

Chapter 31

Water Supply and On-site Sewage Disposal System Upgrade Lending Program By-law



This By-law is enacted by the Council of the Municipality of the County of Colchester, under the authority of the Municipal Government Act section 81(A), as follows:

1. Short Title

- 1.1 This By-law shall be known as the “Water Supply and On-Site Sewage Disposal System Upgrade Lending Program By-law.”

2. Purpose

- 2.1 The purpose of this By-law is to establish a program to assist property owners in financing repair, replacement or upgrade to potable water supply systems and on-site sewage disposal systems.

3. Definitions

- 3.1 In this By-law:

- a) **“CAO”** means the Chief Administrative Officer of the Municipality, or designate;
- b) **“Contractor”** means a person or corporation properly licensed and insured to perform the work required under this By-law;
- c) **“Director of Corporate Services”** means the Director of Corporate Services and Treasurer of the Municipality, or designate;
- d) **“Financing Agreement”** means a written agreement between the Municipality and a Qualifying Property Owner respecting an Upgrade Loan;
- e) **“Maximum Eligible Amount”** means the maximum loan amount established by Council policy, not exceeding \$25,000 per Qualifying Property, unless otherwise approved;
- f) **“Municipality”** means the Municipality of the County of Colchester;
- g) **“On-Site Sewage Disposal System Upgrade”** means the repair, replacement, or upgrade of a sewage disposal system not connected to a municipal system;
- h) **“Program”** means the Water Supply and On-Site Sewage Disposal System Upgrade Lending Program established under this By-law;
- i) **“Qualifying Property”** means an existing owner-occupied residential single or semi detached property within the Municipality, excluding new construction, multi-unit residential buildings, commercial or industrial properties, and mobile homes which do not form part of the property;
- j) **“Qualifying Property Owner”** means the registered owner(s) of a Qualifying Property;

- k) **“Upgrade Loan”** means a loan made by the Municipality under this By-law and secured as a lien against the property;
 - l) **“Water Supply Upgrade”** means the repair, replacement or upgrade of wells, pumps, water lines, cisterns, or related infrastructure necessary to provide potable water.
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4. Program Established

- 4.1 The Municipality hereby establishes a Water Supply and On-Site Sewage Disposal System Upgrade Lending Program.
 - 4.2 Participation in the Program is voluntary and subject to the terms of this By-law and a Financing Agreement.
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5. Eligibility and Application

- 5.1 A Qualifying Property Owner may apply to participate in the Program in a form prescribed by the Municipality.
 - 5.2 Approval of an application is at the discretion of the Municipality and is subject to:
 - a) the property owner not being in default of municipal taxes or charges, unless satisfactory arrangements are in place;
 - b) the property owner meets credit checks to the satisfaction of the Director of Corporate Services;
 - c) compliance of the proposed work with all applicable laws and regulations;
 - d) use of a licensed Contractor that has provided proof of contractor insurance;
 - e) availability of program funding;
 - f) execution of a Financing Agreement.
 - 5.3 Work commenced prior to approval is not eligible for financing.
 - 5.4 Applications not finalized within one hundred eighty (180) days may be deemed withdrawn.
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6. Financing Agreement

- 6.1 Approved applicants shall enter into a Financing Agreement with the Municipality.
 - 6.2 The Financing Agreement shall set out:
 - the approved scope of work;
 - administration fee if applicable;
 - the maximum loan amount;
 - the interest rate;
 - the repayment terms;
 - any additional conditions required by the Municipality.
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7. Completion Of Work

- 7.1 Upon completion of approved work, the Qualifying Property Owner shall provide:

- a) itemized invoices from the Contractor;
- b) all required provincial inspection or completion reports;
- c) any additional documentation required by the Municipality.

7.2 Failure to complete the approved work may result in cancellation of the loan approval, and the owner shall be responsible for all incurred costs.

8. Payment and Loan Terms

8.1 The Municipality may pay Contractors directly for approved work up to the Maximum Eligible Amount.

8.2 The Upgrade Loan shall include:

- a) all eligible project costs;
- b) applicable interest levied by the Municipality;
- c) administration fees if applicable.

8.3 The Upgrade Loan shall be repaid in installments over a period not exceeding ten (10) years, unless otherwise approved by Council.

8.4 The interest rate shall be the Bank of Canada overnight rate plus 3% unless otherwise stipulated by Council.

8.5 If an administration fee is applicable, it will be stipulated in the Municipal fees policy;

9. Lien and Collection

9.1 The amount of the Upgrade Loan shall constitute a first lien on the Qualifying Property.

9.2 The lien may be collected in the same manner as municipal taxes.

9.3 In the event of default on the loan or arrears on their tax account, the outstanding balance of the loan shall become immediately due and payable and subject to interest at the Municipality's standard rate for overdue accounts.

9.4 The lien will remain in effect until the total charge including accrued interest is paid in full.

10. Liability

10.1 The Municipality is not responsible for the quality of the Equipment or the quality of the work carried out by the Contractor and as a result, the Municipality shall not be liable for any damage, direct or consequential, loss or liability or injury caused by the supply of Equipment, its installation, or use by the owner.

11. Administration

11.1 The Director of Corporate Services shall maintain records of all loans issued under this By-law, including:

- property identification;
- loan amount;
- payments received;

- outstanding balances.

12. Repeal

12.1 All previous by-laws of the Municipality relating to this Program are hereby repealed.

13. Effective Date

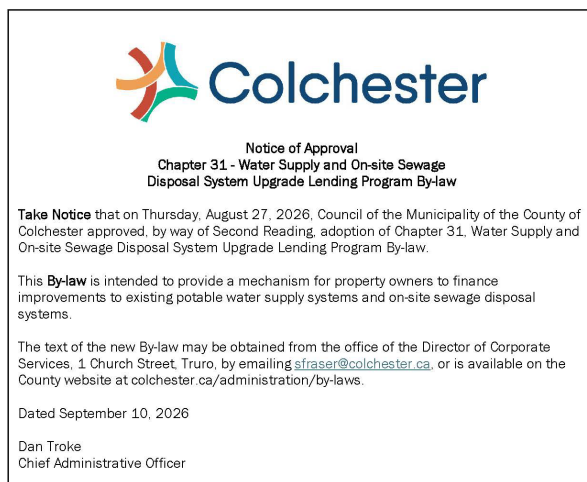
13.1 This By-law shall come into force upon final reading and publication in accordance with the Municipal Government Act.

THIS IS TO CERTIFY, that Chapter 31 - Water Supply and On-site Sewage Disposal System Upgrade Lending Program By-law was duly approved at a duly called meeting of the Municipal Council of the Municipality of Colchester, duly convened and held on the 27th day of August, 2026.

GIVEN under the hand of the Municipal Clerk and under the corporate seal of said Municipality on this 10th day of September, 2026.

Dan Troke

Municipal Clerk



I, Dan Troke, Municipal Clerk of the Municipality of the County of Colchester, do hereby certify that the adjacent Notice of Approval is a true copy of the Notice of Approval of Chapter 31, Water Supply and On-site Sewage Disposal System Upgrade Lending Program By-law, duly advertised in the Thursday, Thursday, September 10, 2026, issue of the Truro News.

Given under the hand of the Municipal Clerk and under the corporate seal of said Municipality this 10th day of September, 2026.

Dan Troke

Municipal Clerk

First Reading: August 27, 2026

Notice of Intent: August 7, 2026 (Municipal website)

Second Reading: August 27, 2026

Notice of Approval: September 10, 2026 (Truro News)