant and RMOW finance team will make claims throughout the project following the completion and implementation of the project as per BC Hydro's requirements.

Private Land Costs

In addition to homeowner contributions through the Local Service Area Tax, each homeowner will coordinate and pay any charges for work on private lands for electricians, utility disconnection and reconnection fees, landscaping and surface repairs. Depending on their individual connection requirements and property improvements these costs range from \$4,500 for a low complexity property to \$22,500 for a high complexity property.

Impact on Borrowing Capacity

This project will be entirely paid for by the residents of this local area, but it does require the RMOW to borrow the amount of the project for 30 years, and have the residents slowly pay this back. At this time, the RMOW has enough borrowing capacity for this loan, however, it is noted that this proposed loan will

use a portion of the RMOW's total borrowing capacity, and may impact the municipality's ability to borrow more money in the future. This will be a consideration for other projects requiring this type of financing.

Detailed Design and Updated Cost Estimate

Once detailed design is complete, updated cost estimates will be prepared. This refined cost estimate may be higher than the current estimate, and if other cost mitigation strategies are not successful, could result in a higher contribution from owners being required. This may require some form of a "re-petition" to confirm support from owners for this higher cost.

COMMUNITY ENGAGEMENT AND CONSULTATION

RMOW staff and contractors are actively engaged with home owners and the public with regards to this project and its impact to the community. Due to Covid-19 concerns and restrictions on gatherings property owners in the proposed Local Service Area were invited to attend a virtual open house on August 29, 2020 from 4:00 p.m. to 6:00 p.m. This was an opportunity for residents to ask questions about the project, the petition process and express any concerns directly to the project team; approximately 6 property owners attended the session.

In addition to the open house, the contractor and the White Gold resident team created a question and answer series document that was posted to the project web page, and each team member has been actively available by phone and email to answer questions from owners.

Access to the White Gold neighbourhood will be maintained during the undergrounding work, however residents should expect delays and detours. It will be communicated with White Gold residents that a traffic management plan will be developed to safely maintain the work areas and access to private properties. After working hours all residents will have access to their properties.

Planned Approach to Advance the Project

This project has significant complexity due to the inclusion of three utilities (BC Hydro, Telus, Shaw) that need to complete cooperative and coordinated detailed designs for infrastructure on public property where underground infrastructure (water, sanitary sewer and natural gas mains) already exists. There is additional complexity in that each of the three utilities need to coordinate placement to connect to 160 private properties that require individual designs to accommodate different electrical loads and utility configurations.

In order to achieve final detailed design and move to construction the project team will work with each of the utility providers to advance their coordinated design. Once design is complete, the following table defines the steps and expected schedule to complete this project:

Detailed Design, cost estimate and tender package complete	November 2021
Construction Bid Package Issued for Tender	December 2021 to January 2022
Construction Contract Recommendation for Award to Council	February/March 2022
Construction of Underground Utilities (specific split of properties to be phased in 2022 and 2023 will be further defined during detailed design)	Area 1 Nancy Green and North/South Fitzsimmons: April – Nov 2022 Area 2 Toni Sailer and Ambassador: April - Nov 2023
Anticipated Project Completion (As-constructed drawings, document wrap up and project hand over)	February 2024

SUMMARY

The Corporate Officer has issued a Certificate of Sufficiency on October 26, 2020 for the petition requesting the RMOW to proceed with a project to bring the overhead utilities underground in the White Gold subdivision.

The project engineer and our engineering consultant have developed and reviewed the estimated cost for this project which is \$5,520,000 (exclusive of GST).

This project has benefits to this local area, and proceeding with this project now has the benefit of a beautification grant from BC Hydro and the advantage of reduced costs for re-paving the local roads.

Staff recommends that Council direct staff to proceed to detailed design and construction of this project, and prepare the bylaws required for establishment of a Local Service Area and loan authorization required for the project.

Respectfully submitted,

Tammy Shore, P. Eng.
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for

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