

DISTRICT OF COLDSTREAM

SEWER FINANCING

Want to connect to sewer but find it too costly?

Recognizing that connecting to the municipal sewer system can be costly, and yet wanting to encourage residents to connect, Council has passed Sewer Financing Bylaw No. 1485. This will allow you to connect to the sewer at this time and pay the total costs of the connection over a period of 5, 10 or 15 years. The payments will be shown as a separate charge on your quarterly utility billings. The financing is a loan from the District to the homeowner and will be registered against the title of the property. At the time of applying for the connection, you will be responsible to pay the \$55 plumbing permit fee.

How does the financing work?

The financing agreement will be registered against your property at the Land Titles Office in Kamloops. Upon completion of payment, the agreement will be discharged.

1. Financing will apply only to the sewer connection fees and the sewer installation costs (excluding plumbing permit fees).
2. Interest will be charged at a rate of 1% over prime at time of agreement. The interest rate will be adjusted on the 5th anniversary of the agreement, if applicable.
3. A one-time 3% administration fee (to a maximum of \$300) will be charged by the District. This is to cover administration expenses for the financing and for Land Titles registration fees.
4. The term of repayment can be either 5, 10 or 15 years, at the option of the homeowner.
5. The District will finance only a reasonable amount, supported by a properly approved billing from a legitimate contractor.
6. The customer has the option at any time during the term of the contract to pay the outstanding balance without penalty.
7. If the property is sold while the agreement is still in effect, the total balance owing will become due and payable.

Can you give me an example?

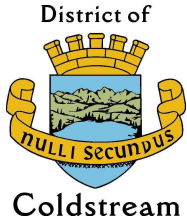
Example: Resident A hires a contractor who installs the sewer line from the residence to the curb connection.

Contractor costs	\$2,500
Connection fees to hook up	\$2,000
Administration fee (3%)	<u>\$ 135</u>
Total amount eligible for financing:	\$4,635

Choosing a payment option of 5 years and using an annual interest rate of prime plus 1%, the amount to be added to Resident A's quarterly utility bill (20 payments) would be \$276.67 (this example is based on a 7% interest rate).

How do I apply?

1. Complete the top portion of the attached form.
2. Obtain an estimate from your plumber/contractor. (It is recommended that you obtain more than one estimate for the job).
3. Bring the estimate to the Finance Department. The amount of financing and the length of term will be determined. The process regarding Land Titles will be explained to you.
4. Take the financing approval to the Building Inspector, and obtain a plumbing permit (\$55).
5. Have the plumber/contractor complete the relevant work, and then bring the invoice from the contractor to the Finance Department at the Municipal Hall. A finance agreement will be drawn up for signing by the homeowner.
6. Payment to the contractor will be made by the District once the agreement has been signed.
7. Payments for the financing will automatically be included with your quarterly utility bill.



DISTRICT OF COLDSTREAM
SANITARY SEWER SERVICE –
APPLICATION FOR FINANCING

Date: _____

Name of applicant: _____

Mailing Address: _____

Telephone #: _____

Location of service: _____

Building Department – approved for connection: _____

Sewer Connection Fee: _____ \$ _____

Estimate from plumber/contractor

Excavation, materials, etc. \$ _____

Disable septic tank \$ _____

Connection fee \$ **2,000.00**

Miscellaneous \$ _____

Total Estimate \$ _____

Plus: 3% Admin fee \$ _____

Amount to be financed: \$ _____

Approved by: _____
C. Lord, Director of Finance