

DATE: June 10, 2021

FILE: 0400-60

TO: Chair and Directors
Electoral Areas Services Committee

FROM: Russell Dyson
Chief Administrative Officer

Supported by Russell Dyson
Chief Administrative Officer

R. Dyson

RE: UBID Conversion and Bylaw Updates

Purpose

To provide an update on the Union Bay Improvement District (UBID) conversion process and recommend several actions to facilitate the timely transition towards Comox Valley Regional District (CVRD) water supply/distribution and fire protection service delivery.

Recommendations from the Chief Administrative Officer:

1. THAT quarterly water billing in Union Bay be implemented through an amendment to Bylaw No. 278 being “Water Tolls and Other Charges, 2020”.
2. THAT Union Bay Improvement District Bylaw No. 285 being “Taxation Bylaw, 2021” be amended to remove of the ten per cent penalty and interest charges on outstanding parcel taxes in alignment with Comox Valley Regional District practices.
3. THAT the Comox Valley Regional District’s 2022 parcel tax roll review panel process include a commitment to analyze the ‘B Parcels’ issue for the Union Bay water service.
4. THAT the Comox Valley Regional District update Union Bay Improvement District Bylaw No. 226 being “Water Regulations Bylaw No. 226, 2010” to include a reference to Master Municipal Construction Documents as a standard for infrastructure and development activities for the Union Bay water service.
5. THAT Bylaw No. 280 being “Comox Valley Regional District Fire Services Administration Bylaw No. 280, 2013” be amended to include the Union Bay Fire Protection Service;

AND FURTHER THAT Union Bay Improvement District Bylaw No. 209 being “Fire Department Establishment and Operations Bylaw, 2007 and all amendments thereto, be repealed.

Executive Summary

Conversion of UBID to CVRD, for water supply/distribution, fire protection and street lighting, is set to occur on July 1, 2021. An update on the conversion activities was provided to the Electoral Areas Services Committee (EASC) in May and current information is available at www.comoxvalleyrd.ca/ubid. This report provides some updated information with respect to financial services and recommends certain updates and process commitments in order to facilitate a more seamless transition and also respond to UBID Board of Trustee interests.

1. Finance related:

- UBID has adopted a budget for 2021 that the CVRD is working with the UBID team to obtain an understanding, and currently working on the development of the 2022-2026 financial plan with finalization planned over summer.
- The CVRD will deliver the fire, water and street lighting services for remainder of 2021 based on the adopted UBID budget, and are currently working on the projections to the end of the year in working with UBID team to ensure a streamline service transition.
- Over the summer, the detailed five-year financial plan, complete with operating requirements, capital plan, debt charges and reserve contributions, will be developed for the advisory working group and the EASC. The detailed five-year plan will provide context and rationale for subsequent operations and capital improvements and reserve levels, which may drive rate changes to ensure sustainable service delivery for these high infrastructure based services moving forward.
- The CVRD team will be undertaking the May to June bi-monthly billing with bills set to be distributed mid-July. The billing cycle for UBID water will be moving to a quarterly process for subsequent billings, with the first quarterly billing to include the July to September period, with billings distributed mid-October. The billing rate for 2021 will not be changed from UBID rates, but the bylaw will be amended to allow quarterly billing before July 1st when this new cycle will be enacted.
- The \$390 parcel tax levy on Group “A” parcels were billed in early 2021 from UBID, with the first installment of \$195 due and payable on or before the 2nd day of March 2021, and the second installment of \$195 due and payable on the 31st day of August 2021 per UBID bylaw 285, “Taxation Bylaw 2021”. Balances outstanding for parcel taxes will be transferred to the CVRD on July 1, 2021 and a reminder will be included in the July and subsequent water billings for 2021. Any balances outstanding at December 31, 2021 will be transferred to the Province for collection with the ratepayers’ taxes for the 2022 fiscal year.

Therefore, bylaw 285 inclusions in section 2 around a percentage addition of 10 per cent of the amount thereof shall be added to all taxes remaining unpaid after said dates, and interest after March 1st in the following year in section 3 are not relevant in the transition to CVRD, where previously UBID was not able to transfer outstanding balances to property tax collection through the Province. A copy of Bylaw No. 285 is available on the UBID website at <https://union-bay.ca/bylaws-and-policy/>.

- Future work includes, among other matters:
 - The adoption of the service establishment bylaws for the street light, fire and water services for Union Bay over the summer with final adoption planned ahead of the BC Assessment deadline of August 15th for new services for 2022.
 - Analysis of the “B parcels” to be incorporated with CVRD’s regular parcel tax roll review panel. For context, the UBID Board of Trustees has clearly indicated its interest in collecting parcel taxes from B Parcels, which are those parcels that historically have not paid parcel taxes but which could be provided with Union Bay water. As noted in the recommendations, the CVRD will analyze the Union Bay parcels and confirm those that are receiving water or are

eligible to receive water for 2022. That process will be undertaken over the summer and fall and integrated in the CVRD’s parcel tax roll review panel process in early 2022.

2. Fire Services:

The CVRD has enacted the Fire Services Administration Bylaw to establish consistent operational criteria and administrative parameters for the CVRD fire departments. Bylaw No. 280 establishes such a framework applicable to all the CVRD fire departments within Electoral Area A, that being Fanny Bay, Hornby Island and Denman Island. With the conversion of the Union Bay Fire Service to the CVRD, it is prudent to incorporate this service under the same consistent operational criteria and administrative parameters. Such inclusion negates the need for the existing Union Bay Fire Department Establishment and Operations Bylaw No. 209 which provides for similar administrative direction. A consolidated version of Bylaw No. 280 is available on the CVRD’s website at https://www.comoxvalleyrd.ca/sites/default/files/uploads/bylaws/bylaw_280_cvrdfireservicesadministration_consolidated.pdf. The bylaw amendment would consist of expanding the definition of “fire department” under section 1(1)(i), naming the Union Bay Fire Service under section 2(1) Application, specifying the existing department service level under section 5 (1) as “full service”, as well as repealing UBID Bylaw No. 209 being “Fire Department Establishment and Operations Bylaw, 2007. Current UBID bylaws are available on the UBID website at <https://union-bay.ca/bylaws-and-policy/>.

3. Water regulations bylaw – During spring 2021, the UBID Board of Trustees contemplated its proposed subdivision bylaw with an intent that standards are in place for new infrastructure and development activities. UBID was not able to adopt its intended subdivision bylaw, and has requested that the CVRD incorporate standards in a Union Bay water regulations bylaw. The CVRD recommends that UBID Bylaw No. 226 be amended to refer to the Master Municipal Construction Documents as a standard for new infrastructure and development by inserting a new section to this effect. The new section 10 would read: “System Standards – The Master Municipal Construction Documents (MMCD) are to be used as a standard for consideration of new service connections, applications for service and infrastructure improvements. The CVRD may require any study work or infrastructure improvements to meet MMCD standards.” Current UBID bylaws are available on the UBID website at <https://union-bay.ca/bylaws-and-policy/>.

Prepared by:

J. Warren

James Warren
Deputy Chief Administrative
Officer

Concurrence:

J. Martens

Jake Martens
General Manager of
Corporate Services

Concurrence:

M. Foort

Myriah Foort
Chief Financial Officer

Government Partners and Stakeholder Distribution (Upon Agenda Publication)

Union Bay Improvement District Board of Trustees and CAO	✓
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Attachments: Appendix A – Redline version of Consolidated Bylaw No. 278 being “Water Tolls and Other Charges, 2020” to enable quarterly billing


 UBID Water Tolls and
Other Charges Bylaw

The following is a consolidated copy of the UBID Water Tolls and Other Charges Bylaw and includes the following bylaws:

Bylaw No.	Bylaw Name	Adopted	Purpose
278	Bylaw No. 278 Water Tolls and Other Charges, 2020	October 17, 2019	To establish tolls and charges
281	Bylaw No. 281 Amending Bylaw #278 "Water and Tolls and Other Charges 2020"	December 19, 2019 (effective January 1, 2020)	To revise sections 6, 8 and 9
284	Bylaw No. 284 Amending Bylaw #281 "Water Tolls and Other Charges 2020"	August 20, 2020	To revise section 6
282	Bylaw #282 Amending Bylaw #281 Water Tolls and Other Charges 2021	December 10, 2020 (effective January 1, 2021)	To revise sections 6, 8 and 9 and to add section 22
<u>XXX</u>	<u>Bylaw No. 278 Water Tolls and Other Charges, 2020, Amendment No. 4</u>	<u>TBD</u> <u>(to take effect on July 1, 2021)</u>	<u>Amendments to enable quarterly billing cycle</u>

This bylaw may not be complete due to pending updates or revisions and therefore is provided for reference purposes only. Titles and whereas clauses may be different than in original bylaws to make this consolidated version more clear and identify historical changes and conditions. THIS BYLAW SHOULD NOT BE USED FOR ANY LEGAL PURPOSES. Please contact the corporate legislative officer at the Comox Valley Regional District to view the complete bylaw when required.

**BYLAW ESTABLISHING TOLLS AND OTHER CHARGES
 FOR THE DISTRIBUTION AND USE OF WATER**

WHEREAS the Union Bay Improvement District has authority under section 746 of the *Local Government Act* to establish tolls and other charges, including charges for capital expenditures payable to the District and the times of their payment, to establish discounts or percentage additions to encourage the prompt payment of the tolls and other charges, to regulate the distribution and use of water and to establish penalties for failure to comply with the regulations;

NOW THEREFORE the Trustees of the Union Bay Improvement District in open meeting assembled, enacts as follows:

Citation

1. This Bylaw may be cited for all purposes as "Bylaw No. 278 Water Tolls and Other Charges, 2020".

Application

2. Bylaw applies to all Properties, which receive water from the Union Bay Improvement District.

Interpretation

3. In this Bylaw:
 - a. ~~"Billing Date" means the date a bill is prepared by the District, identified as "Date" on the bill provided by the District to a Property owner~~
 - a. **"Commercial Property"** means a Property on which an income is derived from the use of the property.
 - b. **"District"** means the Union Bay Improvement District.
 - c. **"Property"** includes parcels and lots, and portions thereof where one or more water connections exist, is required or has been requested and provided.

Requirements for Water Meters

4. All Property receiving water from the District must have a water meter installed by the District at the Property owners' expense, such installation to occur at the convenience of the District.
5. Meter area must be kept clear of debris, plants, bushes and be accessible for meter reading and repairs. The Improvement District is not being liable for possessions impeding the accessibility of the meter area. Written notification will be given to the landowner for action. Failure to comply with notification will result in a clearing

charge as detailed under Part 19.

Metered Rates

6. The following tolls are hereby fixed and made payable by all owners of Residential and Commercial Property, as applicable, in the District which has a water meter at the commencement of a billing period:

Residential Rates		
Base Rate	Up to 20m ³	\$108 - Bi - Monthly
Excess Rate 1	21m³ - 50m³	\$1.40/m³
Excess Rate 2	51m³ - 75m³	\$1.90/m³
Excess Rate 3	76m³ - 100m³	\$2.50/m³
Excess Rate Over 3	101m³ +	\$3.75/m³
Commercial Rates		
Base Rate - no water		\$108 - Bi - Monthly
Water Usage Rate		\$1.60/m³

Residential Rates		
Base Rate	Up to 10m ³	\$54 flat fee per month
Excess Rate 1	Over 10m ³ and up to 25m ³	\$1.40/m ³
Excess Rate 2	Over 25m ³ and up to 37.5m ³	\$1.90/m ³
Excess Rate 3	Over 37.5m ³ and up to 50m ³	\$2.50/m ³
Excess Rate Over 3	Over 50m ³	\$3.75/m ³
Commercial Rates		
Base Rate - no water		\$54 flat fee per month
Water Usage Rate		\$1.60/m ³

- ~~7. Meters will be read on the last working days of the month or the first days of the following month depending on work schedules.~~

Non-Metered Rates

8. The following tolls are hereby fixed and made payable by all owners of Property in the District which do not have a water meter:

Rate	Toll Description	Bi-Monthly Toll
A	For the Union Bay Beautification Boulevard	NIL
B	For the Union Bay Improvement District	NIL

Time of Payment

- ~~9. Billing occurs bi-monthly with all tolls and charges due and payable within 15 business days of the Billing Date or on the Due Date stated on the water toll invoice for the period for which the tolls and charges were levied.~~

Water Shut Off for Non-Payment

- ~~10. The Trustees may, by resolution, order that the water be shut off to any Property where any toll or other charge remains owing 90 days after the Billing Date.~~
- ~~11. Where water has been shut off pursuant to section 11, an additional charge of \$75.00 shall apply at the time the water is shut off. A further charge of \$75.00 shall apply at the time the water is turned back on.~~

Water Shut Off for Extended Absences

12. Upon application by a Property owner, the District may discontinue the provision of water and the billing of tolls for water use, upon payment of a shut off and disconnection charge of \$75.00.
13. Where water has been shut off pursuant to section 13, a reconnection charge of \$75.00 shall apply at the time the water is turned back on.

Water Shut Off for Other Reasons

14. Upon application by the owner of Property, the District may temporarily, for periods not exceeding one (1) month, discontinue the provision of water to a Property upon payment of a \$50.00 shut off charge.
15. Where water has been shut off pursuant to section 15, an additional charge of \$50.00 shall apply at the time the water is turned back on.

Reduced Rates

16. The Trustees may, by resolution, reduce any of the preceding tolls in respect of any unoccupied Property by an amount commensurate with the period of time the Property is unoccupied provided that the Property owner has notified the District and paid the applicable shut off and disconnection charges under this Bylaw.

Additional Charges

- ~~17. A \$35.00 charge shall apply for each returned cheque or automatic direct payment withdrawal due to non-sufficient funds (NSF).~~
18. A minimum \$75.00 removal charge shall apply to clear meter areas if landowner does not comply with the requirements to keep area accessible. In the event that extensive work is required, the cost of removal - including cost of equipment will be charged to the landowner and the labour rate will be \$50 per hour/person.
- ~~19. All accounts in which water tolls remain outstanding after the due date of each bi-monthly billing period will be charged a late payment penalty equivalent to 10% of the total arrears reported in the account.~~

Penalty

20. A person who contravenes this Bylaw commits an offence and is punishable in accordance with the *Offence Act*.

Repeal

21. The Union Bay Improvement District Water Tolls and Other Charges Bylaw No. 259, 2016 is hereby repealed.

Effective Date

22. This bylaw will take effect January 1, 2021.

HISTORY:

UBID Water Tolls and Other Charges Bylaw #244, 2013 - repealed November 20th, 2013
UBID Water Tolls and Other Charges Bylaw #248, 2014 - repealed November 19th, 2014
UBID Water Tolls and Other Charges Bylaw #254, 2015 - repealed November 18th, 2015
UBID Water Tolls and Other Charges Bylaw #259, 2016 - repealed November 18th, 2016

CROSS REFERENCE:	Bylaw #25 - Water Line Services Bylaw Bylaw #183 - Connection Charge Bylaw Bylaw #194 - Water Conservation and Drought Management Bylaw Bylaw #226 - Water Use and Distribution Regulation Bylaw Bylaw #227 - Subdivision Water Regulation Bylaw Policy 06-11-05 Adjustment for Water Leak
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