



Minutes

Village of Tahsis

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|----------------|--|
| Meeting | Committee of the Whole |
| Date | Tuesday January 8, 2019 |
| Time | 10:30 a.m. |
| Place | Municipal Hall - Council Chambers |

Present
Mayor Martin Davis
Councillor Bill Elder
Councillor Sarah Fowler
Councillor Josh Lambert

Regrets
Councillor Lynda Llewellyn

Staff
Mark Tatchell, Chief Administrative Officer

Guests
Andrew McGifford, Senior Manager Comox Strathcona Waste Management Services
Stephanie Valdal, Service Coordinator CSWM

Public
None.

Call to Order

Mayor Davis called the meeting to order at 10:40 a.m.
Mayor Davis acknowledged and respected that Council is meeting upon Mowachaht/ Muchalaht territory

Approval of the Agenda

Elder : COW 001/19

THAT the Agenda for the January 8th, 2019 Committee of the Whole meeting be adopted as presented.

CARRIED

Business Arising 1 **Utility Bylaw Briefing**

Fowler: COW 002/19

THAT this presentation be received.

CARRIED

Staff provided Council with an overview of the three utility bylaws, key utility infrastructure, the funding model and its deficiencies and considerations in utility rate setting. Council engaged in a discussion regarding the bylaws, infrastructure projects and the operations of the utilities.

New Business 1 Comox Strathcona Waste Management Program Overview

Elder: COW 003/19

THAT this presentations be received.

CARRIED

Comox Strathcona Waste Management service staff briefed Council on the service, its authority and governance, financial breakdown, the status of the service in Tahsis, the economic, environmental and social benefits of the service, and organics diversion. Council discussed potential options for expanding the service in Tahsis especially regarding household hazardous waste and organics. CSWM staff agreed to continue to explore options for Tahsis in conjunction with Village staff.

Adjournment

Fowler: COW 004/19

THAT the meeting adjourn at 2:35 PM .

CARRIED

Certified correct this
15 Day of January, 2019



Corporate Officer



Utility Bylaws Briefing

Village of Tahsis
Council Briefing
January 08, 2019

Statutory Authority to Impose Fees for Utility Services

Community Charter s. 194:

A council may, by bylaw, impose a fee payable in respect of

- (a) all or part of a service of the municipality,
- (b) the use of municipal property, or
- (c) the exercise of authority to regulate, prohibit or impose requirements.

Utility Bylaws

- ▶ Water Regulations and Rates Bylaw No. 581, 2016 (as amended)
- ▶ Sewer Regulations and Rates Bylaw No. 582, 2016 (as amended)
- ▶ Solid Waste Management Bylaw No. 590, 2017

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Drinking Water System Main Assets

- ▶ Community Water Well – commissioned in 2016
- ▶ Reservoirs at McKelvie Creek and above Rosea Place
- ▶ Mains are a mix of asbestos concrete, steel and PVC

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Wastewater Main Assets

- ▶ Two treatment plants – north and south and associated outfalls
- ▶ Series of lift stations, forcemains and mains moves sewerage to treatment plants

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Solid Waste Main Assets

- ▶ Garbage truck
- ▶ Loader (for use at the landfill)
- ▶ Dumpsters
- ▶ Recycling shed
- ▶ Free Store

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2017 Utility Revenues

| Revenues | Budget | Actual | Variance |
|---------------|---------|---------|----------|
| Water Utility | 125,068 | 48,498 | (76,570) |
| Sewer Utility | 111,187 | 97,607 | (13,580) |
| Solid Waste | 41,176 | 165,646 | 124,470 |
| Total | 277,431 | 311,105 | 34,320 |

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2017 Utility Expenditures

| Expenditures | Budget | Actual | Variance |
|---------------|---------|---------|----------|
| Water Utility | 98,000 | 147,564 | (49,564) |
| Sewer Utility | 113,700 | 105,217 | 8,483 |
| Solid Waste | 56,572 | 16,901 | 39,671 |
| Total | 268,272 | 252,781 | (1,410) |

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Water Utility Bylaw

- ▶ Scope and authorities
- ▶ Establishes the water system
- ▶ Discontinuance of service
- ▶ Responsibilities of public, consumer and owner
- ▶ Contamination prevention
- ▶ Fire Service use
- ▶ Rates, fees and charges
- ▶ Offences and penalties

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Funding Requirements

- ▶ Annual operating costs – salaries, maintenance, supplies, etc.
- ▶ Infrastructure replacement (exceeded estimated useful life and/or based on condition assessment)
- ▶ Current revenues cover operating costs, but do not contribute toward infrastructure replacement

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Utility Rate Setting

- ▶ Rate adjustments (increases) have been based on historical rates plus inflation
- ▶ No study on the full cost of any of the utilities, including infrastructure renewal costs.
- ▶ Utility fees would need to be increased (or other revenues secured, e.g., parcel tax) to begin to address the widening gap between infrastructure replacement costs and ability to fund

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Utility Rate Setting

- ▶ Two main categories of utility rates residential (including B&Bs, guest houses, etc); and commercial
- ▶ Many municipalities require water meters for commercial customers but not residential
- ▶ Charging commercial customers on the volume of water consumed is the most accurate and thus the fairest method rather than charging according to the type of business

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Utility Rate Setting

- ▶ Ideally the utility revenue and expenditure amounts would be based on something like an annual contribution for asset renewal along with the annual operating costs.
- ▶ Once this amount is calculated a long term financial model could be built to determine the revenue (and expenditure) requirements on a year over year basis.
- ▶ From this, rates could be calculated to fund all or some of the utility

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Utility Rate Equity

- ▶ s. 194(4) (CC) requires a municipality to make available to the public a report respecting how a fee imposed was determined
- ▶ Fees cannot be set arbitrarily; must be supported by evidence
- ▶ Must also be evidence to support rate differences between different categories
- ▶ Without consumption data, this is challenging
- ▶ Meters installed this month will help with rate setting and ensuring equity

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Water System Asset Management

- ▶ Asset inventory – 2009
- ▶ Community Well – 2016
- ▶ Leak detection study 2017
- ▶ Water main replacement 2019
- ▶ Water meter installation 2019
- ▶ Asset renewal profile – 2019

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Sewer Bylaw

- ▶ Mirrors the Water Bylaw
- ▶ Same principles regarding rate setting as water utility

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Wastewater System Asset Management

- ▶ Asset inventory - 2009
- ▶ Smoke testing, manhole inspection and CCTV - 2017
- ▶ STP and NTP equipment maintenance - 2017
- ▶ STP condition assessment (partial) - 2017/18
- ▶ Point repair and grouting of mains - 2018
- ▶ Asset renewal profile - 2019

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