

**DATE:** November 17, 2017

**FILE:** 5610-20 /Sandwick

**TO:** Chair and Directors  
Electoral Area Services Committee

Supported by Russell Dyson  
Chief Administrative Officer

**FROM:** Russell Dyson  
Chief Administrative Officer

*R. Dyson*

**RE: Sandwich Service Establishment and Parcel Tax Bylaws**

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### **Purpose**

To adopt a service establishment bylaw for the Sandwick Water Local Service Area (WLSA) and to adopt a parcel tax bylaw for Sandwick to recover the cost of converting Sandwick to a Comox Valley Regional District (CVRD) service.

### **Recommendations from the Chief Administrative Officer:**

1. THAT Bylaw No.506 being the “Sandwick Water Service Establishment Bylaw No.506, 2017” be considered for three readings and subsequent adoption.
2. THAT Bylaw No.507 being the “Sandwick Water Service Parcel Tax Bylaw No.507, 2017” be considered for three readings and subsequent adoption.

### **Executive Summary**

Late in 2016 the Province of British Columbia issued an order in council that dissolved the Sandwick Waterworks District and converted its responsibilities to the CVRD. As of January 1, 2017, the CVRD took over the portion of the water system located within CVRD Electoral Area ‘B’.

The establishment of a service area bylaw for the distribution of water to the newly created Sandwick WLSA is the formal mechanism that will establish the CVRD service. Attached as Appendix A to this report is the draft service establishment bylaw, proposed for first, second and third readings by the Board. Identified within Bylaw No. 506, the service reflects the converted responsibilities from the Sandwick Waterworks District, outlining the boundaries of the service area, the cost recovery options and the maximum requisition for the service.

In addition to the service establishment bylaw, a bylaw establishing a parcel tax for the recovery of the conversion costs from Sandwick residents is required. The parcel tax to be levied is \$1,800 per parcel. The \$1,800 parcel tax is to be a one-time parcel tax charge, with the parcel tax amount being adjusted for subsequent years based on reserve contribution requirements etc.

In addition to the parcel tax, the capital improvement cost charge (via Bylaw No. 2350) is \$1000 per property and will be charged through the utility bill.

Table No.1 below provides a breakdown of the costs that are to be recovered through the parcel tax and invoice for the Sandwick conversion and Appendix B provides the draft parcel tax bylaw.

**Table No.1: Costs to be Recovered Through Sandwick Parcel Tax and Utility Invoice**

<b>Component</b>	<b>Cost</b>
System Modifications	\$800,000
Meter Installations	\$511,000
Capital Improvement Cost Charges	\$424,000
Less CWF’s for modifications and meters	(\$547,660)
<b>Total Project Costs</b>	<b>\$1,187,340</b>
<b>Cost Per Connection</b>	<b>\$2,800</b>

A report regarding the award of a contract(s) for the system modification work will be presented to a future EASC meeting and will include the actual costs.

A number of bylaw updates are required as part of the conversion process from the Sandwick Water Works District to a CVRD service. This process is being undertaken within the regulatory environment established through *The Local Government Act (LGA)* (RSBC, 2015, c.1).

An implementation plan for bylaw update requirements was provided to the Board in January 2017. An update to this plan is provided in Appendix C.

The adoption of the establishment bylaw and parcel tax bylaw are part of the implementation strategy for the new water service. Continued communications with residents are planned to provide updates to residents about the parcel tax, conversion process and installation of meters.

Prepared by:

Concurrence:

Concurrence:

***K. La Rose***

***M. Rutten***

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Zoe Berkey, EIT  
Engineering Analyst

\_\_\_\_\_  
Kris La Rose, P.Eng  
Senior Manager of  
Water/Wastewater Services

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Marc Rutten, P.Eng  
General Manager of  
Engineering Services

**Stakeholder Distribution (Upon Agenda Publication)**

None.	
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- Attachments: Appendix A – “Draft Bylaw No.506”  
 Appendix B – “Draft Bylaw No.507”  
 Appendix C – “Bylaw Update Requirements”

**COMOX VALLEY REGIONAL DISTRICT**

**BYLAW NO. 506**

**A bylaw to establish a service within Electoral Area 'B' to provide for the Sandwich water service**

**WHEREAS** under section 338 of the *Local Government Act* (RSBC, 2015, c.1) the Comox Valley Regional District is authorized to adopt a service establishment bylaw prior to operating a service;

**AND WHEREAS** order in council no. 921 was issued by the Lieutenant Governor in Council on December 7, 2016 ordering the transfer of obligations from the Sandwich Waterworks District to the Comox Valley Regional District and the Sandwich Waterworks District water service was established as a Comox Valley Regional District service by the conversion effective December 31, 2016;

**AND WHEREAS** the approval of the inspector of municipalities has been obtained under section 342 of the *Local Government Act* (RSBC, 2015, c.1);

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

**Service Established**

1. The Comox Valley Regional District hereby establishes within Electoral Area 'B' (Lazo North) a service for the distribution of water for the area to be known as the Sandwich water service.

**Boundaries of the Service Area**

2. The boundaries of the Sandwich water service are shown on the map attached to this bylaw as schedule 'A'.

**Participating Area**

3. The only participating area for the Sandwich water service is Electoral Area 'B' (Lazo North).

**Cost Recovery**

4. As provided in section 378 of the *Local Government Act* (RSBC, 2015, C. 1), the annual cost for this service shall be recovered by one or more of the following:
  - a) property value taxes;
  - b) parcel taxes;
  - c) fees and charges imposed under section 363 of the *Local Government Act* (RSBC, 2015, C. 1);
  - d) revenues raised by other means authorized by the *Local Government Act* (RSBC, 2015, C. 1) or another Act; and
  - e) revenues received by way of agreement, enterprises, gift, grant or otherwise.

**Maximum Requisition**

- 5. In accordance with section 339(1)(e) of the *Local Government Act* (RSBC, 2015, c.1), the maximum amount that may be requisitioned annually for the cost of the service is the greater of \$800,000 or \$4.50 per \$1,000 applied to the net taxable value of land and improvements for regional hospital district purposes.

**Citation**

This Bylaw No. 506 may be cited for all purposes as “Sandwick Water Service Establishment Bylaw No. 506, 2017”.

**Read a first and second time this** day of 2017.

**Read a third time this** day of 2017.

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 506 being “Sandwick Water Service Establishment Bylaw No. 506, 2017” as read a third time by the board of the Comox Valley Regional District on the day of 2017.

\_\_\_\_\_  
Corporate Legislative Officer

**Approved by the**  
**Inspector of Municipalities this** day of 2017.

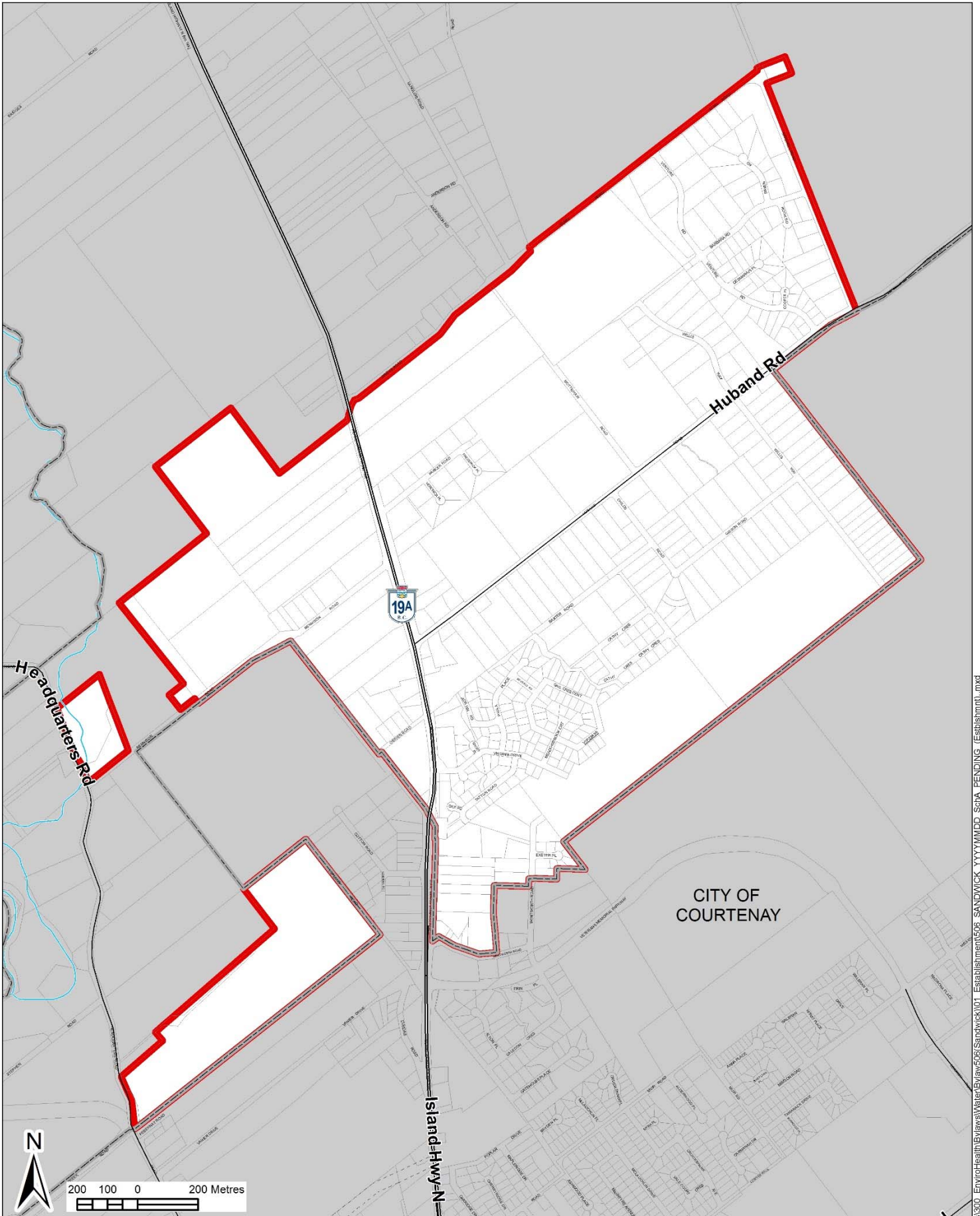
**Adopted this** day of 2018.

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Chair

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Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 506 being “Sandwick Water Service Establishment Bylaw No. 506, 2017” as adopted by the board of the Comox Valley Regional District on the day of 2018.

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Corporate Legislative Officer



**COMOX VALLEY REGIONAL DISTRICT**

**BYLAW NO. 507**

**A bylaw to establish a parcel tax on owners of land in the Sandwich water service area pursuant to section 388 of the *Local Government Act* (RSBC, 2015, c.1)**

**WHEREAS** the Sandwich water service is a service of the Comox Valley Regional District established by Bylaw No. 506 being “Sandwich 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 Sandwich water service to raise funds for capital improvements, asset management and reserve contributions to the system;

**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 Sandwich water service area, which is established by Bylaw No. 506 being “Sandwich Water Service Establishment Bylaw No. 506, 2017” as amended from time to time.
- (b) The Sandwich water service parcel tax roll shall be used for imposition of this parcel tax.
- (c) The parcel tax to be levied in each year is \$1800 per parcel.
- (d) The parcel tax is reduced to one charge of \$1800 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.

**Citation**

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

<b>Read a first and second time this</b>	<b>day of</b>	<b>2017.</b>
<b>Read a third time this</b>	<b>day of</b>	<b>2017.</b>
<b>Adopted this</b>	<b>day of</b>	<b>2018.</b>

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 507 being “Sandwick Water Service Parcel Tax Bylaw No. 507, 2017” as adopted by the board of the Comox Valley Regional District on the                      day of                      2018.

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Corporate Legislative Officer

## 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
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771	00406.000
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771	00409.250
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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

Note: this parcel tax list will be reviewed prior to publication of the November 28, 2017 board agenda to ensure accuracy



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771	00443.000
771	00444.000
771	00445.000
771	00446.000
771	00447.000
771	00448.000
771	00449.000
771	00450.000
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771	00462.068
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771	00462.070
771	00462.071
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771	00462.128
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771	00462.250
771	00462.280
771	00462.300
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771	00469.000

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771	05699.110

## Bylaw Update Requirements

Bylaw No.	Primary Changes	Adoption Process	Current Status
129 (Conversion bylaw)	Include reference to Sandwich water service	Three readings at one board meeting, adoption at following meeting	Adopted on July 25, 2017
190 (Bulk water rates)	Include reference to Sandwich water service	Three readings at one board meeting, adoption at following meeting	Adopted on August 29, 2017
1783 (Comox Valley water supply system service bylaw)	Remove reference to “Sandwich supply during emergency”; include reference to Sandwich water service; remove schedule A; clarify water committee authority to approve or refuse connections	Three readings at one board meeting, council and electoral area director approval, inspector approval, adoption at following meeting	Awaiting consent from Courtenay followed by inspector approval
2866 (Comox Valley Water Systems Regulation, Fees and Charges)	Provide for fees and charges for Sandwich	Three readings at one board meeting, adoption at following meeting	To be brought forward following adoption of service establishment bylaw
506 (Sandwich Water Service Establishment Bylaw)	Establish terms for the services	Three readings at one board meeting, inspector approval, adoption at following meeting	Proposed for board consideration on November 28, 2017
507 (Sandwich Parcel Tax Bylaw)	Establish parcel tax to recover system connection costs	Three readings at one board meeting, adoption at following meeting	Proposed for board consideration on November 28, 2017