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**REPORT TO ELECTORAL AREA SERVICES COMMITTEE
MEETING OF WEDNESDAY, APRIL 11, 2018**

SUBJECT **Bylaws 4233, 4235 and 4236: Fees and Charges Bylaw Amendments for Utilities within the Three Electoral Areas**

ISSUE

Adjusting the utilities rates for the three electoral areas as recommended by the respective Commissions, and as included in the 2018 Financial Plan.

BACKGROUND

Annually, amendments to the Electoral Area utilities fees and charges bylaws are recommended to align with the rates included in the service budgets for the forthcoming year. All local service commissions have recommended their respective 2018 budget, inclusive of the fees and charges changes in the proposed bylaw amendments, for Board approval.

The five-year financial plan is prepared annually and user fees are established to cover the projected net cost of service delivery for the upcoming year. The new fees and charges as recommended under this bylaw have been included in the 2018 Financial Plan, which was approved by the Board on March 21, 2018.

Revisions to the following fees and charges are recommended:

1. Salt Spring Island (SSI) Liquid Waste, Sewer and Water Fees and Charges – for rates charged to customers for Salt Spring Island utilities;
2. Salt Spring Island Liquid Waste Fees and Charges – for the rate per imperial gallon charged to haul liquid waste to the SSI Liquid waste facility at Burgoyne Bay on Salt Spring Island.
3. Southern Gulf Islands and Juan de Fuca Electoral Areas Utilities and Street Lighting Fees and Charges – for rates charged to customers for SGI and JDF utilities.

ALTERNATIVES

Alternative 1

That the Electoral Area Services Committee recommend to the Capital Regional District Board:

1. That Bylaw No. 4233 cited as "Southern Gulf Islands and Juan de Fuca Electoral Areas Utilities and Street Lighting Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 6, 2018" be introduced and read a first and second time, read a third time and adopted.
2. That Bylaw No. 4235 cited as "Salt Spring Island Liquid Waste Disposal Local Service Area Fees and Charges Bylaw No. 1, 1996, Amendment Bylaw No. 12, 2018" be read a first and second time, read a third time and adopted.
3. That Bylaw No. 4236 , cited as "Salt Spring Island Liquid Waste, Sewer, and Water Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 8, 2018" be introduced and read a first and second time, read a third time and adopted.

Alternative 2

That Bylaws 4233, 4235 and 4236 be referred back to staff for additional information.

IMPLICATIONS

Changes in fees and charges are required in order for local utility services in the three Electoral Areas to maintain adequate levels of funding for annual operating costs.

The service commissions through the service planning and budget review process have all recommended their respective 2018 budget, inclusive of the proposed fees and charges changes, for Board approval.

Board approval is required prior to applying the proposed rates. Failure to get the new fees and charges approved in time for the 2018 first quarter billing in April will result in revenues being less than forecasted in the 2018 service budgets.

CONCLUSION

Several utilities require changes to fees and charges primarily to align their user fees with their operating budgets.

The Commissions have all recommended their respective 2018 service budget for Board approval; this approval is required prior to the April 2018 first quarter billing in order to attain the revenue targets specified in the 2018 service budgets.

RECOMMENDATION

That the Electoral Area Services Committee recommend to the Capital Regional District Board:

1. That Bylaw No. 4233 cited as "Southern Gulf Islands and Juan de Fuca Electoral Areas Utilities and Street Lighting Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 6, 2018" be introduced and read a first and second time, read a third time and adopted.
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Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Ted Robbins, B.Sc, C.Tech, General Manager, Integrated Water Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

PD:ngm

Attachments

Appendix A: Bylaw 4233 and Schedules

Appendix B: Bylaw 4235 and Schedules

Appendix C: Bylaw 4236 and Schedules