

COUNCIL POLICY

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| SUBJECT: COST SHARING | DATE: January 15, 1979 Revised: |
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Cost Sharing Policy to New Subdivisions

1. That cost sharing be continued by the Municipality as outlined in the Municipal Engineer's report except that cost sharing for drains over 36" in diameter be shared on a 50/50 basis provided funds are available.
2. That a policy be established whereby cost sharing for oversize services be handled by Development Cost Charge Bylaws.

Report of the Municipal Engineer - Cost Sharing Policy for Services to New Subdivision (Development)

For several years the Municipality of Saanich has shared the costs of servicing new developments where oversize services are required for future development.

The cost sharing for various oversize services is as follows:

- a) Watermains - The Municipality pays the difference in material cost between 6 inch diameter (normal pipe size) and pipe size actually installed;
- b) Sanitary Sewers - One and one-half times the difference in material cost between 8 inch diameter (normal pipe size) and pipe size actually used;
- c) Storm Drains - One and one-half times the difference in material costs between 15 inch diameter (normal maximum size required for a subdivision) and pipe size actually installed. The following table shows Saanich's cost share for concrete pipe over 15 inch diameter:

| Pipe Diameter | Municipal Cost Share | Pipe Diameter | Municipal Cost Share |
|---------------|----------------------|---------------|----------------------|
| 18" | 7.5% | 42" | 58.8% |
| 21" | 13.5% | 48" | 64.3% |
| 24" | 21.2% | 54" | 68.5% |
| 27" | 29.3% | 60" | 72.6% |
| 30" | 28.3% | 66" | 82.2% |
| 36" | 41.0% | 72" | 96.5% |

- d) Roads - The cost of extra depth and width of gravel base and extra thickness and width of paving for road widths exceeding 28 feet (normal maximum residential width);

- e) Street Lighting - The cost of collector and arterial road lighting in excess of normal requirements as established by the Municipality for residential streets;
- f) Concrete Sidewalks - \$2.00 per lineal foot where concrete sidewalks are constructed as an Engineering requirement.

The Municipal cost sharing as outlined above appears to be fair in that the only costs paid for are those services not normally provided by a subdivider. There has been some departure from the cost sharing on large diameter drains in recent years because of the high percentage of cost required to be paid by the Municipality according to the cost sharing formula. Because of the restricted budget for cost sharing, developers have been offered to share 50/50 instead of the higher percentage for Municipal share under the formula.

Recommendations

It is noted that development cost charges may eventually replace Municipal cost sharing as a means of paying for oversize services. However, it will take some time before development cost charges can be calculated and put into Bylaw form for all the Municipality. In the meantime, it is recommended that cost sharing be continued by the Municipality as outlined above except that cost sharing for drains over 36" in diameter be shared on a 50/50 basis provided funds are available.