



CORPORATE REPORT

To: Electoral Area Services Committee

Date: 2023-09-14

From: Allison Neill, Engineering and Community Services Technologist File No: 3920-20-1718-2023

Subject: Fraser Valley Regional District Water Supply Systems Regulations, Fees and Charges Amendment Bylaw No. 1718, 2023

RECOMMENDATION

THAT the Fraser Valley Regional District Board give three readings and adoption to Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw No. 1718, 2023.

BACKGROUND

As the Fraser Valley Regional District (FVRD) moves ahead with adopting Accessory Dwelling Units (ADUs) and Secondary Suites (SSs) into the Zoning Bylaw, consideration needs to be given to the level of service and the impact of new buildings and new residents will have on the existing infrastructure capacity.

ADUs and SSs will be permitted in all the electoral areas except Electoral Areas E and F; and on rural and residential lots of 0.5 ha and greater with a connection to a community water system and onsite sewer and lots of 1.0 ha or greater. After a review of the FVRD community water system service areas where ADUs and SSs are permissible, only Yale, Deroche, Lake Errock, and Area D water systems will be affected. Given that there are relatively few lots within the size threshold in each of these local service areas it is not anticipated that this change will impact system capacity.

Based on staff research, utility fees related to ADUs and SSs in the Province of British Columbia vary; however, most municipalities and regional districts charge between 20% to 50% surcharge.

DISCUSSION

To account for the potential increase in usage of water, staff are proposing an additional utility charge for each ADU and SS. Staff recommend that ADUs and SSs be charged water rate fees based on the same methodology as the FVRD water usage fees with the goal of collecting the appropriate amount of revenue from each type of customer to cover the operating and capital costs of each utility. Therefore, water usage fees for each ADU and SS will be an additional 50% of the average annual single-family dwelling charge.

The local service areas for the FVRD’s community water systems are funded through a combination of taxation as well as user fees coming in the form of quarterly or biannual utility bills. As the tax rate cannot be adjusted for ADUs and SSs, additional revenue must be captured entirely through user fees. The proposed user fee rates for ADUs and SSs in the *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1718, 2023* are designed to capture an additional 50% of the revenue that would come from a single-family dwelling.

Below is a summary of the proposed user fees for ADUs and SSs for Yale, Deroche, Lake Errock and Area D community water systems. For the Yale and Deroche water systems, which are not metered, an ADU or SSs category of user is added with a corresponding charge in accordance with the proposed fee rate. The charge for this category of user will only be added to properties with identified ADUs or SSs. Currently, there is a limited number of lots that qualify for an ADU or SS; however should ADUs and SSs be universally permitted, adopting water meters across all the water systems would need to be considered. Both the Lake Errock and Area D are metered water systems. The additional water consumption will be captured in the overage charge category.

Electoral Area B Yale Water System

Category of User	Monthly Charge
Residential	
Single Family Dwelling	\$21.79
(Proposed Category of User and Rate)	
Single Family Dwelling with Accessory Dwelling Unit or Secondary Suite	\$61.96

Electoral Area C Lake Errock Water Supply System

Category of User	Semi-Annually Charge	Semi-Annually Charge (Proposed Rate Increase)	Amount of Water Provided Semi-Annually
Metered Users	\$125.88	No Change	Up to 200 m ³
Metered Users	\$1.57/m ³	\$2.93/m ³	Over 200 m ³

Electoral Area D Integrated Water System

Category of User	Quarterly Charge	Quarterly Charge (Proposed Rate Increase)	Amount of Water Provided Quarterly
Metered Users	\$77.00	No Change	Up to 100 m ³
Metered Users	\$0.86/m ³	\$1.05/m ³	Over 100 m ³

Electoral Area G Deroche Water System

Category of User	Quarterly Charge
Metered User - Residential	\$90.00 – Flat Rate
(Proposed Category of User and Rate)	
Metered User – Residential with Accessory Dwelling Unit or Secondary Suite	\$184.87 – Flat Rate

The ADUs and SSs connect into the existing water service on the property side. The property owner will be responsible for the water service connection to the ADU and SSs. As there is no additional water service or account, ADUs and SSs will not be subject to separate billing requirements.

COST

The adoption of bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1718, 2023* is necessary to ensure fairness and equity for all the water service area users.

COMMENTS BY:

Sterling Chan, Manager of Engineering & Infrastructure

Reviewed and Supported

Tareq Islam, Director of Engineering & Utilities:

Reviewed and Supported.

Kelly Lownsborough, Director of Corporate Services/CFO:

Reviewed and supported.

Jennifer Kinneman, Chief Administrative Officer:

Reviewed and supported.