

DATE: June 13, 2018**FILE:** 5600-03**TO:** Chair and Directors
Electoral Areas Services Committee**FROM:** Russell Dyson
Chief Administrative OfficerSupported by Russell Dyson
Chief Administrative Officer*R. Dyson***RE: Implementing the Comox Valley Water Distribution Services Merger****Purpose**

To implement the Comox Valley Water Distribution Services merger by introducing

- the financial fairness for capital assets policy,
- related parcel tax bylaws and
- communication strategy.

Recommendation from the Chief Administrative Officer:

THAT the 'Financial Fairness for Capital Assets (Greater Comox Valley Water Distribution Service Policy' be approved;

AND FURTHER THAT bylaws to repeal expired services and unnecessary parcel taxes, amend existing parcel taxes, transfer reserve funds and introduce new parcel taxes be considered by the Board for adoption;

AND FINALLY THAT the communication strategy presented in Appendix G to the staff report dated June 13, 2018 be approved in order to inform the residents and property owners in the Greater Comox Valley Water Distribution Service about the administrative changes and financial impacts.

Executive Summary

At its April 2018 meeting, the Board resolved to merge the Comox Valley Water Distribution Services (Comox Valley (function 305), Sandwick (306), Greaves (309), Arden (311), England (314) and Marsden/Camco (317)). This action will achieve economic efficiencies by streamlining budget preparation, simplifying utility bill production and collection, making public communication more straightforward and enabling decisions to be made for the entire distribution service in a holistic and comprehensive manner. One specific improvement the public will realize would occur if an unplanned repair is required in a small area. Under the current structure, that small area would have to pay the entire cost of such a repair even though the benefit could be argued as applying to the entire distribution system. The merged structure will allow for repairs and maintenance throughout the merged service area. Also, less confusion may arise under the merged structure as property owners will eventually not have to be concerned about which service area they are in; rather, all properties in the merged area will be part of Greater Comox Valley Water Distribution Service.

The Comox Valley Water Distribution Service Establishment Bylaw was given three readings and is now with the Province of BC for approval. The Board will consider adoption of this bylaw at an upcoming meeting.

Other implementation activities for this merger include:

- Approving the ‘financial fairness for capital assets policy’ (attached as Appendix A – this policy respects the fairness principle associated with geographic areas raising funds and using those funds for the area in which they are collected; implementing the policy allows for all distribution service areas to contribute to capital assets in an equitable manner. It should be noted that the tax increases proposed through this merger would have been required to fund the operating, capital and asset management components of the water distribution if the merger does not proceed).
- Adopting the
 - o ‘Greater Comox Valley Water Distribution Service Merger Project Reserve Fund Transfer and Repeal Bylaw’ (Appendix B – bylaw to transfer reserve funds from individual services to Greater Comox Valley service and to repeal the Marsden/Camco Parcel Tax Bylaw and the Marsden/Camco and Arden Water Distribution Service Establishment bylaws effective December 31, 2018).
 - o Comox Valley Water Distribution Parcel Tax Bylaw (Appendix C – bylaw to change the Comox Valley parcel tax from a frontage calculation to a parcel charge, to be set at \$60 per parcel, which reflects a nominal contribution towards operating, capital infrastructure and reserve contributions as required; bylaw waives parcels in Arden and Marsden/Camco until 2026 and 2027 respectively as those properties have already contributed to the service by way of their current reserves).
 - o Greaves Crescent, England Road and Sandwick parcel tax bylaws (Appendices D, E and F) - bylaws to set parcel taxes for these services to achieve financial fairness; rates are \$33, \$118 and \$251 respectively for five years and based on the connections in 2018 and the financial fairness for capital assets policy; notation in the Sandwick Bylaw that rates and term will be further reviewed after Sandwick is fully connected to Comox Valley system.
- Communication strategy (Appendix G) – identifies the public engagement planned for December 2018 (to advise all customers on the change from individual distribution services to one Greater Comox Valley service) and April 2019 (to specifically inform customers in each geographic area about the specific tax changes to expect, which would be first experienced in July 2019).

To follow through on the merger project, this report includes the appendices with background information as noted above. The recommendations in this report will achieve the merger process. Staff are available for further discussions or direction from the Electoral Areas Services Committee if needed.

Prepared by:

J. Warren

James Warren
General Manager of Corporate Services

Concurrence:

Marc Rutten
General Manager of Engineering Services

Concurrence:

B. Dunlop

Beth Dunlop
Corporate Financial Officer

Stakeholder Distribution (Upon Agenda Publication)

None	
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Attachments: Appendix A – Proposed “Financial Fairness for Capital Assets Policy”
Appendix B – Proposed “Greater Comox Valley Water Distribution Service Merger Project Repeal Bylaw”

- Appendix C – “Comox Valley Water Distribution Parcel Tax Bylaw” with track changes
- Appendix D – Proposed “Greaves Crescent Parcel Tax (Equalization) Bylaw”
- Appendix E – Proposed “England Road Parcel Tax (Equalization) Bylaw”
- Appendix F – “Sandwich Parcel Tax Bylaw” with track changes
- Appendix G – Communication Strategy for Comox Valley Water Distribution Services Merger

Subject: Financial Fairness For Capital Assets Policy – Comox Valley Water Distribution Services	
Branch: Engineering Services	
Department: Public	Policy Reference: 5600-03

Purpose

This policy directs that reserve funds for the Comox Valley Water Distribution Services all achieve a ‘per connection’ equitable level by December 31, 2023.

This policy recognizes that the Sandwick system is in the process of formally connecting to the Comox Valley Water Supply System following the Improvement District conversion in 2017 and the rates and term noted in this policy may be further reviewed after Sandwick is fully connected with the Comox Valley system.

Scope

This policy applies to the following services as they existed in 2018 and relates to the Comox Valley Water Distribution Services Merger Project:

- Comox Valley (function 305)
- Sandwick (306)
- Greaves Crescent (309)
- Arden (311)
- England Road (314) and
- Marsden/Camco (317)

Guiding Principle

This policy respects the fairness principle associated with geographic areas raising funds and using those funds for the area in which they are collected. Implementing this policy allows for all distribution service areas to contribute to capital assets in an equitable manner.

This policy does not consider the infrastructure condition assessment for each individual service. Determining infrastructure condition may impact the rates and charges for water systems, which is beyond the scope of this policy.

Policy Statement

1. Table 1 illustrates the connections, current reserves and annual parcel tax (for five years ending in 2023) for each original service to achieve equalization.
2. Each original service will target a per connection value of \$1700.
3. For the existing Comox Valley, Arden and Marsden/Camco services, no equalization rate is required.
4. Through the merger project, Arden and Marsden/Camco have already contributed towards the capital, operating and reserve funds for the Greater Comox Valley Water Distribution Service. Therefore, the properties in Arden and Marsden/Camco areas are exempt from the

Greater Comox Valley parcel tax until equity is achieved. Arden and Marsden / Camco will begin paying the parcel tax, by bylaw, in 2025 and 2026 respectively.

5. As of December 31, 2018, funds in the existing capital works and future expenditure reserves as approximately shown in table 1 are deemed greater than required for the purpose for which the funds were established and therefore are to be transferred to the Greater Comox Valley Water Distribution Service capital works and future expenditure reserve accounts.
6. The Sandwick system is in the process of formally connecting to the Comox Valley Water Supply System following the Improvement District conversion in 2017 and the rates and term noted in this policy may be further reviewed after Sandwick is fully connected with the Comox Valley system.
7. Each year as parcel taxes are collected for each original service, those funds are to be transferred to the Greater Comox Valley Water Distribution Service for operating, capital and reserve contribution purposes as necessary and defined in each year’s financial plans.

Table 1 - 2018 Greater Comox Valley Water Distribution Services, Connections and Reserve Funds

Water LSA	Connections	Capital Works Reserve	Future Expenditure Reserve	Capital Development Charges Reserve	Total per Connection (All Reserves)	Target per Connection (All reserves)	Annual Equalization Rate (2019 - 2023)	Proposed Rate
Comox Valley	1366	\$2,169,254	\$144,929	n/a	\$1,694.13	\$1,700	\$1	\$0
Sandwick	424	\$128,029	\$50,484	\$10,552	\$445.91	\$1,700	\$251	\$251
Greaves Crescent	28	\$41,993	\$1,000	n/a	\$1,535.46	\$1,700	\$33	\$33
Arden Road	228	\$419,092	\$62,986	n/a	\$2,114.38	\$1,700	(\$83)	\$0
England Road	26	\$28,860	n/a	n/a	\$1,110.00	\$1,700	\$118	\$118
Marsden / Camco	88	\$153,204	\$35,905	n/a	\$2,148.97	\$1,700	(\$90)	\$0

Note: All reserve fund balances are estimates as at December 31st, 2018 based on 2018 - 2022 recommended financial plan.

Approval History

Policy adopted:	DATE
Policy amended:	If necessary

Appendix B

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. XX

A bylaw to implement the Comox Valley Water Distribution Services Merger Project by transferring reserve funds and by repealing the Marsden/Camco Parcel Tax Bylaw and the Marsden/Camco and Arden Water Distribution Service Establishment Bylaws effective December 31, 2018

WHEREAS the Board adopted Bylaw No. 2341 being “Marsden/Camco Water Local Service Area Parcel Tax Bylaw 2001” on January 29, 2001 to impose a parcel tax for the Marsden/Camco Water Distribution Service;

AND WHEREAS the Board adopted Bylaw No. 1453 being “Marsden/Camco Water Local Service Area Conversion and Establishment By-law, 1992” on February 22, 1993 to convert and extend the boundaries of the Marsden/Camco water specified area to a local service area;

AND WHEREAS the Board adopted Bylaw No. 1678 being “Arden Water Local Service Area Conversion and Establishment 1994” on August 27, 1994 to convert and extend the boundaries of the Arden water specified area to a local service area;

AND WHEREAS the Board executed the Comox Valley Water Distribution Services Merger Project, which requires reserve funds to be transferred from existing capital works and future expenditure reserve funds to the Greater Comox Valley Water Distribution Service and eliminates the need for a parcel tax specific to the Marsden/Camco service and eliminates the need for water distribution services specific to the Marsden/Camco and Arden areas, effective December 31, 2018;

NOW THEREFORE the Board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Capital Works Reserve Funds Transfer

1. Effective December 31, 2018, the balance and interest accrued thereon in the following reserve funds is deemed greater than required for the purpose for which the funds were established hereby transferred to the Greater Comox Valley Water Distribution service capital works reserve fund:
 - (a) Sandwick Water Capital Works Reserve established by Bylaw No. 473 (adopted in 2017);
 - (b) Greaves Crescent Water Capital Works Reserve established by Bylaw No. 2134 (adopted in 1999);
 - (c) England Road Water Capital Works Reserve established by Bylaw No. 2135 (adopted in 1999); and
 - (d) Marsden/Camco Water Capital Works Reserve established by Bylaw No. 1228 (adopted in 1990).

Appendix B

Future Expenditures Reserve Funds Transfer

2. Effective December 31, 2018, the balance and interest accrued thereon in the following reserve funds is deemed greater than required for the purpose for which the funds were established hereby transferred to the Greater Comox Valley Water Distribution service future expenditure reserve fund:
 - (a) Sandwick Water Future Expenditure Reserve established by Bylaw No. 472 (adopted in 2017);
 - (b) Greaves Crescent Water Future Expenditure Reserve established by Bylaw No. 474 (adopted in 2017);
 - (c) Arden Road Water Future Expenditure Reserve established by Bylaw No. 341 (adopted in 2014); and
 - (d) Marsden/Camco Water Future Expenditure Reserve established by Bylaw No. 228 (adopted in 2012).

Bylaw Repeal

3. The following bylaws are repealed effective December 31, 2018:
 - (a) Bylaw No. 2341 being "Marsden/Camco Water Local Service Area Parcel Tax Bylaw 2001;
 - (b) Bylaw No. 1453 being "Marsden/Camco Water Local Service Area Conversion and Establishment Bylaw, 1992";
 - (c) Bylaw No. 1678 being "Arden Water Local Service Area Conversion and Establishment 1994";
 - (d) Bylaw No. 473 being "Sandwick Water Service Capital Reserve Fund Establishment Bylaw No. 473, 2017."
 - (e) Bylaw No. 2134 being "Greaves Crescent Water Local Service Area Reserve Fund Establishment Bylaw No. 2134, 1999."
 - (f) Bylaw No. 2135 being "England Road Water Local Service Area Reserve Fund Establishment Bylaw No. 2135, 1999."
 - (g) Bylaw No. 1228 being "Marsden/Camco Roads Water Specified Area, Capital Works, Machinery and Equipment Reserve Fund Establishment Bylaw, 1990"
 - (h) Bylaw No. 472 being "Sandwick Water Service Future Expenditure Reserve Fund Establishment Bylaw No. 472, 2017."
 - (i) Bylaw No. 474 being "Greaves Crescent Water Service Future Expenditure Reserve Fund Establishment Bylaw No. 474, 2017."
 - (j) Bylaw No. 341 being "Arden Water Service Future Expenditure Reserve Fund Establishment Bylaw No. 341."
 - (k) Bylaw No. 228 being "Marsden/Camco Road Water Local Service Future Expenditure Reserve Fund Establishment Bylaw No. 228."

Appendix B

Citation

This Bylaw No. XX may be cited as the "Greater Comox Valley Water Distribution Service Merger Project Repeal Bylaw No. XXX, 2018".

Read a first and second time this	day of	2018.
Read a third time this	day of	2018.
Adopted this	day of	2018.

Chair

Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. XX being the "Greater Comox Valley Water Distribution Service Merger Project Repeal Bylaw No. XXX, 2018" as adopted by the board of the Comox Valley Regional District on the _____ day of _____ 2018.

Corporate Legislative Officer

The following is a consolidated copy of the Comox Valley Water Local Service Area Parcel Tax Bylaw and includes the following bylaws:

Bylaw No.	Bylaw Name	Adopted	Purpose
2337	Comox Valley Water Local Service Area Parcel Tax Bylaw 2001	January 29, 2001	A bylaw to impose a parcel tax on owners of land in the Comox Valley water local service area
XXX	Comox Valley Water Local Service Area Parcel Tax Bylaw 2001, <i>Amendment No. 1</i>	TBD	<i>A bylaw to update the tax from a frontage tax to a per parcel charge and to waive the charge for Arden and Marsden/Camco parcels until 2026 and 2027 respectively</i>

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.

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 2337

**A bylaw to impose a parcel tax on owners of land
in the Comox Valley Water Local Service Area**

WHEREAS Bylaw No. 1886, being “Comox Valley Water Local Service Establishment (Conversion) Bylaw 1886, 1996” was adopted on the 20th day of October 1996;

AND WHEREAS a regional district board is empowered by the Local Government Act to impose and levy a parcel tax to meet the cost of providing water services to land within the Comox Valley water local service;

~~**AND WHEREAS** a bylaw imposing a parcel tax may establish a tax on the basis of the taxable frontage and where it does so section 360.1 of the Local Government Act requires the bylaw to establish how the taxable frontage of the parcel is to be determined;~~

AND WHEREAS the Board executed the Comox Valley Water Distribution Services Merger Project, which applies a parcel tax to all parcels in the Comox Valley Water Local Service for operating, capital or reserve contributions as is deemed necessary;

AND WHEREAS the Board recognizes that parcels in Arden and Marsden/Camco have already contributed towards the capital, operating and reserve funds for the expanded Comox Valley Local Service and therefore, the properties in the Arden and Marsden/Camco areas are exempt from this Comox Valley parcel tax until equity is achieved and the Arden and Marsden / Camco will begin paying the parcel tax, by bylaw, in 2026 and 2027 respectively;

AND WHEREAS it is considered desirable and expedient to impose and levy a tax on land within the Comox Valley Water Local Service Area;

NOW THEREFORE, the Board of the Comox Valley Regional District, in open meeting assembled, enacts as follows:

1. In this Bylaw, unless the context otherwise requires:

- a) ~~“actual frontage” means the distance that a parcel of land actually abuts on a highway, statutory right of way or easement upon or under which there is a water main.~~
- b) “capable of connection” means that a parcel abuts a highway, statutory right of way or easement upon or under which there is a water main with sufficient capacity to service the parcel.
- c) “collector” means the ~~Manager of Financial Administration~~ **Corporate Financial Officer** of the Regional District and, in her or his absence, means that person’s Deputy.
- d) ~~“irregularly shaped parcel” means a parcel that is not rectangular.~~

Appendix C

- e) “parcel” means any lot, block or other area in which real property is held or into which it is subdivided.
- ~~f) “taxable frontage” means the actual frontage or, if applicable, the distance that a parcel of land is deemed to abut on the work or highway and in respect of which parcel the parcel tax is levied for the work or service under this Bylaw.~~
2. A parcel tax is imposed upon each parcel of real property within the Comox Valley Local Service Area which is connected to a water main or is capable of connection.
 3. The Comox Valley Water Local Service parcel tax roll shall be used for imposition of this parcel tax.
 4. The parcel tax to be levied each year is \$60 per parcel.
 5. The parcel tax is reduced to one charge of \$60 per folio each year in situations where a folio is made up of more than one parcel and the owner or a previous owner of the parcel has already paid towards the cost of the service for that year.
 6. Those parcels noted in Appendix A to this bylaw (Arden parcels) are not required to pay the parcel tax until 2026 as those parcels have already paid towards the capital, operating and reserve funds costs of the service through execution of the Comox Valley Water Distribution Services Merger Project.
 7. Those parcels noted in Appendix B to this bylaw (Marsden/Camco parcels) are not required to pay the parcel tax until 2027 as those parcels have already paid towards the capital, operating and reserve fund costs of the service through execution of the Comox Valley Water Distribution Services Merger Project.
 - ~~8. The parcel tax to be levied in each year will be calculated at the rate of forty cents (40¢) per foot of taxable frontage.~~
 - ~~9. If a parcel has less than 20 feet (6 metres) of actual frontage, the taxable frontage shall be deemed to be 20 feet (6 metres).~~
 - ~~10. If a parcel has more than 200 feet (61 metres) of actual foot frontage, the taxable foot frontage shall be deemed to be 200 feet (61 metres).~~
 6. (1) The Collector shall determine the taxable frontage of an irregularly shaped parcel according to the applicable formula set out in Schedule ‘A’.
 - (2) The taxable frontage determined under subsection (1) shall not be less than 20 feet (6 metres) or more than 200 feet (61 metres).
 - (3) The Collector is authorized to reduce the taxable frontage of a parcel, which, because of extreme physical characteristics, is likely unbuildable or undevelopable.
 - (4) The amount of the taxable frontage reduction made under subsection (3) must be proportionate to the reduction of development potential of the parcel.

Appendix C

7. ~~The taxable frontage of a strata lot shall be determined having regard to the principles set out in section 2 to 6 of this bylaw, as if each strata lot has actual frontage.~~
8. Bylaw No. 1995 being “Comox Valley Water Local Service Area No. 29 Frontage tax Bylaw No. 1995, 1998” is hereby repealed.
9. This Bylaw may be cited as “Comox Valley Water Local Service Area Parcel Tax Bylaw 2001”.

Appendix A – Arden Parcels Exempt from This Parcel Tax Until 2026
List should include 228 parcels

Appendix B – Marsden/Camco Parcels Exempt from This Parcel Tax Until 2027
List should include 88 parcels

Appendix D

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. XXX

A bylaw to establish a parcel tax on owners of land in the Greaves Crescent Water Service Area pursuant to section 388 of the *Local Government Act* (RSBC, 2015, c.1)

WHEREAS the Greaves Crescent water service is a service of the Comox Valley Regional District established by Bylaw No. 1494 being “Greaves Crescent Water Local Service Area Establishment Bylaw, 1993”;

AND WHEREAS a regional district board is empowered by the *Local Government Act* (RSBC, 2015, c.1) to impose and levy a parcel tax to provide all or part of the funding for a service;

AND WHEREAS the board desires to establish a parcel tax for the Greaves Crescent Water Service to raise funds for capital improvements, asset management and reserve contributions to the system and to achieve financial fairness by 2023 in conjunction with the Comox Valley Water Distribution Services Merger Project;

NOW THEREFORE the Board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Parcel tax

1. (a) A parcel tax is imposed upon those parcels as noted in Appendix A to this bylaw within the Greaves Crescent Water Service Area, which is established by Bylaw No. 1494 being “Greaves Crescent Water Local Service Area Establishment Bylaw, 1993” as amended from time to time.
- (b) The Greaves Crescent water service parcel tax roll shall be used for imposition of this parcel tax.
- (c) The annual parcel tax to be levied is \$33 per parcel and will be charged for five years beginning in 2019 and ending in 2023.
- (d) The parcel tax is reduced to one charge of \$33 per folio each year in situations where a folio is made up of more than one parcel and the owner or a previous owner of the parcel has already paid towards the cost of the service for that year.

Appendix D

Citation

This Bylaw No. XXX may be cited as “Greaves Crescent Water Service Parcel Tax Bylaw No. XXX, 2018”.

Read a first and second time this	day of	2018.
Read a third time this	day of	2018.
Adopted this	day of	2018.

Chair

Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. XXX being “Greaves Crescent Water Service Parcel Tax Bylaw No. XXX, 2018” as adopted by the Board of the Comox Valley Regional District on the _____ day of _____ 2018.

Corporate Legislative Officer

Appendix A

List should include 28 folios

Appendix E

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. XXX

A bylaw to establish a parcel tax on owners of land in the England Road Water Service Area pursuant to section 388 of the *Local Government Act* (RSBC, 2015, c.1)

WHEREAS the England Road Water Service is a service of the Comox Valley Regional District established by Bylaw No. 1999 being “England Road Water Local Service Area Establishment Bylaw No. 1999, 1998”;

AND WHEREAS a regional district board is empowered by the *Local Government Act* (RSBC, 2015, c.1) to impose and levy a parcel tax to provide all or part of the funding for a service;

AND WHEREAS the Board desires to establish a parcel tax for the England Road Water Service to raise funds for capital improvements, asset management and reserve contributions to the system and to achieve financial fairness by 2023 in conjunction with the Comox Valley Water Distribution Services Merger Project;

NOW THEREFORE the Board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Parcel tax

1. (a) A parcel tax is imposed upon those parcels as noted in Appendix A to this bylaw within the England Road Water Service Area, which is established by Bylaw No. 1999 being “England Road Water Local Service Area Establishment Bylaw No. 1999, 1998” as amended from time to time.
- (b) The England Road water service parcel tax roll shall be used for imposition of this parcel tax.
- (c) The annual parcel tax to be levied is \$118 per parcel and will be charged for five years beginning in 2019 and ending in 2023.
- (d) The parcel tax is reduced to one charge of \$118 per folio each year in situations where a folio is made up of more than one parcel and the owner or a previous owner of the parcel has already paid towards the cost of the service for that year.

Appendix E

Citation

This Bylaw No. XXX may be cited as “England Road Water Service Parcel Tax Bylaw No. XXX, 2018”.

Read a first and second time this	day of	2018.
Read a third time this	day of	2018.
Adopted this	day of	2018.

Chair

Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. XXX being “England Road Water Service Parcel Tax Bylaw No. XXX, 2018” as adopted by the Board of the Comox Valley Regional District on the _____ day of _____ 2018.

Corporate Legislative Officer

Appendix A

List should include 26 folios

The following is a consolidated copy of the Sandwick Water Service Parcel Tax Bylaw and includes the following bylaws:

Bylaw No.	Bylaw Name	Adopted	Purpose
507	Sandwick Water Service Parcel Tax Bylaw No. 507, 2017	January 23, 2018	A bylaw to establish a parcel tax on owners of land in the Sandwick Water Service Area pursuant to section 388 of the Local Government Act (RSBC, 2015, c.1)
XXX	Sandwick Water Service Parcel Tax Bylaw No. 507, Amendment No. 1	TBD	A bylaw to update the Sandwick parcel tax from the one time \$2000 charge in 2018 to an annual \$251 charge to achieve fairness through the Comox Valley Water Distribution Services Merger

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.

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 507

A bylaw to establish a parcel tax on owners of land in the Sandwick Water Service Area pursuant to section 388 of the *Local Government Act* (RSBC, 2015, c.1)

WHEREAS the Sandwick Water Service is a service of the Comox Valley Regional District established by Bylaw No. 506 being “Sandwick Water Service Establishment Bylaw No. 506, 2017”;

AND WHEREAS a regional district board is empowered by the *Local Government Act* (RSBC, 2015, c.1) to impose and levy a parcel tax to provide all or part of the funding for a service;

AND WHEREAS the Board desires to establish a parcel tax for the Sandwick Water Service to raise funds for capital improvements, asset management and reserve contributions to the system;

AND WHEREAS the Board desires to update the parcel tax for the Sandwick Water Service to raise funds for capital improvements, asset management and reserve contributions to the system and to achieve financial fairness by 2023 in conjunction with the Comox Valley Water Distribution Services Merger Project;

NOW THEREFORE the Board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Parcel tax

1. (a) A parcel tax is imposed upon those parcels as noted in Appendix A to this bylaw within the Sandwick Water Service Area, which is established by Bylaw No. 506 being “Sandwick Water Service Establishment Bylaw No. 506, 2017” as amended from time to time.
- (b) The Sandwick water service parcel tax roll shall be used for imposition of this parcel tax.
- ~~(c) The parcel tax to be levied in 2018 is \$2000 per parcel.~~
- ~~(d) The parcel tax is reduced to one charge of \$2000 per folio in situations where a folio is made up of more than one parcel and the owner or a previous owner of the parcel has already paid towards the cost of the service.~~
- (e) The annual parcel tax to be levied is \$251 per parcel and will be charged for five years beginning in 2019 and ending in 2023.
- (f) The parcel tax is reduced to one charge of \$251 per folio each year in situations where a folio is made up of more than one parcel and the owner or a previous owner of the parcel has already paid towards the cost of the service for that year.

Citation

This Bylaw No. 507 may be cited as “Sandwick Water Service Parcel Tax Bylaw No. 507, 2017”.

Appendix F

Appendix A

Jurisdiction	Roll Number
771	00382.000
771	00383.000
771	00384.000
771	00385.000
771	00386.000
771	00387.000
771	00388.000
771	00397.000
771	00399.000
771	00401.000
771	00402.000
771	00405.000
771	00406.000
771	00409.010
771	00409.200
771	00409.220
771	00409.225
771	00409.230
771	00409.240
771	00409.242
771	00409.244
771	00409.246
771	00409.248
771	00409.250
771	00409.252
771	00409.254
771	00409.385
771	00409.390
771	00429.000
771	00429.010
771	00430.000
771	00431.000
771	00432.000
771	00432.050
771	00433.000
771	00434.000
771	00435.000
771	00436.000
771	00437.000
771	00439.000
771	00440.000
771	00441.000
771	00442.000

Appendix F

771	00443.000
771	00444.000
771	00445.000
771	00446.000
771	00447.000
771	00448.000
771	00449.000
771	00450.000
771	00451.000
771	00453.000
771	00454.000
771	00455.000
771	00456.000
771	00457.000
771	00458.000
771	00460.000
771	00461.000
771	00462.000
771	00462.005
771	00462.025
771	00462.032
771	00462.034
771	00462.036
771	00462.038
771	00462.040
771	00462.042
771	00462.044
771	00462.046
771	00462.048
771	00462.050
771	00462.052
771	00462.062
771	00462.063
771	00462.064
771	00462.065
771	00462.066
771	00462.067
771	00462.068
771	00462.069
771	00462.070
771	00462.071
771	00462.072
771	00462.073
771	00462.074
771	00462.075

Appendix F

771	00462.076
771	00462.077
771	00462.078
771	00462.079
771	00462.080
771	00462.081
771	00462.082
771	00462.083
771	00462.084
771	00462.085
771	00462.086
771	00462.087
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Subject: Comox Valley Water Distribution Services Merger Project	File: 1470-20
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Purpose

To outline methods of communication around the plans for the Comox Valley Water Distribution Services Merger Project.

Target Audience:

- Residents and property owners in the current water distribution services being Comox Valley (function 305), Sandwick (306), Greaves (309), Arden (311), England (314) and Marsden/Camco (317).

Project Background:

- Merging the current distribution services into one expanded Comox Valley service will achieve economic efficiencies by streamlining budget preparation, simplifying utility bill production and collection, making public communication more straightforward and enabling decisions to be made for the entire distribution service in a holistic and comprehensive manner.
- The Board initiated this project November 2017, gave three readings to the expansion bylaw in April 2018 and all other actions are to be effective January 1, 2019.

Key Speaking Points:

- Delivering water to rural area residents under one distribution service will save time and effort and allow for more comprehensive planning and responsible use of tax dollars.
- The transition from six distribution services to one service will take some time and result in some tax impact in order that principles of financial fairness is achieved.

Guiding Principles:

- Communication included in all project team meetings and in key project-related discussions.
- Project to have budget sufficient to cover communications strategies.

Communication Strategy/Tactics:

The public will be informed about the change to the water distribution services at two points in time, in both cases using the existing utility bills to add an information pamphlet. In December 2018, one pamphlet for all six distribution services will describe the merger, process and reasons for change. In April 2019, a pamphlet that is specific to each distribution service will describe the specific cost implications that result from the merger and transition. More details are provided here:

<p>December 2018: One pamphlet distributed with utility bills to all parcels in all six distribution services</p>	<ul style="list-style-type: none"> • Describes the purpose the merger, benefits that will occur, and general cost implications including the \$60 per year parcel tax to contribute nominal funds towards the operations, capital infrastructure and reserve funds. • Describes principle for financial fairness and reserve contributions needed to be equitable upon merger. • Advise that further information to be distributed in April 2019 that will provide specific information on any additional costs and timing.
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<p>April 2019: Individual pamphlets distributed with utility bills, specific to each distribution service</p>	<ul style="list-style-type: none"> • Reiterate some background information on the merger project. • Identify action that homeowners must undertake, such as updating online bill payment information • Specifies the tax impacts for each distribution service. <ul style="list-style-type: none"> ✓ Utility bills (based on metered rates and consumption are not affected by this project) ✓ Comox Valley – existing frontage tax (which averages to approx. \$50 per parcel) to be eliminated for 2019 and replaced with a \$60 parcel tax for day-to-day operations ✓ Sandwick – a \$60 parcel tax for day-to-day operations plus a \$251 parcel tax for five years to achieve financial fairness (note: Sandwick rates and term to be reviewed following final connection to Comox Valley system) ✓ Greaves Crescent – a \$60 parcel tax for day-to-day operations plus a \$33 parcel tax for five years to achieve financial fairness ✓ Arden – parcel tax is waived until 2026 to allow other services to achieve financial fairness ✓ England Road – a \$60 parcel tax for day-to-day operations plus a \$118 parcel tax for five years to achieve financial fairness (note: current \$489 parcel tax for England Road debt payments is set to be retired in 2020) ✓ Marsden/Camco – parcel tax is waived until 2027 to allow other services to achieve financial fairness
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If required, additional letters to go to property owners in advance of 2019 parcel tax roll review panel.

The pamphlets and previous staff reports will also be posted to the CVRD website.

Approval History

Created by:	
Amended:	