



REPORT

To: Chair and Directors

Report Number: ADM-BRD-004

From: Tyra Henderson, Corporate Officer

Date: March 30, 2020

Subject: Electoral Area B Potable Water Fees and Charges Bylaw No. 2409, 2020

RECOMMENDATION #1: [All Directors – Unweighted]

That the Regional Board give Electoral Area B Potable Water Fees and Charges Bylaw No. 2409, 2020 first three readings.

RECOMMENDATION #2: [All Directors – Unweighted 2/3 Majority]

That the Regional Board adopt Electoral Area B Potable Water Fees and Charges Bylaw No. 2409, 2020.

BACKGROUND/RATIONALE:

At its January 23, 2020 meeting, the Regional Board considered a recommendation from the Electoral Area Directors' Committee and resolved:

"That a Fees and Charges Bylaw be developed for the Area B water stations to establish separate water rates for bulk water purchase and bottle fill water purchase that align with existing available market water purchase rates."

Section 397 of the *Local Government Act* authorizes a regional district to impose fees and charges for all or parts of a service of the regional district. The rates set out in Electoral Area B Potable Water Fees and Charges Bylaw No. 2409, 2020 for potable water purchase aligns with market rates charged for water purchase in member municipalities who offer bulk water sales. At this time, other local government operated bulk water stations do not include bottle fill capabilities. Consumers purchasing small quantities of water in the typical 18.9 litre household use bottles purchase them from grocery stores or private vendors elsewhere in the market, at a much higher cost than the \$3/cubic metre charged at bulk water stations. At this time, small quantities (bottle fills) purchased at the Area B bulk water fill stations are sold at the same rate as higher volumes. An amendment to the bylaw may be introduced in the future to implement a higher rate, in keeping with other vendors, for bottle fill purchases. There is additional 'finishing' of water accessed via bottle fill infrastructure to enhance taste and customer experience, which results in higher production costs.

ALTERNATIVE OPTIONS:

1. That the Regional Board provide further direction.

STRATEGIC PLAN RELEVANCE:

☒ Responsive Service Delivery

FINANCIAL CONSIDERATION(S):

Staff Initials:

Dept. Head: *Tyra Henderson*

CAO: *Shawn Dahlen*

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The bulk water charge is \$3.00 per cubic metre. The same rate is charged for filling bottles for household use at the Area B water stations, at this time.

Revenue from water sales in 2019 was considerably less than anticipated (\$29,571 actual vs. \$350,000 anticipated). The 2020 financial plan includes anticipated water sales revenue of \$60,000.

COMMUNICATIONS CONSIDERATION(S):

If approved, the rates will be posted at all Area B Water Stations.

OTHER CONSIDERATION(S):

None.

Attachments:

1. Electoral Area B Potable Water Fees and Charges Bylaw No. 2409, 2020.