Servicing Agreement Fees and Securities Policy

Approval Date: May 22, 2018
Takes Effect: May 22, 2018
Amended: Feb 8, 2022
Amended: Oct 27, 2026

1. Purpose

The purpose of this policy is to:

- Define the fees for infrastructure, facilities and services to be charged to developers who subdivide property in the municipality
- Elaborate the method that will be used to calculate the fees for a proposed subdivision
- Outline the fee payment schedule based on a Developer Ranking System
- Define the amount of security required for the subdivision and subdivision services based on the Developer Ranking System

2. Background

Subsection 172(1) of *The Planning and Development Act, 2007* provides the municipality with the ability to enter into an agreement with a subdivision applicant to provide for services, infrastructure or facilities that will serve the proposed subdivision directly or indirectly.

3. Applicability

This policy applies to all subdivisions in the Rural Municipality of Edenwold, regardless of location.
*Subdivisions to accommodate public utilities and subdivisions exclusively for agricultural purposes may be exempt.

4. Fee Amounts

The fees are broken down into the following categories:

- Water (section 4.1 below)
- Sewer (section 4.2 below)
- Roads (section 4.3 below)
- Storm Drainage, Culverts and Bridges (section 4.4 below)
- Miscellaneous (section 4.5 below)

The map included as Appendix A shows the Development Overlay Area.

4.1. Water

Municipal water connection fees are detailed in the RM of Edenwold's Water Connection Bylaw. A listing of water and sewer projects in each area is included as Appendix B.

4.2. Sewer

Municipal sewer connection fees are detailed in the RM of Edenwold's Sewer Connection Bylaw. A listing of water and sewer projects in each area is included as Appendix B.

4.3. Roads

Single-Parcel Development in any location, and Multi-Parcel Development and Bare Land Condominium Residential Units Outside the Development Overlay Area	$1,055.00
Multi-Parcel Development and Bare Land Condominium Residential Units Within the Development Overlay Area, South of Highway No. 1	$2,840.00
Multi-Parcel Development and Bare Land Condominium Residential Units Within the Development Overlay Area, North of Highway No. 1	$3,300.00

A listing of the road projects in each area is included as Appendix B.

4.4. Storm Drainage, Culverts and Bridges

Single-Parcel Development in any location, and Multi-Parcel Development and Bare Land Condominium Residential Units Outside the Development Overlay Area	$415.00
Multi-Parcel Development and Bare Land Condominium Residential Units Within the Development Overlay Area, South of Highway No. 1	$925.00
Multi-Parcel Development and Bare Land Condominium Residential Units Within the Development Overlay Area, North of Highway No. 1	$1,065.00

A listing of the storm drainage, culverts and bridges projects in each area is included as Appendix B.

4.5. Miscellaneous

Single-Parcel Development in any location, and Multi-Parcel Development and Bare Land Condominium Residential Units Outside the Development Overlay Area	$4,940.00
Multi-Parcel Development and Bare Land Condominium Residential Units Within the Development Overlay Area, South of Highway No. 1	$5,450.00
Multi-Parcel Development and Bare Land Condominium Residential Units Within the Development Overlay Area, North of Highway No. 1	$4,940.00

A listing of the miscellaneous projects and services is included as Appendix B.

4.6. Method of Application/Fee Calculation

The fees are based on the capital costs for infrastructure and services for one detached dwelling per residential lot.

All fees will be charged based on the most accurate and up-to-date information available regarding the intended land use at the time of subdivision.

The following section outlines how the fees apply to all land uses.

4.6.1. Residential Use and Other Facilities Intended for Residential Accommodation

The fees for residential lots, residential units and residential condominium units will be charged as follows:

Detached home (including RTMs and mobile homes)	100% of fees per category per lot
Semi-detached homes	90% of fees per category per lot
Townhomes	85% of fees per category per lot
Apartment buildings	65% of fees per home (unit) per category per lot
Carehome	50% of fees per room per category per lot

The municipality shall refer all applications for alternate housing forms including hotels, motels, short-term stay facilities, etc. to our Municipal Engineer for determination of the appropriate fees.

4.6.2. Non-Residential Use

For all lots that are intended to be used for a single principal building or a single land use with typical impacts on the municipality's infrastructure, facilities and services, a single fee will be charged per category per lot. Where lots are designed for more than one principal building, such as multi-unit buildings, strip malls or multi-purpose commercial centres, or higher-intensity land uses, the municipality shall refer the application to the Municipal Engineer for determination of the appropriate fees. The Development Officer, in consultation with the Municipal Engineer, as required, shall be responsible for determining if the intended land use(s) will have typical impacts on the municipality's infrastructure, facilities and services or above-average impacts. Any land use that will result in above-average impacts will be classified as a "higher-intensity land use" for the purposes of the calculation of the servicing agreement fees. Land uses may be classified as "typical" in one category (i.e. drainage, miscellaneous) and "higher-intensity" in another (i.e. roads).

Examples of typical land uses for the roads category:

- Retail store
- Business office
- Restaurant
- Warehouse
- Storage facility
- Industrial or heavy-vehicle operation with fewer than 20 truck trips per day

Examples of higher-intensity land uses for the roads category:

- Truck wash
- Hospital
- Stadium
- Industrial or heavy-vehicle operation with more than 20 truck trips per day
- Manufacturing plant

5. Fee Payment Schedule

The fee payment schedule outlined below is based on the Developer's Classification Table as shown in Appendix C. This table represents a minimum requirement for each Developer Class, but a larger first payment or a more restrictive timeline may be required at Council's discretion. The payment schedule for each subdivision shall be outlined in the Servicing Agreement document.

Developer Class	Minimum Percentage of Fees Due at First Trigger Point*	Schedule for Remaining Fees	Payment Deadline**
A	25%	Optional (as lots or units are sold, as groups of lots or units are sold, etc.)	5 years after the first trigger point*
B	50%	An equal portion of outstanding fees shall be required each year	5 years after the first trigger point*
C	75%	An equal portion of outstanding fees shall be required each year	3 years after the first trigger point*
D	100%	n/a	n/a

* For most subdivisions, the first trigger point will be the date of signing of the Servicing Agreement. For subdivisions that are occurring well ahead of development on the lots, the first trigger point may be the date on which the "-H" Holding Provision is removed from the zoning of the proposed lots.

** Payment deadlines can be extended by written mutual agreement by the Developer and Council

6. Performance Securities

Performance Securities shall be provided to the RM of Edenwold as assurance that the Developer will carry out all development in accordance with the terms and conditions of the Servicing Agreement and in accordance with the timelines defined in the Servicing Agreement document. Performance Securities shall be provided to the RM of Edenwold as a Letter of Credit, a Certified Cheque or, at Council's discretion, an alternative performance security method.

The Performance Security schedule outlined below is based on the Developer's Classification Table as shown in Appendix C. The amount of security to be provided shall be based on the total value of Tangible Capital Assets for the subdivision, which includes all costs related to the design, construction and installation of infrastructure and services for the subdivision including roads, water lines/facilities, sewer lines/facilities and stormwater facilities. This table represents a minimum requirement for each Developer Class, but a higher percentage of security may be required at Council's discretion.

Category	Security Required at the First Trigger Point*
A	25%
B	40%
C	60%
D	75%

* For most subdivisions, the first trigger point will be the date of signing of the Servicing Agreement. For subdivisions that are occurring well ahead of development on the lots, the first trigger point may be the date on which the "-H" Holding Provision is removed from the zoning of the proposed lots.

7. Servicing Agreement Document

The servicing agreement fees and securities for a specific subdivision proposal shall be defined by the municipality in a servicing agreement document, which shall be executed by both the applicant/developer and the municipality before the proposed subdivision can be approved. Where applicable, the water connection fees and sewer connection fees for the proposed subdivision shall also be defined in the servicing agreement document in accordance with the relevant bylaws. The fee payment schedule shall be laid out in the servicing agreement document.

8. Appeal Process

Section 176 of *The Planning and Development Act, 2007* outlines appeal options related to servicing agreements. Any appeal related to a servicing agreement shall be made to the Saskatchewan Municipal Board.

9. Revision

This Servicing Agreement Fees Policy shall be revised as required by the municipality.

10. Appendices

The following appendices are attached to this Policy:

Appendix A – Development Overlay Area Map
Appendix B – Listing of Projects and Costs
Appendix C – Developer Classification Table

Rural Municipality of Edenwold No. 158

Development Overlay Area

W2M

Legend

- Development Overlay Area
- Highway
- Highway Service Road
- High Profile Municipal Road
- Municipal Dirt
- Municipal Gravel
- Municipal Paved
- Bridge
- Lagoon
- Water Treatment Plant
- CTP Road
- Railroad
- Urban Municipality
- Pipelines
- Watercourse
- Waterbody
- Park

Miles: 0 0.5 1 2 3 4

Kilometers: 0 1 2 4 6 8

TWP 20
TWP 19
TWP 18
TWP 17
TWP 16
RGE 18
RGE 17

PIAPOT
MUSCOWPETUNG
SAKIMAY
OCHAPOWACE
COWESSESS
Edenwold
Balgonie
Pilot Butte
White City

RM of EDENWOLD 158

WATER:

Capital Cost Summary Estimates - Mar 2018

Project	Timeline	Cost (M)	% Charged	Dev. Levy Portion	Permits Per Year
All Projects					
North/South Highway Loop (i.e. Cindercrete to Redhead)	2025	1	100	$ 1,000,000	130
Well Rehab	2025	0.67	40	$ 268,000	130
WTP Upgrade	2025	0.95	40	$ 380,000	130
Water Capital Reserve ($120,000/year)	Ongoing	2.52	65	$ 1,638,000	130
South Projects					
Upsize West Great Plains Main (Redhead line)	2030	2	100	$ 2,000,000	90
South Water Reservoir	2030	5.2	100	$ 5,200,000	90
Great Plains Industrial Park South Loop	2020	0.5	40	$ 200,000	90
North Projects					
Upgrades to system (Water Reservoir - paid separately)	2025	6	0	$ -	40
Upsize Metz Main	2020	0.3	80	$ 240,000	40
Rural Water Line - NE Extension Phase I	2022	0.2	100	$ 200,000	40
Rural Water Line - NE Extension Phase II	2025	0.3	100	$ 300,000	40
Rural Water Line - NE Extension Phase III (Edenwold)	2022	2.96	100	$ 2,960,000	40
All Permits				**$ 3,286,000**	
South Permits				**$ 7,400,000**	
North Permits				**$ 3,700,000**	
			+20% Eng & Contingencies:		
All Permits				**$ 3,943,200**	
South Permits				**$ 8,880,000**	
North Permits				**$ 4,440,000**	
			TOTAL:	**$ 17,263,200**	

Levy Calculation:

South Permits

$	3,943,200	/21 years	$ 187,771	/year/130 permits	$ 1,444	
$	8,880,000	/21 years	$ 422,857	/year/90 permits	$ 4,698	
					$ 6,143	
				Say	***$ 6,145***	(Single Permit)

North Permits

$	3,943,200	/21 years	$ 187,771	/year/130 permits	$ 1,444	
$	4,440,000	/21 years	$ 211,429	/year/40 permits	$ 5,286	
					$ 6,730	
				Say	***$ 6,730***	(Single Permit)

SANITARY SEWER:

Capital Cost Summary Estimates - Mar 2018

Project	Timeline	Cost (M)	% Charged	Dev. Levy Portion	Permits Per Year
All Projects					
Emerald Park Lagoon Decommissioning	2018	0.11	100	$ 110,000	130
Sewer Capital Reserve ($230,000/year)	Ongoing	4.83	50	$ 2,415,000	130
South Projects (Outside WWA area)					
Industrial Park South Loop	2020	1	65	$ 650,000	50
Lift Station & Force Main	2020	1	100	$ 1,000,000	50
North Projects (Outside WWA area)					
Butte Street Low Pressure Line	2022	0.3	100	$ 300,000	50
North Wastewater System c/with Septage Receiving	2022	6.6	65	$ 4,290,000	50
All Permits				**$ 2,525,000**	
South Permits				**$ 1,650,000**	
North Permits				**$ 4,590,000**	
			+20% Eng & Contingencies:		
All Permits				**$ 3,030,000**	
South Permits				**$ 1,980,000**	
North Permits				**$ 5,508,000**	
			TOTAL:	**$ 10,518,000**	

Levy Calculation:

WWA Area Permits

$	3,030,000	/21 years	$ 144,286	/year/130 permits	$	1,110	
				Say	***$***	***1,110***	(Single Permit)

South Permits

$	3,030,000	/21 years	$ 144,286	/year/130 permits	$	1,110	
$	5,010,000	/21 years	$ 238,571	/year/50 permits	$	4,771	
				Say	***$***	***4,770***	(Single Permit)

North Permits

$	3,030,000	/21 years	$ 144,286	/year/130 permits	$	1,110	
$	5,508,000	/21 years	$ 262,286	/year/50 permits	$	5,246	
					$	6,356	
				Say	***$***	***6,355***	(Single Permit)

ROADS:

Capital Cost Summary Estimates - Mar 2018

Project	Timeline	Cost (M)	% Charged	Dev. Levy Portion	Permits Per Year
All Projects					
Two Miles of Clay Cap/3 years (calculate costs to 2035)	Ongoing	1.6	35	$ 560,000	130
One Mile of Upgrade/3 years (calculate costs to 2030)	Ongoing	1.9	35	$ 665,000	130
Road Capital Reserve (Rebuild/Recap)	Ongoing	3.36	35	$ 1,176,000	130
South Projects					
HWY No. 1/Bypass Connection	2018	0.5	35	$ 175,000	90
Betteridge Road	2018	3.05	65	$ 1,982,500	90
Percival Industrial Drive East - Upgrading	2018	1	65	$ 650,000	90
North Projects					
Butte Street North	2019	0.2	35	$ 70,000	40
East-West Connection	2030	3	50	$ 1,500,000	40
All Permits				**$ 2,401,000**	
South Permits				**$ 2,807,500**	
North Permits				**$ 1,570,000**	
			+20% Eng & Contingencies:		
All Permits				**$ 2,881,200**	
South Permits				**$ 3,369,000**	
North Permits				**$ 1,884,000**	
			TOTAL:	**$ 8,134,200**	

Levy Calculation:

Fringe

$	2,881,200	/21 years	$ 137,200	/year/130 permits	$	1,055	
				Say	***$***	***1,055***	(Single Permit)
South Permits							
$	2,881,200	/21 years	$ 137,200	/year/130 permits	$	1,055	
$	3,369,000	/21 years	$ 160,429	/year/90 permits	$	1,783	
					$	2,838	
				Say	***$***	***2,840***	(Single Permit)
North Permits							
$	2,881,200	/21 years	$ 137,200	/year/130 permits	$	1,055	
$	1,884,000	/21 years	$ 89,714	/year/40 permits	$	2,243	
					$	3,298	
				Say	***$***	***3,300***	(Single Permit)

STORM DRAINAGE, CULVERTS/BRIDGES:

Capital Cost Summary Estimates - Mar 2018

Project	Timeline	Cost (M)	% Charged	Dev. Levy Portion	Permits Per Year
All Projects					
Bridge/Culvert Replacement every 5 years	Ongoing	1.25	35	$ 437,500	130
Drainage Studies	Ongoing	0.2	80	$ 160,000	130
Miscellaneous Drainage Projects	Ongoing	1	35	$ 350,000	130
South Projects					
RM Lagoon Outlet	2018	1	80	$ 800,000	90
Emerald Park Drainage Improvements (charge separately)	2018	-	-	-	-
North Projects					
Pilot Butte Creek Lowering	2020	0.3	35	$ 105,000	40
Pilot Butte Creek Drainage Improvements	2020	0.3	50	$ 150,000	40
Boggy Creek Drainage Improvements	2022	0.4	50	$ 200,000	40
All Permits				**$ 947,500**	
South Permits				**$ 800,000**	
North Permits				**$ 455,000**	
			+20% Eng & Contingencies:		
All Permits				**$ 1,137,000**	
South Permits				**$ 960,000**	
North Permits				**$ 546,000**	
			TOTAL:	**$ 2,643,000**	

Levy Calculation:

Fringe

$	1,137,000	/21 years	$ 54,143	/year/130 permits	$ 416		
				Say	***$ 415***	(Single Permit)	
South Permits							
$	1,137,000	/21 years	$ 54,143	/year/130 permits	$ 416		
$	960,000	/21 years	$ 45,714	/year/90 permits	$ 508		
					$ 924		
				Say	***$ 925***	(Single Permit)	
North Permits							
$	1,137,000	/21 years	$ 54,143	/year/130 permits	$ 416		
$	546,000	/21 years	$ 26,000	/year/40 permits	$ 650		
					$ 1,066		
				Say	***$ 1,065***	(Single Permit)	

MISCELLANEOUS:

Capital Cost Summary Estimates - Mar 2018

Project	Timeline	Cost (M)	% Charged	Dev. Levy Portion	Permits Per Year
All Projects					
RM Shop Expansion	2020	1.5	35	$ 525,000	130
RM Office Expansion	2025	1.5	35	$ 525,000	130
Fire Hall & Equipment	Ongoing	2	65	$ 1,300,000	130
Recreation Centre & Pathways	2025	20	35	$ 7,000,000	130
Administration Fee (costs to 2035)	Ongoing	1.89	100	$ 1,890,000	130
South Projects					
Emerald Park Lagoon Conversion	2019	1	80	$ 800,000	90
All Permits				**$ 11,240,000**	
South Permits				**$ 800,000**	
			+20% Eng & Contingencies:		
All Permits				**$ 13,488,000**	
South Permits				**$ 960,000**	
			TOTAL:	**$ 14,448,000**	

Levy Calculation:

Fringe

$	13,488,000	/21 years	$ 642,286	/year/130 permits	$	4,941	
				Say	***$***	***4,940***	(Single Permit)
South Permits							
$	13,488,000	/21 years	$ 642,286	/year/130 permits	$	4,941	
$	960,000	/21 years	$ 45,714	/year/90 permits	$	508	
					$	5,449	
				Say	***$***	***5,450***	(Single Permit)

Costs Per Lot

Fringe

Roads	$	1,055
Drainage	$	415
Miscellaneous	$	4,940
	$	***6,410*** Single Permit

Applies to single lot development or any development outside of the development overlay area

South Side within WWA area

Water	$	6,145
Sewer	$	1,110
Roads	$	2,840
Drainage	$	925
Miscellaneous	$	5,450
	$	***16,470***

North Side within WWA area

Water	$	6,730
Sewer	$	1,110
Roads	$	3,300
Drainage	$	1,065
Miscellaneous	$	4,940
	$	***17,145***

Developer Classification Table

Class	Description
A	- Being party to 3 or more Servicing or Development Agreements with the RM of Edenwold in the past 10 years where: o All development was carried out in accordance with the terms and conditions of the Servicing or Development Agreement o All payments including Servicing pr Development Agreement fees and security items were submitted prior to the deadlines stated in the Servicing or Development Agreement o Infrastructure and services were constructed in accordance with the timelines outlined in the Servicing or Development Agreement AND - All taxes levied on all properties owned by the Developer in the RM of Edenwold have been paid in full and on time (the municipality will consider a period of up to 3 years, as applicable)
B	- Being party to 1 or more Servicing or Development Agreements with the RM of Edenwold in past 10 years where: o All development was carried out in accordance with the terms and conditions of the Servicing or Development Agreement o All payments including Servicing or Development Agreement fees and security items were submitted prior to the deadlines stated in the Servicing or Development Agreement o Infrastructure and services were constructed in accordance with the timelines outlined in the Servicing or Development Agreement OR - A reference from another municipality certifies the completion of 2 or more Servicing or Development Agreements in the past 10 years where development was carried out in accordance with the terms and conditions of the Servicing or Development Agreement, all payments including Servicing or Development Agreement fees and security items were submitted prior to the deadlines stated in the Servicing or Development Agreement and infrastructure and services were constructed in accordance with the timelines outlined in the Servicing or Development Agreement AND - All taxes levied on all properties owned by the Developer in the RM of Edenwold have been paid in full and on time (the municipality will consider a period of up to 3 years, as applicable)
C	- No previous Servicing or Development Agreements with the RM of Edenwold in the past 10 years OR

	- Entered into 1 or more Servicing or Development Agreements with the RM of Edenwold where *most* but not *all* requirements were met AND - All taxes levied on all properties owned by the Developer in the RM of Edenwold have been paid in full and on time (the municipality will consider a period of up to 3 years, as applicable)
D	- Entered into 1 or more Servicing or Development Agreements with the RM of Edenwold, but was involved in a major breach of the terms and conditions of the Servicing or Development Agreement OR - Taxes levied on any property owned by the Developer in the municipality were not paid in full by the annual payment deadline (the municipality will consider a period of up to 3 years, as applicable).

Notes

The classification of a developer may be adjusted based on positive performance as follows:

- A developer will be re-classified from Category C to Category B once the criteria for Category B have been met.
- Similarly, a developer will be re-classified from Category B to Category A once the criteria for Category A have been met.
- A developer will be re-classified from Category D to Category C under the following circumstances:
    - the conditions of the Servicing or Development Agreement(s) for which the developer failed to meet have been met to the satisfaction of the municipality; and
    - the Developer has paid all taxes owing to the municipality in full by the annual payment deadline for a period of 3 consecutive years.

The classification of a developer may be adjusted based on negative performance as follows:

- A developer will be re-categorized from Category A to Category B or from Category B to Category C for repeated minor breaches (3 or more) of the terms of a Servicing or Development Agreement(s).
- A developer will be re-categorized from Category A to Category B or from Category B to Category C for late payment of taxes levied on any property owned by the Developer up to two months after the payment deadline.
- A developer will be re-categorized from Category A, Category B or Category C, directly to Category D for a major breach of the terms of a Servicing or Development Agreement.
- A developer will be re-categorized from Category A, Category B or Category C, directly to Category D for late payment of taxes levied on any property owned by the Developer if not paid within two months of the payment deadline.

The following items are considered a major breach:

- Commencement of construction prior to receiving all necessary permits and approvals from the municipality
- Failure to complete construction within the timelines set out in the Servicing or Development Agreement
- Failure to complete infrastructure to the standard set out in the Servicing or Development Agreement
- Failure to renew the Security in accordance with the terms of the Servicing or Development Agreement
- Other infractions of the Servicing or Development Agreement that result in significant negative impacts or potential significant negative impacts on the development, nearby properties or the municipality, as determined by the municipality

The following items are considered a minor breach:

- Infractions of the terms of the Servicing or Development Agreement that result in insignificant negative impacts on the development, nearby properties or the municipality, as determined by the municipality