



STAFF REPORT TO COMMITTEE

DATE OF REPORT February 9, 2024
MEETING TYPE & DATE Electoral Area Services Committee of April 17, 2024
FROM: Senior Engineering Technologist, Utilities Division
Operations Department
SUBJECT: Water Systems Management Amendment Bylaw No. 4532
FILE: 3900-30

PURPOSE/INTRODUCTION

The purpose of this report is to add Shell Beach Water System, to amend the rates for the Satellite Park, Arbutus Mountain Estates, Burnum, Dogwood Ridge, Arbutus Ridge, Mesachie Lake, Shawnigan Lake North and Honeymoon Bay water systems within Schedules B and C of CVRD Bylaw No. 4231 – Water Systems Regulatory and Management Bylaw as per the approved 2024 budget and to amend language around capacity in the water system, in management of all water systems.

RECOMMENDED RESOLUTION

That it be recommend that Bylaw No. 4532 – “Water Systems Regulatory and Management Amendment Bylaw, 2024”, be considered for three readings and adoption.

BACKGROUND

As part of the approved 2023 budgets, Schedule A, B and C of Bylaw 4231 – Water Systems Regulatory and Management Bylaw, 2021, requires an amendment for rates for several systems, an RV trailer park rate has a minor increase for one system, rates have been included for a new Cowichan Valley Regional District (CVRD) water system, and minor housekeeping amendments have been made.

Language has been included In Section 7 Water Service Connection to allow a single service connection for a home and detached suite, provided it is approved by current zoning. A new section has been added where water capacity will be “held” for a period of time in the circumstances where a property owner holds capacity, but does not develop. Staff wished to regulate this capacity, so that only if a development process is in place, the owner can hold capacity. If no development process, i.e. subdivision or rezoning, is in place, and there is limited capacity in a system, the connection fees that were paid can be returned to the owner at original cost paid.

As well, some language has been added to Section 11 Extension to Water System Service Area, for developments, whereby additional benefits or added capacity to the water system can result in a reduction in the water capacity charge, as approved by CVRD Board.

ANALYSIS

Schedule A has been amended to include Shell Beach Water System for Table 1A. Connection fee rates are in line with other water systems.

Schedule B (metered) and C (unmetered) to the bylaw includes a separate section for each utility system's water user fee rates.

Shell Beach Water System: User fees to be set at \$1000 per year, and charged quarterly.

Increases proposed for the 2024 budget include:

Satellite Park Water System: User fees will be increased by \$25 annually, due to increased allocations and low reserves.

Burnum Water System: No rate change, only a house keeping adjustment will be made to overages.

Dogwood Ridge Water System: User fees will be increase by \$100 annually, to aid in proposed capital upgrades.

Arbutus Mountain Water System: User fees will be increased by \$20 annually, due to increased allocations and recent deficit budgets.

Arbutus Ridge Water System: User fees will be increase by \$14.20 annually, due to the increased allocations and a previous agreement for a 3% annual increase.

Mesachie Lake Water System: User fees will increase by \$30 annually, due to recent deficit budgets, low reserves, chlorination requirements and large capital upgrades.

Shawnigan Lake North Water System: User fees will increase by \$101 annually, due to surface water treatment requirements.

Honeymoon Bay Water System: This is a small increase in user fees for RV Trailer Park/Campground site (connected to sewer) of \$2.00 per 240 cubic meters, RV Trailer Park/Campground site (not connected to sewer) will also increase by \$1.00 per 120 cubic meters. It was determined that these facilities only pay one parcel charge, so total rates charged were disproportionate with single family homes. These rates are planned to continue to modestly increase in the following years until the disproportionate rates come into a fairer alignment of costs.

FINANCIAL CONSIDERATIONS

Schedule A: Shell Beach water connection fees are proposed at: Water Administration Charge of \$300 for a 19mm connection \$450 for a 25mm connection, Water Capacity Charge for a new single-family home for a subdivision \$7,000 and \$1,500 for a suite.

Schedule B and C (where applicable):

Shell Beach: User fees will proceed with \$1000 per year. Parcel taxes are also \$1000 annually.

Satellite Park: User fees will be increased from \$350 to \$375 per year. Parcel taxes are \$650 annually.

Arbutus Mountain: User fees will be increased from \$280 to \$300 per year. Parcel taxes are \$311 annually.

Burnum: User fees remain the same, but a clarification will be made to the overage rate for single family homes with suites, to be the same as single family homes without.

Dogwood Ridge: User fees will be increased from \$710 to \$810 per year. Parcel taxes are \$700 annually.

Arbutus Ridge: User fees will be increased from \$474.80 to \$489 per year. There are no parcel taxes for this water system.

Mesachie Lake: User fees will be increased from \$170 to \$200 per year. Parcel taxes are \$450 annually.

Shawnigan Lake North: User fees will be increased from \$363 to \$464 per year. Parcel taxes are \$405 annually.

Honeymoon Bay: User fees will be increased for RV Trailer Park/Campground (connected to sewer) from \$214 to \$216 per year for 240 m³ and for RV Trailer Park/Campground (not connected to sewer) from \$83 to \$84 per year for 120 m³.

COMMUNICATION CONSIDERATIONS

Not applicable.

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

The Corporate Strategic Plan includes an objective to demonstrate strong fiscal leadership. The recommended resolution provides a reliable essential service.

Referred to (upon completion):

- ☐ Community Services (*Cowichan Community Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Facilities & Transit*)
- ☐ Corporate Services (*Finance, Human Resources, Information Technology, Legislative Services*)
- ☐ Operations (*Utilities, Parks & Trails, Recycling & Waste Management*)
- ☐ Land Use Services (*Community Planning, Strategic Initiatives, Development Services, Building Inspection & Bylaw Enforcement*)
- ☐ Strategic Services (*Communications & Engagement, Economic Development, Emergency Management, Environmental Services*)

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Reviewed for form and content and approved for submission to the Committee:

Resolution:

☒ Corporate Officer

Financial Considerations:

☒ Chief Financial Officer

ATTACHMENTS:

Attachment A – Bylaw No. 4532 – Water Systems Regulatory and Management Bylaw