

To: CAO for the Electoral Area Services Committee
From: Mike Veenbaas, Director of Financial Services

Date: 2019-04-09
File No: 3920-1514, 2019

Subject: Yale Water System - user fee update

RECOMMENDATION

THAT the Fraser Valley Regional District Board consider giving three readings and adoption to the bylaw cited as *Fraser Valley Regional District Yale Water System Regulations, Fees and Other Charges Establishment Bylaw No. 1514, 2019*.

STRATEGIC AREA(S) OF FOCUS

Support Healthy & Sustainable Community
Provide Responsive & Effective Public Services

PRIORITIES

Priority #2 Air & Water Quality

BACKGROUND

A regional district service area for the supply of water to the Yale Townsite was first established in 1980. Since then various amendments have occurred to adjust regulations and rates. A further rate review occurred late in 2018 to address a change in the use of the Yale Elementary School facility.

DISCUSSION

In 2010 the Yale and District Community Use Facility began operating within the previously closed Yale Elementary School facility. The monthly water user fee associated with this facility remained at \$108.33, the rate in effect when the facility operated as a school. A review in 2018 confirmed that water consumption by the current occupier is significantly lower than when the facility was a school.

Working with Director Adamson, Staff have determined a more equitable monthly user fee rate of \$25 or \$300 per annum. In order to ensure the water system's user fee revenue was not impacted, all other user fees are proposed to increase by 5%. This would be the first user fee increase since 2004.

While preparing the rate amendment bylaw, it became clear that a better approach would be to put forth a new regulations, fees and other charges bylaw that repealed the original 1981 bylaw and the many amendments since first established. This provides for a clean bylaw moving forward.

COST

There will be no net revenue impact to the Yale Water System as a result of the proposed rate changes as the Community Use Facility rate decrease is offset by a general increase in all other rates.

CONCLUSION

In order to address an inequality in the water rate structure as applied to the Yale & District Community Use Facility, Staff worked with Director Adamson to develop a proposed rate amendment. In addition, Staff are proposing to consolidate 30 years of bylaw amendments into a new regulation and rate establishment bylaw.

COMMENTS BY:

Paul Gipps, Chief Administrative Officer

Reviewed and supported