



STAFF REPORT

To: Electoral Area Services Committee

Date: 2025-02-13

From: Sterling Chan, Deputy Director of Engineering

Subject: Fraser Valley Regional District Water Supply Systems Regulations, Fees and Charges Amendment Bylaw No. 1765, 2025

Reviewed by: Tareq Islam, Director of Engineering & Utilities
Kelly Lownsbrough, Director of Corporate Services & CFO
Jennifer Kinneman, Chief Administrative Officer

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. 1765, 2025.

BACKGROUND

The Fraser Valley Regional District (FVRD) owns and operates 12 community water systems. In 2021 the FVRD Board adopted the *Fraser Valley Regional District Water Supply Systems Regulations, Fees and Charges Establishment Bylaw No. 1631, 2021*, which consolidated the regulations for managing each of the water systems and the terms and conditions under which water services may be provided. This bylaw also specifies the rate of the user fees for water consumption paid through utility bills as well as the capital improvement connection fees paid by properties joining certain local service areas.

DISCUSSION

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. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* are necessary in order to achieve the revenue targets put forward in the 2025 budgets for each water system's local service area.

Below is a summary of the changes to the service fees across all systems updated in *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025*.

	Current Charge	Proposed Charge
Electronic Water Meter Supply and Install	\$352.00	\$380.00
New Connection Inspection Fee	\$81.00	\$87.00
New Connection Administration Fee	\$38.00	\$41.00
Water Connection Turn On/Off	\$162.00	\$175.00

Below is a summary of the changes to the user fees for each water system included in *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025*. It should be noted, that for the Morris Valley and Dogwood Valley Water systems, the actual user fee charged is less than the maximum authorized under the bylaw and the 2025 rates do not require a bylaw change.

Electoral Area A - North Bend Water System

The 2025 Financial Plan contemplates this service area's total revenues increasing from 2024 to 2025 by \$9,480. This increase has been spread out proportionally between taxation and user fees. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* support decisions made during the Financial Planning process and provides the authority to charge these rates, which are expected to increase user fee revenue by \$4,810. The increases to the 2025 budget are to address growing operations costs driven by inflation.

Category of User	Quarterly Charge (2024 Rate)	Quarterly Charge (Proposed 2025 Rate)	Amount of Water Provided Quarterly
Metered Users	Minimum \$67.14	Minimum \$73.05	Up to 100 m ³
Metered Users	\$0.90/m ³	\$0.98/m ³	Over 100 m ³
Metered CP Rail	\$2.04/m ³	\$2.22/m ³	
Metered Commercial Almer Carlson Pool	\$0.97/m ³	\$1.05/m ³	

Electoral Area A Boston Bar Water System

The 2025 Financial Plan contemplates this service area's total revenues increasing from 2024 to 2025 by \$11,350. This increase has been spread out proportionally between taxation and user fees. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* support decisions made during the Financial Planning process and provides the authority to charge these rates, which are expected to increase user fee revenue by \$4,330. The increases to the 2025 budget are to address rising operational support costs, debt servicing costs, additional insurance requirements and increasing operations costs driven by inflation.

Category of User	Semi Annual Charge (2024 Rate)	Semi Annual Charge (Proposed 2025 Rate)	Amount of Water Provided Semi Annually
Metered Users	Minimum \$150.99	Minimum \$155.07	Up to 150 m ³
Metered Users	\$1.23/m ³	\$1.27/m ³	Over 150 m ³

Electoral Area B Yale Water System

The 2025 Financial Plan contemplates this service area's total revenues increasing from 2024 to 2025 by \$7,720. This increase has been spread out proportionally between taxation and user fees. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* support decisions made during the Financial Planning process and provides the authority to charge these rates, which are expected to increase user fee revenue by \$3,000. The increases to the 2025 budget are to address growing operations costs driven by inflation.

Category of User	Monthly Charge (2024 Rate)	Monthly Charge (Proposed 2025 Rate)
Residential		
Single Family Dwelling	\$23.10	\$24.83
Single Family Dwelling with Accessory Dwelling Unit or Secondary Suite	\$65.68	\$70.60
First Unit in Commercial & Recreational	\$23.10	\$24.83

Business Commercial		
Premises used for businesses; Hotel containing dining room/restaurant/beverage room	\$35.00	\$37.63
Additional commercial units	\$10.50	\$11.29
Additional recreation units	\$14.00	\$15.05
Institutional	\$10.50	\$11.29
Community use facility	\$50.01	\$53.76
Railway use - for service to railway buildings or trains	\$483.05	\$519.28

Electoral Area C Lake Errock Water Supply System

The 2025 Financial Plan contemplates this service area's total revenues increasing from 2024 to 2025 by \$11,030. This increase has been spread out proportionally between taxation and user fees. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* support decisions made during the Financial Planning process and provides the authority to charge these rates, which are expected to increase user fee revenue by \$2,440. The increases to the 2025 budget are to address increasing debt servicing costs and operations costs driven by inflation.

Category of User	Semi-Annually Charge (2024 Rate)	Semi-Annually Charge (Proposed 2025 Rate)	Amount of Water Provided Semi-Annually
Metered Users	\$129.40	\$136.39	Up to 200 m ³
Metered Users	\$3.01/m ³	\$3.17/m ³	Over 200 m ³

Electoral Area D Integrated Water System

The 2025 Financial Plan contemplates this service area's total revenues increasing from 2024 to 2025 by \$18,120. This increase has been spread out between taxation and user fees. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* support decisions made during the Financial Planning process and provides the authority to charge these rates, which are expected to increase user fee revenue by \$13,640. The increases to the 2025 budget are to address increasing operations costs driven by inflation and growth. It should be noted that the 2025 minimum quarterly charge will be lower than what is authorized under bylaw *Fraser Valley Regional District Water Supply Regulations,*

Fees and Charges Amendment Bylaw NO. 1631, 2021 and therefore no change to the minimum quarterly charge in the bylaw is required for 2025.

Category of User	Quarterly Charge (2024 Rate)	Quarterly Charge (Proposed 2025 Rate)	Amount of Water Provided Quarterly
Metered Users	\$71.40	\$74.69	Up to 100 m ³
Metered Users	\$1.08/m ³	\$1.13/m ³	Over 100 m ³

Electoral Area E Bell Acres Water System

The 2025 Financial Plan contemplates this service area's total revenues increasing from 2024 to 2025 by \$3,070. This increase has been spread out proportionally between taxation and user fees. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* support decisions made during the Financial Planning process and provides the authority to charge these rates, which are expected to increase user fee revenue by \$680. The increases to the 2025 budget are in part to address increasing operations costs driven by inflation.

Category of User	Quarterly Charge (2024 Rate)	Quarterly Charge (Proposed 2025 Rate)	Amount of Water Provided Quarterly
Metered Users	\$80.95	\$84.11	Up to 50 m ³
Metered Users	\$1.66/m ³	\$1.72/m ³	Over 50 m ³

Electoral Area F Hatzic Prairie Water System

The 2025 Financial Plan contemplates this service area's total revenues increasing from 2024 to 2025 by \$7,200. This increase is captured exclusively through user fees. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* support decisions made during the Financial Planning process and provides the authority to charge these rates, which are expected to increase user fee revenue by \$7,200. The increases to the 2025 budget are to address increasing debt servicing costs and operations costs driven by inflation.

Quantity	Semi-Annual Charge (2024 Rate)	Semi-Annual Charge (Proposed 2025 Rate)	Amount of Water Provided Semi- Annually
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Metered Users	\$297.22	\$316.54	Up to 200m ³
Metered Users	\$1.63/m ³	\$1.74/m ³	200m ³ – 400m ³
Metered Users	\$2.45/m ³	\$2.61/m ³	Over 400m ³

Electoral Area G Deroche Water System

The 2025 Financial Plan contemplates this service area's total revenues increasing from 2024 to 2025 by \$1,940. This increase has been spread out proportionally between taxation and user fees. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* support decisions made during the Financial Planning process and provides the authority to charge these rates, which are expected to increase user fee revenue by \$930. The increases to the 2025 budget are to address increasing operations costs driven by inflation.

Category of User	Quarterly Charge (2024 Rate)	Quarterly Charge (Proposed 2025 Rate)
Metered User - Residential	\$93.64 – Flat Rate	\$98.32 – Flat Rate
Metered User – Residential with Accessory Dwelling Unit or Secondary Suite	\$198.37 – Flat Rate	\$208.28 – Flat Rate
Metered User - Commercial	\$118.95 or \$0.77/m ³ (whichever is greater)	\$124.90 or \$0.81/m ³ (whichever is greater)
Metered User - Institutional	\$235.98 Flat Rate	\$247.78 Flat Rate

Electoral Area G Dewdney Water System

The 2025 Financial Plan contemplates this service area's total revenues increasing from 2024 to 2025 by \$4,700. This increase has been spread out proportionally between taxation and user fees. The changes to the user fee rates in proposed bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw NO. 1765, 2025* support decisions made during the Financial Planning process and provide the authority to charge these rates, which are expected to increase user fee revenue by \$190. The increases to the 2025 budget are to address increasing operations costs driven by inflation.

2024 Rates

Meter Size and	Quarterly	Consumption Charge (per cubic metre)

above	Minimum Charge	0 - 200	201 - 800	801
20mm (5/8th inch)	\$171.37	\$0.00	\$1.10	\$1.39
25 mm (1 inch)	\$171.37	\$0.00	\$1.10	\$1.39
38.1mm (1½ inch)	\$171.37	\$0.00	\$1.10	\$1.39
50.8mm (2 inch)	\$171.37	\$0.00	\$1.10	\$1.39
101.6mm (4 inch)	\$171.37	\$0.00	\$1.10	\$1.39
200mm (8 inch)	\$171.37	\$0.00	\$1.10	\$1.39

Proposed 2025 Rates

Meter Size and above	Quarterly Minimum Charge	Consumption Charge (per cubic metre)		
		0 - 200	201 - 800	801
20mm (5/8th inch)	\$178.56	\$0.00	\$1.15	\$1.44
25 mm (1 inch)	\$178.56	\$0.00	\$1.15	\$1.44
38.1mm (1½ inch)	\$178.56	\$0.00	\$1.15	\$1.44
50.8mm (2 inch)	\$178.56	\$0.00	\$1.15	\$1.44
101.6mm (4 inch)	\$178.56	\$0.00	\$1.15	\$1.44
200mm (8 inch)	\$178.56	\$0.00	\$1.15	\$1.44

Additionally, the 2025 rates for the capital connection improvement fees have been adjusted to reflect the current number of properties within each service area as well as any capital debt repayment budgeted in 2025. In instances where multiple loans are being repaid or the capital works benefit properties differently, the capital connection improvement fee differs by area within the water system. The areas corresponding with each of these rates are shown in Schedule B of the bylaw. The proposed capital improvement connection fees for 2025 area as follows:

	2024 Rate	Proposed 2025 Rate
North Bend Water	\$2,475	\$2,475
Boston Bar Water	\$2,883	\$3,149

Lake Errock Water (Area 1)	\$10,825	\$11,535
Lake Errock Water (Area 2)	\$5,998	\$6,554
Lake Errock Water (Area 3)	\$5,144	\$5,507
Hatzic Prairie Water (Area 1)	\$5,841	\$6,217
Hatzic Prairie Water (Area 2)	\$2,634	\$2,937
Hatzic Prairie Water (Area 3)	\$623	\$764
Deroche Water	\$3,998	\$3,998
Area H Integrated Water (Area 1)	\$1,946	\$2,234
Area H Integrated Water (Area 2)	\$0	\$0

CONCLUSION

The adoption of bylaw *Fraser Valley Regional District Water Supply Regulations, Fees and Charges Amendment Bylaw No. 1765, 2025* is necessary in order to achieve the revenue targets put forward in the 2025 budget.