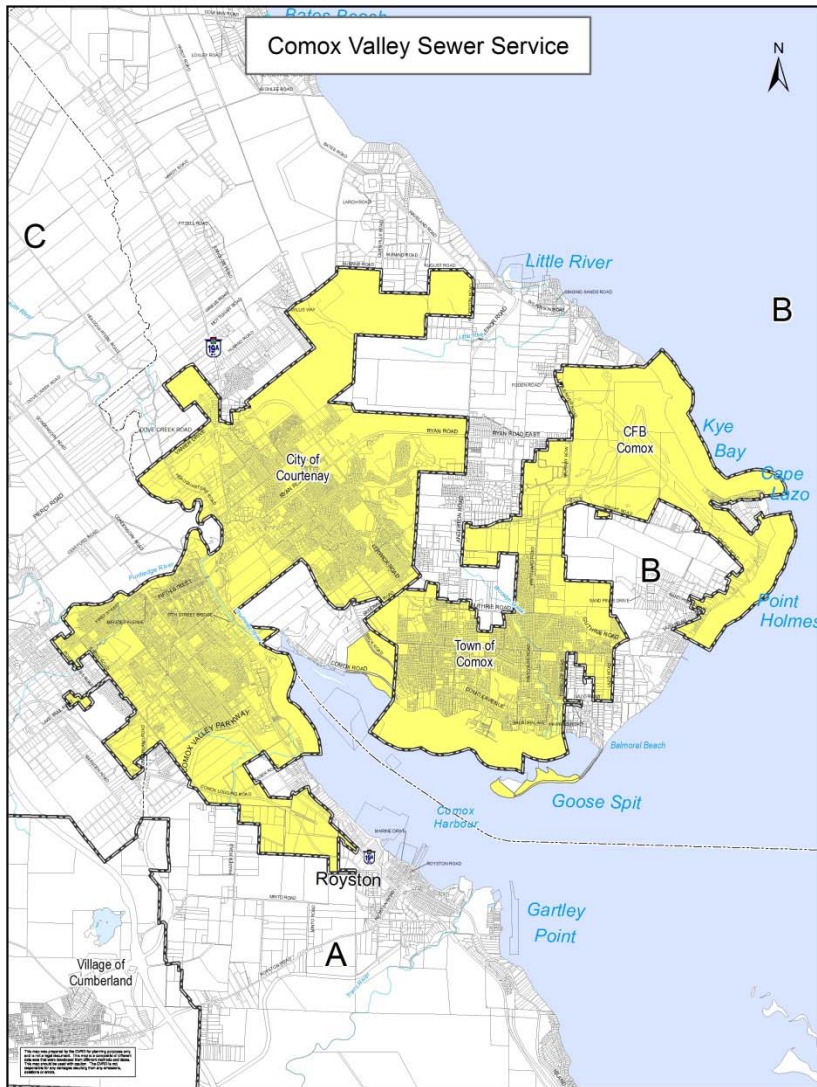


# Comox Valley Sewerage System Development Cost Charges

# Comox Valley Sewerage System



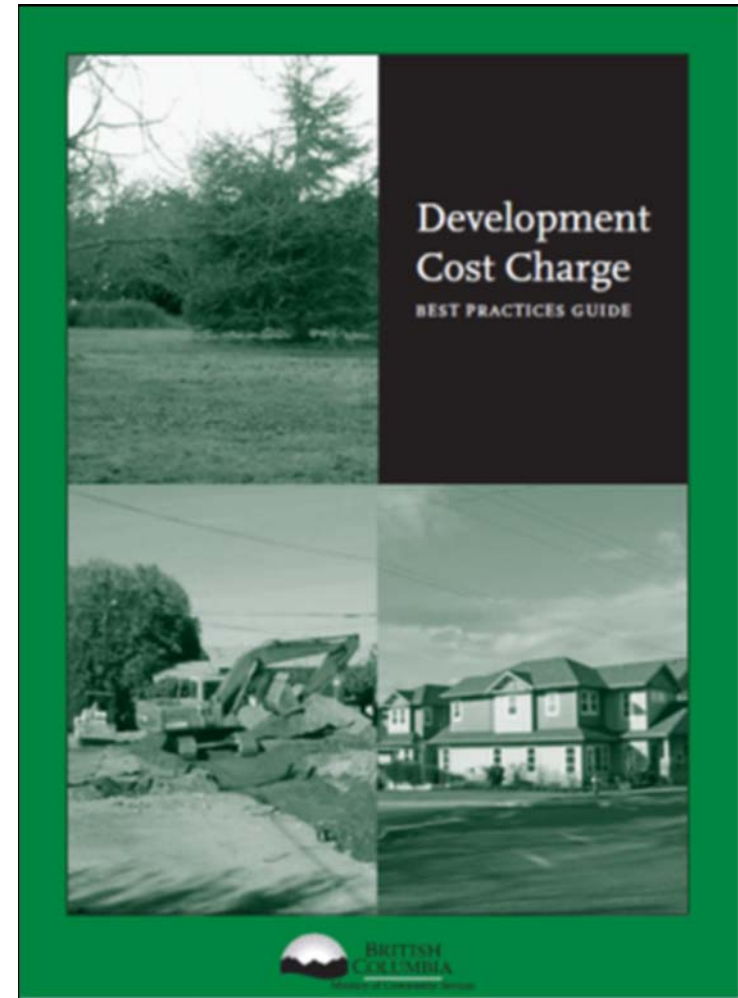
- Established in the early 80's with the construction of pump stations, forcemain and treatment plant.
- Serves the Municipalities of Courtenay and Comox
- Also serves DND and KFN

# Development Cost Charges

- Development cost charges (DCCs) are monies collected from land use developers
- DCCs offset some of the infrastructure expenditures required to service the needs of new development while not adversely affecting existing users
- DCCs only fund projects that are on the DCC list and that support development
- Sewer DCCs can only be used in the sewer service

# DCCs – how are they calculated?

“...DCCs are generally determined by dividing the net capital infrastructure costs attributable to new development over a certain time period by the corresponding number of projected development units...”



# Sewer System DCC Update Study

## *Population and Development Projections*

- Population and residential unit estimates (next 10 years):
  - Comox – DCC study estimates population growth for Comox at -- **1.0% - 1.2%**
  - Courtenay –DCC study estimates population growth for Courtenay at – **1.0%**

2017-2026	Single Family	Multi -Family	Congregate Care
Town of Comox	466	232	54
City of Courtenay	660	957	0
<b>Total</b>	<b>1,126</b>	<b>1,189</b>	<b>54</b>

# Sewer System DCC Update Study

## *Population and Development Projections*

- Commercial, Institutional and Industrial Land Estimates:
  - Estimation based off calculation method in BPG and recent DCC bylaw updates for both municipalities
- Decrease in estimated commercial, institutional and industrial development as compared to 2013 DCC update

Municipality	Commercial (m2)	Institutional (m2)	Industrial (ha)
Town of Comox	6,710	250	0.2
City of Courtenay	31,208	550	5.5
<b>Total</b>	<b>37,918</b>	<b>800</b>	<b>5.7</b>

# Sewer System DCC Update Study

## *Capital Projects*

Project Name	Project Completion	Cost	DCC Recoverable
Greenwood Trunk	2017	\$4,133,000	\$3,818,756
Hudson Trunk	2017	\$2,374,000	\$2,193,498
Biosolids Composting Expansion	2018	\$9,000,000	\$6,236,777
CVWPCC- Phase 1 Capacity Upgrades	2018	\$8,083,600	\$3,734,490
Odour Control System Upgrades	2018	\$2,180,000	\$1,007,124
CFB Comox Pump Station Upgrades	2018	\$400,000	\$369,587
Comox No.2 Pump Station and Forcemain	2019	\$11,750,000	\$4,342,645
Effluent Quality Upgrades	2019	\$10,554,600	\$2,925,631
Minor DCC Update	2019	\$10,000	\$9,900
Colby Pump Station	2022	\$100,000	\$92,397
Major DCC Update	2022	\$20,000	\$19,800
Jane Place Upgrades	2023	\$1,200,000	\$1,108,760
Minor DCC Update	2025	\$10,000	\$9,900
CVWPCC Phase 2 Upgrades	2025	\$6,610,000	\$6,107,422
<b>Total Costs (10 year period)</b>		<b>\$56,425,200</b>	<b>\$23,433,779</b>

# Sewer System DCC Update Study

## *Capital Projects*

- Benefit to existing users and project life:
  - Projects may benefit both new and existing users
  - Some projects have a much longer life than the 10 year planning horizon
  - Each project has been reviewed to determine the percent benefit to existing users and project life
  - Only the cost associated with 10 years of the projects life is included in the total expenditure
  - The cost for each project applicable to existing users is then deducted from the total expenditure



# Sewer System DCC Update Study

## *Cost Charge Calculations*

- Cost charges based on the equivalent population and the total capital DCC project cost, a DCC charge per person is calculated – \$2,916.25
- Using this amount the following DCC table is generated:

Dev'l Category	Equiv Population	DCC/EPD	Proposed DCC Charge	Current DCC Charge
Single – Family	2.38	\$2,916.25	<b>\$6,941/unit</b>	\$5,980/unit
Multi – Family	1.95	\$2,916.25	<b>\$5,687/unit</b>	\$4,984/unit
Congregate Care	1.05	\$2,916.25	<b>\$3,062/unit</b>	\$2,492/unit
Commercial	0.0084	\$2,916.25	<b>\$24.50/m<sup>2</sup></b>	\$34.90/m <sup>2</sup>
Institutional	0.0092	\$2,916.25	<b>\$26.80/m<sup>2</sup></b>	\$34.90/m <sup>2</sup>
Industrial / Public Utility	43.5	\$2,916.25	<b>\$126,882/ha</b>	\$59,804/ha

# Implementation of new DCC rates

- In-stream developments which pay DCCs at subdivision and have approval to proceed prior to that date are charged at the old rate
- For DCCs charged at building permit, as well as “precursor applications”, in-stream protection is granted if
  - A building permit is issued within 12 months of adoption of the DCC bylaw
  - A precursor application to the building permit is in-stream on the date the DCC bylaw is adopted

# CVRD Bylaw Update Process

Item	Description	Estimated Completion Date
1	Stakeholder and public notifications	May 2017
2	Present updated DCC and CICC bylaw to CVRD board for 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> reading.	June 2017
3	Following 3 <sup>rd</sup> reading the DCC bylaw will be forwarded to the Inspector of Municipalities for review and approval	June 2017
4	Endorsement from the Inspector of Municipalities	Fall 2017
5	Bylaw update to CVRD board for 4 <sup>th</sup> and final reading of DCC and CICC bylaw	Fall 2017

# In Summary...

- DCCs are designed and intended to charge benefitting parties for their burden on the system
- Significant capital spending requirements coupled with decreased population projections have resulted in increases to DCCs per unit
- Public and stakeholder consultation will occur prior to first reading of proposed new bylaw in June