

**REPORT TO CAPITAL REGIONAL DISTRICT BOARD
MEETING OF WEDNESDAY, FEBRUARY 11, 2026**

SUBJECT **Bylaw No. 4741: Temporary Borrowing (Maliview Estates Sewerage System)
Bylaw No. 1, 2026**

ISSUE SUMMARY

Approval of a temporary borrowing bylaw authorizing short-term borrowing for capital projects included in the approved five-year capital plan for the Maliview Sewer Utility service.

BACKGROUND

On January 14, 2026, the Capital Regional District (CRD) Board adopted Bylaw No. 4370, "Maliview Estates Sewerage System Loan Authorization Bylaw No. 1, 2025", to fund the Maliview Estates Sewer Service wastewater system renewal and upgrades. A temporary borrowing bylaw is required to finance capital expenditures in advance of long-term debt issuance.

Long-term debt is typically issued at or near capital project completion once total costs are confirmed. Converting temporary borrowing to long-term debt also requires Board approval; staff will bring forward a Security Issuing Bylaw at that time in advance of the Municipal Finance Authority (MFA) spring or fall long-term debt issuances.

The following temporary borrowing bylaw is proposed:

| Service Area | Action | Purpose | Bylaw |
|------------------------------------|---|--|--|
| 3.820 Maliview Sewer Utility | Temporary Borrowing Bylaw No. 4741 | Maliview Estates Sewer Service wastewater system renewal and upgrades | Temporary Borrowing (Maliview Estates Sewerage System) Bylaw No. 1, 2026 |

The bylaw authorizes temporary borrowing of up to \$2.51 million, consistent with Loan Authorization Bylaw No. 4370.

ALTERNATIVES

Alternative 1

1. That Bylaw No. 4741, "Temporary Borrowing (Maliview Estates Sewerage System) Bylaw No. 1, 2026", be introduced and read a first, second and third time; and
2. That Bylaw No. 4741 be adopted.

Alternative 2

That Bylaw No. 4741 be referred back to staff for additional information.

IMPLICATIONS

The proposed temporary borrowing bylaw will provide the CRD with access to interim financing under authority of Loan Authorization Bylaw No. 4370. Temporary borrowing will not exceed the authorized amount of \$2.51 million, less any amounts already drawn (as of January 14, 2026; nil). Borrowings will be drawn as required, based on the timing of the approved capital expenditures.

Financing costs will be monthly, variable, interest-only payments. MFA's current short-term borrowing rate is 2.83% (variable rate as of January 21, 2026). Cash flows required to service the short-term debt are included in the approved financial plan.

CONCLUSION

Approval of Temporary Borrowing Bylaw No. 4741 is required to provide temporary borrowing authority to fund the Maliview Estates Sewer Service wastewater system renewal and upgrades. Timely access to interim financing will support delivery of the approved five-year capital program. Any temporary borrowings will be repaid within five years or converted to long-term debt in accordance with the borrowing term authorized under Loan Authorization Bylaw No. 4370.

RECOMMENDATION

1. That Bylaw No. 4741, "Temporary Borrowing (Maliview Estates Sewerage System) Bylaw No. 1, 2026", be introduced and read a first, second and third time; and
2. That Bylaw No. 4741 be adopted.

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| Submitted by: | Varinia Somosan, CPA, CGA, Senior Manager, Financial Services & Deputy Chief Financial Officer |
| Concurrence: | Stephen Henderson, MBA, P.G.Dip.Eng, BSc, General Manager, Electoral Area Services |
| Concurrence: | Kristen Morley, J.D., Corporate Officer & General Manager, Corporate Services |
| Concurrence: | Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer |

ATTACHMENT

Appendix A: Bylaw No. 4741: "Temporary Borrowing (Maliview Estates Sewerage System) Bylaw No. 1, 2026"