

**THE CORPORATION OF THE CITY OF PORT COQUITLAM**

**COMMITTEE MEETING AGENDA**


**October 26th, 1992**

**Item No.**

**Page No.**

**Description of Item**

- |   |  |    |
|---|--|----|
| 1 | City Administrator<br>re: Potential Land Sale - Lane Adjacent to 2266 Pitt River | 1  |
| 2 | City Treasurer - Deputy Administrator<br>re: G.V.R.D. Budget & Long Range Plan   | 5  |
| 3 | City Treasurer - Deputy Administrator<br>re: Utility Rates Multi-Family Units    | 20 |

 → Matthews/Reynolds noted to Council or Committee  
to discuss new policing agreement - enforcement  
of Bylaws - problem in Mary Hill - vehicles

# COMMITTEE

OCT 26 1992

THE CORPORATION OF THE  
CITY OF PORT COQUITLAM

IN COMMITTEE

## MEMORANDUM

TO: Mayor and Councillors

DATE: October 21, 1992

FROM: Bryan R. Kirk  
City Administrator

RE: Potential Land Sale - Lane Adjacent to 2266 Pitt River Road

### PURPOSE:

The purpose of this report is to determine if Council is prepared to sell a portion of lane adjacent to 2266 Pitt River Road as outlined on the attached map.

### BACKGROUND AND COMMENTS:

Should Council agree to consider this potential sale, an appraisal will be obtained.

The registered owners of 2266 Pitt River Road have expressed interest in purchasing this portion of lane.

Attached is a map depicting the property.



Bryan R. Kirk  
City Administrator

/dp  
Att.

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/	/

2266 Pitt River Road  
Port Coquitlam  
British Columbia  
V3C 1N7  
September 11, 1992

City Hall  
2580 Shaughnessy Street  
Port Coquitlam, B.C. V3C 2A8

Attention: Mr B.R. Kirk  
City Administrator.

Dear Sir,

RE: PURCHASE OF PORTION OF LANE

We the registered owners of 2266 Pitt River Road in the City of Port Coquitlam, in the Province of British Columbia, V3C 1R6 hereby express interest to purchase an approximate 12' to 21' portion of lane adjoining our property 2266 Pitt River Road, Port Coquitlam, B.C V3C 1R6.

The portion of proposed portion of lane to be purchased is indicated on the attached plan 21513 in red. Mr Felipe of the planning division in your department indicated to us that this can be done but that we needed to write to you.

Our intention is to create RS2 Zoning thus allowing another house to be built alongside 2266 Pitt River Road, Port Coquitlam, B.C.

Trusting sir, to have the favour of your confidence.

Thanking you most kindly.

Yours truly

  
Eugenie Bruce

  
Marlon Whyte

  
Brian Brereton

(REGISTERED OWNERS)

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21513

Q OF THE SOUTH WEST

9 GROUP 1

STER DISTRICT.

Ref 363225E  
78776E  
200362E  
370653E  
419192E

Deposited in the Land Registry  
Office at New Westminster, B.C.  
This 30<sup>th</sup> Day of March 1960.

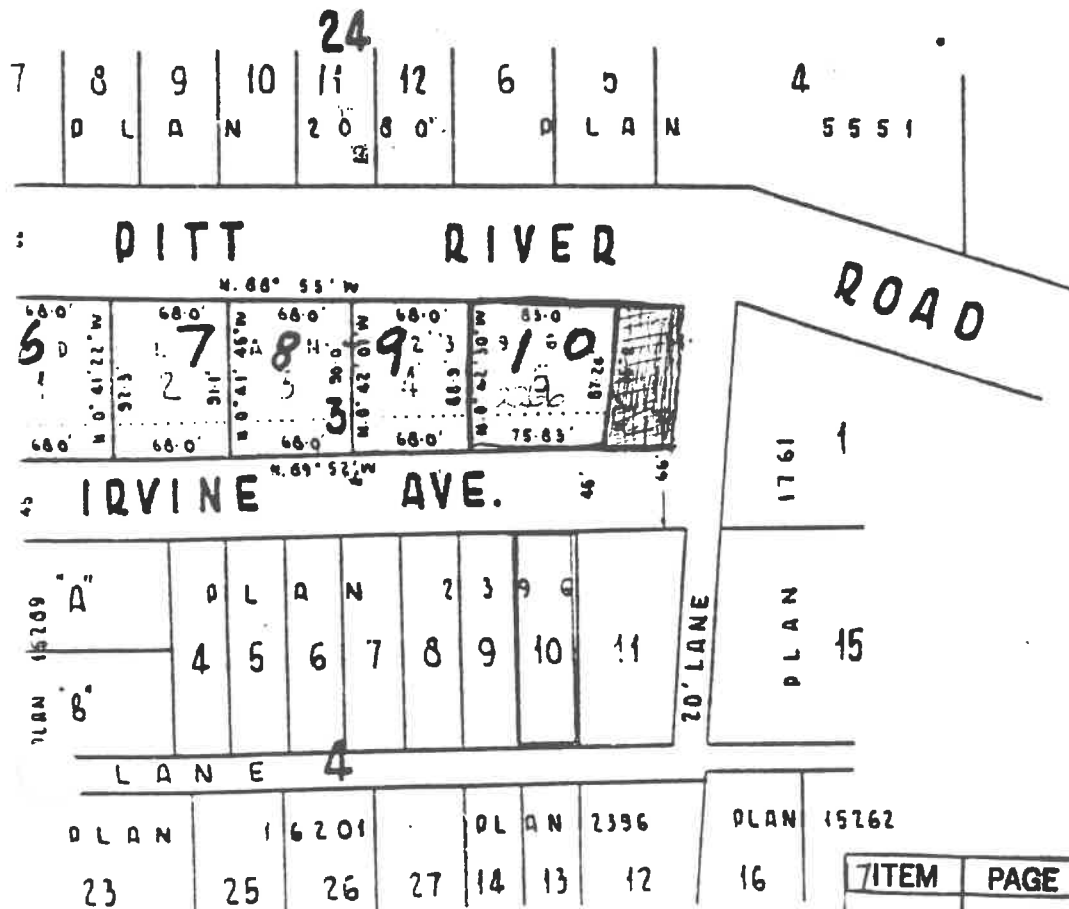
*[Signature]*  
REGISTRAR

BLOCK 3, PLAN 2396,  
JOINING ROAD

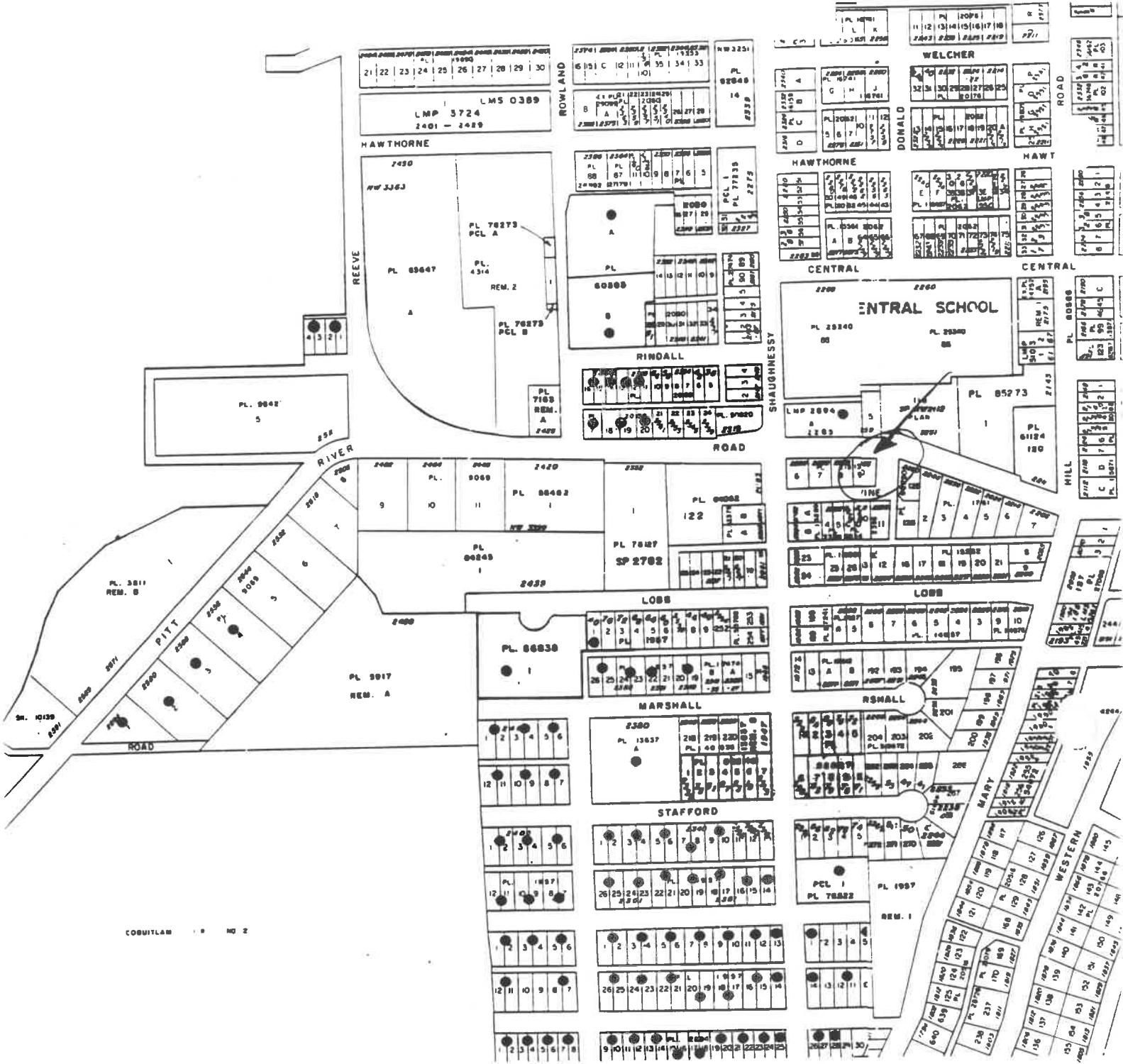
ED NUMBER 50681

100 FEET.

red to meridian of Plan 2396.



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COBUILAM 1:8 NO 2

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OCT 26 1992

## COUNCIL COMMITTEE

### MEMORANDUM

TO: B. Kirk  
City Administrator

FROM: J. Maitland, City Treasurer -  
Deputy Administrator

SUBJECT: G. V. R. D. Budget & Long Range Plan  
FIG October 21, 1992

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DATE: October 22, 1992

### RECOMMENDATIONS:

1. That the City request other G. V. R. D. members to join us in asking the G. V. R. D. to change their budget calendar so that firm information is available to us regarding their next years levies for sewer and drainage, solid waste and water before the end of September in any calendar year.
2. That the G. V. R. D. be requested to attend an open Council meeting to address concerns regarding their capital budget.

### BACKGROUND & COMMENTS:

The Committee reviewed the attached report from the City Treasurer and concurs that better information should be available regarding the G. V. R. D.'s 1993 budget at this time.

The Committee would like to discuss the other items raised in the report in a Council Committee meeting.

  
J. Maitland, City Treasurer -  
Deputy Administrator

JM/ms

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MEMORANDUM

TO: Finance and Intergovernment  
Relations Committee

DATE: October 20, 1992

FROM: J. Maitland, City Treasurer -  
Deputy Administrator

SUBJECT: G. V. R. D. Long Range Plan

RECOMMENDATIONS:

1. That the GVRD be requested to revise their budget calendar so that firm budget information is available to us regarding their next years levies for sewer and drainage, solid waste and water before the end of September in any calendar year.
2. That the GVRD be requested to remove from their capital plan any items identified as "legislated" where there is not legislation in place to support this categorization.
3. That the GVRD be requested to review their operating and capital budget with a view to revising their budget into a more affordable plan.

Attached are copies of the most recent (August 26th) draft GVRD Long Range plan for the Greater Vancouver Sewer and Drainage District, a couple of items of correspondence from Mr. C. Smith, Treasurer of the GVRD regarding our sewerage levy as well as a summary of the expected change in the GVRD levies for 1993.

The following concerns have been raised with the Treasurer of the GVRD and I have invited him to attend our October 26th Council meeting to address these concerns as well as other concerns which Council may have:

*now Nov 2 or 9.*

1. The sewerage district long range plan identifies some \$786 million (reference schedule 1) worth of projects as being "legislated", on inquiry it turns out that some of the programs were included in anticipation of legislation which has not occurred. The projects which are not "legislated" should be viewed as being optional and not included under a misleading title as being legislated.
2. The sewerage district long range plan shows some \$157 million worth of projects required to "Maintain existing levels of service" and further breaks this down into four sub categories being Managed maintenance, replacement, H2S control and rehab and inflow/infiltration reduction. Attached is a brief layman's description of what is contained in each of these sub categories and how this differs from the amount included in the Operations portion of the base budget. While I can understand that most of these items should be done, it is simply not realistic to expect them all to be added in right away, the priority should be picked and the others phased in over a longer period of years.

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3. "Programs to Attain Board Policy" total \$16.5 million. With the sewerage districts levy increasing at a rate in excess of 40% are projects in this category being reviewed?

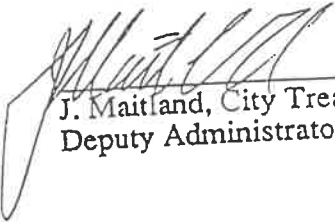
I have some additional concerns which have not been raised with the GVRD:

- Secondary sewerage treatment, there has been some talk and I think I've even seen a report which implied that the public will not be getting very much bang for the buck on this project. Perhaps one of the GVRD engineers should comment on this and if it is true has there been any discussions with the Province regarding the possibility of investing these funds where they would generate the best environmental impact?
- Still with secondary sewerage treatment, I notice that there is no provincial cost sharing shown on the schedule, if any cost sharing is received I assume it will be used to reduce the amount to be borrowed rather than to expand the program. I think the GVRD is attempting to negotiate this with the Province but is reluctant to include expectations in the program.

I understand that the GVRD is presently reviewing the Long Range Plan and the reality that this is not affordable is now hitting home. The GVRD should be encouraged to revise their budgeting process so that clear direction is given from the board prior to the start of the process. This direction should, at the very least, indicate what level of taxation (or fees) will be acceptable.

This year we budgeted for an increase from \$709,000 in 1991 to \$934,000 and the actual GVRD levy came in at \$1,049,000 so there is a shortfall of \$115,000 in our 1992 sewer operation resulting from the GVRD levy increase.

For 1993 the GVRD levy will be somewhere between \$1.169 million and \$1.443 million considering the shortfall in 1992 we must at this point budget for the GVRD levy at the \$1.443 million figure. While we can set our rates based on the higher amount it will result in our residential rates being \$14.50 per year higher than they would otherwise be set. Many other municipalities are in the same position as we are in trying to guess what the GVRD rates will be in order to set our rates for billings early in the new year. In the past this was not as significant as there was some stability in their budgets. We should encourage the GVRD to amend their budget calendar, for at least water, sewer and garbage so that we have firm budget information when it will do us some good, before we set our rates.

  
J. Maitland, City Treasurer -  
Deputy Administrator

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# Change in Regional District levies:

	1992 Levy	1993 Levy 'Full program'	Percentage Increase
Regional District	\$313,000	\$330,000	5.43%
Hospital District	674,000	820,000	21.66%
Sewerage District	1,019,000	1,443,000	41.61%
Solid Waste	793,500	874,412	10.20%
Water	588,000	703,000	19.56%
	\$3,387,500	\$4,170,412	23.11%

# GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT

ESTABLISHED 1914



4330 KINGSWAY  
BURNABY, B.C.  
CANADA V5H 4G8  
PHONE (604) 432-6200  
FAX (604) 432-6251

September 24, 1992

Mr. J. G.S. Maitland  
City Treasurer/Deputy Administrator  
City of Port Coquitlam  
City Hall  
2580 Shaughnessy Street  
Port Coquitlam, B.C.  
V3C 2A8

Dear Mr. Maitland:

RE: 1993 Budget Information

Attached are schedules containing the most recent information available with respect to the sewer and water budget information you had requested. These were prepared from our draft Long Range Plan which was completed in June. Currently my staff are working on a more detailed Provisional Budget, and I am advised we would be able to give an update towards the end of October. The Provisional Budget is scheduled to be submitted to the Board in early December.

There are two significant complications which I must point out to you with respect to these schedules.

The Board has not adopted the Long Range Plan. Concern has been expressed at the level of increases forecast over the next few years, and the Board is attempting to limit the increase of the 1993 tax requisition and user charges over 1992 to 5%. Unfortunately, previous decisions of the Board would result in an increase closer to 11%. The Board recently completed an exercise in prioritization further to meeting this challenge, but made no formal decisions.

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One of the most significant cost drivers is the secondary sewer program. A subcommittee of RAAC has reviewed the principles of cost allocation currently legislated for the Sewer District, and consultants are working on alternatives. The Long Range Plan estimate is based on the existing structure, where the municipalities in the Lulu Island and Fraser sewerage areas would carry the cost of any works in those areas. Any alternative cost allocation process could therefore significantly alter the individual members' requisitions. The timetable given the consultants requires their report in November, so it is possible that the 1993 Final Budget tax requisitions for the Sewer District could be on a different basis.

Should you have any questions, please do not hesitate to contact either myself at 432-6280 or Bob Metcalfe at 436-6830.

Yours truly,



C.E. Smith,  
Treasurer

RYM/eb  
Attach.

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<b>Port Coquitlam GVS &amp; DD levy</b>			
Per Long Range Plan, Schedule 2, p. 41			
	1992	1993	1993
	Final	Adjusted	Full
	Budget	Base	Program
		(\$millions)	
liquid waste	1.017	1.169	1,443,000
solid waste	0.032	*	
Total	1.049	1.169	1.443

\*Long Range Plan proposes for 1993 the transfer of recycling programs to a user surcharge from tax requisition.  
Adjusted Base is cost resulting from inflation and continuation of existing programs.  
Full Program is cost resulting from addition of all new proposed programs.  
1993 estimate does not include provision for any surplus forward from 1992.  
If 1993 surplus of same size as 1992, Pt Coquitlam's costs would be reduced from the 1993 levy above by approximately \$45,000.

#### Port Coquitlam GVWD Water Sales

	1992	1993	1993
	Final	Adjusted	Full
	Budget	Base	Program
		(\$millions)	
Water Sales \$			
Per Long Range Plan, Schedule 2, p. 75			
	0.588	0.630	0.703
Water volume (cubic m)	7,537,000	7,802,413	7,802,413
Water rate (per cubic m)	0.078	0.08	0.09

If 1993 surplus of same size as 1992, Pt Coquitlam's costs would be reduced from the 1993 water sales above by approximately \$4,000.



Greater Vancouver Regional District  
4330 Kingsway, Burnaby, British Columbia, Canada V5H 4G8

Telephone (604) 432-6200  
Fax (604) 432-6251

To: Jim Maitland  
Treasurer  
City of Port Coquitlam

From: Colin E. Smith  
Manager, Finance and Administration

Re: GVS&DD Long Range Plan

In response to your telephone enquiry, I am pleased to send you the attached narrative which was prepared by Mr. Hew McConnell, Manager of Sewerage and Drainage. (In spite of your 2 page caveat, I have sent his full commentary which I think you can readily shorten after reading it).

In terms of your budgeting dilemma, I might add that the figures shown in the Long Range Plan exclude provisions for surplus (5% last year). Given the Board's review of the previously approved programs of which we spoke (and the now expected deferral of items, such as sludge disposal) our current best guestimate of 1993 sewerage expenditures is in the range of  $0.67 \times (100\% - 5\%) \times \$1.443\text{M}$  or  $\$0.9018\text{M}$  for Port Coquitlam. Having said this, I should remind you that RAAC is proceeding with its cost allocation review. It is conceivable that your sewerage charges could decline from the presently projected levels if there is region-wide concurrence on an alternative basis of allocation. Hence, using your 1993 adjusted base figure of  $\$1.169\text{M}$  probably represents the most reasonable projection at this time.

We will be pleased to advise you further as we achieve more certainty on our 1993 projections in October and November.

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Sewerage

NOTES FOR THE 1993 BUDGET PRESENTATION ON SEPTEMBER 4, 1992

The major cost drivers in the 1993 Budget are the programs geared to environmental improvements. However, maintenance and replacement programs remain my top priority, above all, in terms of operating the utility. While the Fraser Sewerage Area made a significant commitment to these programs in 1992, the other Sewerage Areas held back on the understanding that these programs would be phased-in. While many of the new costs for maintenance and replacement in 1993 could be deferred, deferring maintenance and replacement will cost rather than save money both in the near and long terms.

The CSO and Liquid Waste Planning programs in the 1993 Budget are optional, but represent the minimum level I believe practical to comply with the direction given by the Province. In particular, the CSO projects represent low-cost, very high benefit options for system optimization and, arguably, should proceed even if we decide to defer major CSO facilities. It is important to note that the Province has already authorized 50% cost-sharing for the Vancouver Sewerage Area CSO Operational Plan.

A major choice for the Board is the method for sludge disposal. The 1993 Budget assumes that sludge will be used, beneficially, in local landfill rehabilitation projects. We have already completed the project at Coquitlam, and are underway with planning for projects at Burns Bog and Port Mann. If access to these Landfills is not available, the cost for sludge disposal in 1993 would be an additional \$2.1 million over costs presented in the draft 1993 Budget. Alternatively, if all of our sludge were to be treated as a waste and disposed of at Burns Bog within the body of the Landfill then, assuming that tipping fees would be waived, and that only the basic Landfill operating costs would apply, costs in the 1993 Budget could be reduced by about \$1 million. It is important to note, however, that existing Provincial policy precludes the dumping of sludge as a waste in municipal landfills.

Major issues which should be reviewed by the Board in considering the 1993 Budget and Long Range Plan include:

- (a) Should we continue to fund the ongoing facility replacement program from Capital funds, or should it be incorporated into the Operating budget as a pay-as-

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you-go program. This would add about \$8 million to the annual Operating budget.

However, assuming that Capital replacement will proceed at an average of \$8 million per year (1% of total system replacement costs, then, after 10 years, the debt charges on the \$80 million debt will be about \$8 million per year. Therefore, while the Budget must increase over the 10 year period by \$8 million anyway, we will have accumulated an \$80 million debt along the way. Therefore, I believe that a good case can be made to pay-as-we-go for facility replacement.

- (b) What should the method of cost allocation be for sewerage and drainage costs; this issue is being facilitated by the RAAC Committee Task Force with a report to the Board expected later this year.

The following is a brief explanation of the 1993 Sewerage and Drainage Programs:

(1) Approved Programs in Progress -

The 1993 phases of approved programs in progress include completion of the SCADA system and Lions Gate Sludge Dewatering Facility (\$228,000); a significant increase in the Provincial fees for effluent discharges (\$500,000); the 1993 phase of the easement acquisition program (\$165,000); and provision of facilities to handle growth (\$687,000). The provisions for growth cover only the physical facilities which are required to meet increased development. In 1993, estimated capital costs for facilities to handle growth are \$9.3 million; this represents about 1% of the physical value of our infrastructure. It is significant to note that the additional operating costs resulting from growth (power costs for additional flows etc.) are presently absorbed within the Base Operating Budget.

(2) Legislated Programs -

Legislated programs include secondary treatment at Annacis and Lulu Island, low cost, high benefit facilities for reducing combined sewer overflows, and a base level of liquid waste management planning effort to comply with directives from the Province.

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(3) Programs to Maintain Existing Levels of Service -

These programs are geared to keeping our existing facilities in good working order. They represent the second phase of restoring an adequate level of maintenance and replacement for our existing infrastructure. The four main categories of programs are:

- (a) **Managed Maintenance** - These are the basic programs which prevent system breakdown and failure. They include system cleaning, adjustments, and minor repairs and replacement. Level 1 Managed Maintenance programs will address a high likelihood of safety hazard, physical damage, flooding, or avoidance of high future expenditures. Level 2 Managed Maintenance must be done, can be deferred to the following year without serious consequences, but will add to cost increases in subsequent years.
- (b) **Replacement** - These programs are geared to major replacement of sewers, pumping stations, and treatment facilities. Total funding in the 1993 Budget (\$8.5 million) represents about 1% of the replacement cost of our existing infrastructure. Level 1 replacement programs address and high likelihood of safety hazard, physical damage or flooding, or avoidance of high future expenditures. Level 2 replacement must be done, can be deferred to the following year without serious consequences, but will add to cost increases in subsequent years.
- (c) **H<sub>2</sub>S Control and Rehabilitation** - Hydrogen sulphide is a highly toxic and corrosive gas which exists throughout our system. The gas causes rapid, structural deterioration of sewerage facilities and, if left unchecked, will lead to physical failure and collapse. Funds in the 1993 Budget for H<sub>2</sub>S control and rehabilitation represent the 1993 phase of a program that has been ongoing for several years. It represents a minimum level program to address the H<sub>2</sub>S program.
- (d) **Infiltration/Inflow Reduction** - Infiltration and inflow give rise to unwanted stormwater in the sanitary sewer system during rainfall. Higher

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10/05/92 10:00

than normal infiltration and inflow have existed in our system for many years, however, until recently, they have not caused a major problem because they have occupied facility capacity reserved for future growth. However, infiltration and inflow is now being displaced by increased sanitary flows and are causing backups, overflows, and flooding in many areas of our system. Funds in the 1993 Budget are the second phase of a program to identify the source and quantity of infiltration/inflow and to design programs for infiltration/inflow reduction. If these programs do not proceed, there is a high likelihood of increased property damage and flooding as well as the potential for major future expenditures for additional sewerage facilities.

(4) Programs to Attain Board Policy -

This category includes the following programs:

- (a) The Emergency Generator Program (\$450,000) is the 1993 phase of a multi-year program to install standby power in all District pumping stations. This standby power is geared to preventing sewage overflows during power failures.
- (b) The Iona Sludge Hauling and Utilization, Lulu Island Grit Disposal, and Iona Island Grit Disposal Programs are geared to addressing the fact that solids storage on the Iona site is full. The only options for solids handling are either to haul a volume equivalent to the annual sludge production off-site, or to keep piling solids higher on the site. If we keep piling solids higher on the site, it will simply defer the cost of removing sludge from the site to make way for treatment plant expansions or upgrading.
- (c) The Sludge Hauling and Utilization (added cost) Program will only be needed if the District cannot get access to local landfills for beneficial sludge use and recycling.

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GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT  
PROJECTED REVENUE & EXPENDITURE BUDGET SUMMARY  
LONG RANGE PLAN (1992-2000) - ALL AREAS

(Millions of Dollars)

*All in '92 dollars?*

Schedule 1

EXPENDITURES	1992-2000 TOTAL CAPITAL EXPENDITURES	PERCENTAGE OF GRANT	1992 FINAL BUDGET	1993		1994	1995	1996	1997	1998	1999	2000	
				ADJUSTED BASE	FULL PROGRAM								
Total													
Growth & Approved Programs in Progress	130,206	0% - 50%											
Debt Charges			0.901	1,819	2,678	4,975	7,426	9,309	11,275	13,251	15,217	17,180	
Operations			0.610	0.748	0.967	1,095	1,240	1,310	1,351	1,403	1,529	1,655	
			1,511	2,565	3,645	6,070	8,666	10,619	12,626	14,654	16,746	18,835	
Total													
New and Expanded Programs	785,967												
Debt Charges	568,659		1,704	3,410	5,626	13,996	25,268	34,084	38,224	38,669	38,669	38,669	
Operations			0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
			1,704	3,410	5,626	13,996	27,268	37,084	43,224	53,669	53,669	53,669	
Total													
2. Elective Component:			0.000	0.000	0.913	4,180	8,235	11,016	12,213	12,330	12,330	12,330	
Debt Charges			0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Operations			0.000	0.000	0.913	4,180	8,235	11,016	12,213	12,330	12,330	12,330	
Total													
3. Regional Sudge Mgmt.	9,807	50%											
Debt Charges			0.122	0.244	0.564	0.883	0.883	0.883	0.883	0.883	0.883	0.883	
Operations			4.267	4.268	4.268	4.362	4.458	5.745	6.280	6.434	6.591	6.754	
			4,389	4,512	4,832	5,245	5,341	6,628	7,163	7,317	7,474	7,637	
Total													
4. Regional Sudge Mgmt.	200,501		0.214	0.427	0.569	1,476	3,393	5,895	8,595	11,295	13,995	16,695	
Debt Charges			0.322	0.250	0.433	0.458	0.782	1,094	1,454	1,814	2,174	2,534	
Operations			0.536	0.677	1,002	1,934	4,175	6,989	10,049	13,109	16,165	19,229	
Total													
5. LHMV	9,000	0%											
Debt Charges			0.046	0.090	0.136	0.225	0.315	0.405	0.495	0.586	0.675	0.766	
Operations			0.722	0.160	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001	
			0,768	0,190	1,137	1,226	1,316	1,406	1,496	1,587	1,676	1,767	
Total													
Subtotal Debt Charges			2,085	4,171	7,808	20,760	38,094	52,283	60,410	63,763	66,552	69,343	
Subtotal Operations			5,189	4,618	5,702	5,821	8,241	10,840	13,735	14,249	15,289	16,332	
			7,275	8,789	13,510	26,581	46,335	63,123	74,145	78,012	81,841	85,675	

## Schedule 1 (Cont'd)

(Millions of Dollars)

1992-2000 TOTAL CAPITAL EXPENDITURES		PERCENTAGE OF GRANT	1992 FINAL BUDGET	1993		1994-1998							1999	2000
				ADJUSTED BASE	FULL PROGRAM	1994	1995	1996	1997	1998	1999	2000		
<b>1993</b>														
156,045														
27,168														
0% - 25%														
0.335														
2,090														
2,425														
0.668														
2,668														
3,336														
0.935														
4,724														
6,242														
7,011														
5,155														
7,747														
8,305														
8,810														
9,270														
9,635														
66,955														
25%														
0.479														
1,242														
2,616														
3,785														
4,824														
5,773														
6,687														
7,593														
8,511														
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**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT**  
**PROJECTED MEMBERS' TAX LEVIES**  
 (Excluding financing under Section 7(2))  
**LONG RANGE PLAN (1992-2000)**

(Millions of Dollars)

Schedule 2

	1992 FINAL BUDGET	1993 ADJUSTED BASE	FULL PROGRAM	1994	1995	1996	1997	1998	1999	2000
DISTRICT OF BURNABY	6.484	7.510	9.170	12.010	15.303	18.243	21.012	24.182	25.323	26.404
DISTRICT OF COQUITLAM	2.767	3.203	3.926	5.310	6.912	8.324	9.624	11.148	11.618	12.097
CORPORATION OF DELTA	3.080	3.537	4.360	5.931	7.753	9.365	10.850	12.592	13.128	13.678
CITY OF LANGLEY	0.636	0.731	0.902	1.228	1.606	1.941	2.249	2.611	2.722	2.836
DISTRICT OF LANGLEY	1.393	1.600	1.968	2.671	3.486	4.207	4.871	5.650	5.890	6.136
DISTRICT OF MAPLE RIDGE	1.571	1.739	1.987	2.459	3.007	3.492	3.938	4.462	4.623	4.789
CITY OF NEW WESTMINSTER	1.868	2.018	2.450	3.275	4.233	5.078	5.857	6.771	7.052	7.340
CITY OF NORTH VANCOUVER	1.078	1.212	1.421	1.805	1.850	2.050	2.163	2.181	2.273	2.353
DIST OF NORTH VANCOUVER	1.774	1.994	2.339	2.642	3.044	3.374	3.559	3.589	3.741	3.871
DISTRICT OF PITT MEADOWS	0.313	0.347	0.396	0.490	0.599	0.695	0.784	0.888	0.920	0.953
CITY OF PORT COQUITLAM	1.019	1.169	1.443	1.965	2.570	3.105	3.598	4.176	4.354	4.537
CITY OF PORT MOODY	0.722	0.840	1.014	1.344	1.724	2.061	2.372	2.736	2.848	2.963
TOWNSHIP OF RICHMOND	3.907	3.751	5.119	9.017	15.524	19.943	20.275	20.622	20.908	21.160
DISTRICT OF SURREY	6.702	7.696	9.493	12.923	16.901	20.420	23.662	27.464	28.634	29.835
UNIVERSITY ENDOWMENT LANDS	0.103	0.109	0.134	0.147	0.164	0.186	0.212	0.238	0.258	0.274
CITY OF VANCOUVER	15.531	16.405	20.176	22.235	24.900	28.327	32.353	36.239	39.313	41.787
DISTRICT OF WEST VANCOUVER	1.763	1.892	2.219	2.506	2.888	3.201	3.376	3.405	3.549	3.673
CITY OF WHITE ROCK	0.534	0.613	0.757	1.031	1.348	1.629	1.887	2.191	2.284	2.380
<b>TOTAL LEVY</b>	<b>51.246</b>	<b>56.366</b>	<b>69.274</b>	<b>88.789</b>	<b>113.812</b>	<b>135.641</b>	<b>152.642</b>	<b>171.145</b>	<b>179.438</b>	<b>187.066</b>

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OCT 26 1992

COUNCIL COMMITTEE

MEMORANDUM

TO: B. Kirk  
City Administrator

FROM: J. Maitland, City Treasurer -  
Deputy Administrator

SUBJECT: Utility Rates Multi-Family Units  
FIG Committee October 21, 1992

DATE: October 22, 1992

RECOMMENDATION:

That the City maintain the existing policy of charging all residential units at the same rate for the supply of water and sewer services.

BACKGROUND & COMMENTS:

Following our last years billing a request was received from Councillor Keryluk to consider changing our billing process to charge a lesser rate for multi-family units similar to the rate structure available in some other municipalities.

The Committee reviewed the attached survey which indicates that while there are a fair number of municipalities which give lesser rates to multi-family units, there at least an equal number that charge as we do.

In 1992 our water rate (after prompt payment discount) was \$108 per unit. If we were to set the multi-family rate at 80% of the single family rate our rates would have been \$113.70 for single family and \$91.00 for multi-family.

The Committee recognizes that the only truly fair method of charging for the supply of water (see attached articles from Municipal World and The Province) is by installing individual meters and charging each customer according to their actual use. The Committee is not recommending this be done as the capital cost of the meters and the ongoing cost of maintaining the meters as well as reading the meters is at this time too costly. Ball-park cost of installing 10,000 meters would be somewhere between \$2.5 and \$4.0 million.

Our present rate structure was established on the basis that each family unit benefits equally from the supply of water therefore each family unit should pay an equal amount for this service.

  
J. Maitland, City Treasurer -  
Deputy Administrator

JM/ms

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Municipality	Sewer fee			Water fee		
	Single Fam Rate	Townhouse Rate	Apartment Rate	Single Fam Rate	Townhouse Rate	Apartment Rate
Mission	\$202.80	\$202.80	\$174.00	\$168.60	\$168.60	\$144.00
White Rock	\$75.00	\$75.00	\$75.00	Private contractor		
Oak Bay				Metered		
Langley Township	\$124.60	\$124.60	\$124.60	\$98.85	\$98.85	\$98.85
Victoria	Based on water usage			Metered		
North Van City	\$81.00	\$65.00	\$65.00	\$100.00	\$87.00	\$87.00
Maple Ridge	\$100.00	\$100.00	\$70.00	\$67.00	\$67.00	\$67.00
Port Moody	\$103.00	\$103.00	\$103.00	\$92.00	\$92.00	\$92.00
Richmond	\$66.00	\$66.00	\$66.00	\$120.00	\$120.00	\$120.00
Richmond SINGLE	\$49.00	\$49.00	\$49.00	\$75.00	\$75.00	\$75.00
West Vancouver	\$99.00	\$90.00	\$90.00	\$133.00	\$133.00	\$133.00
Coquitlam	\$126.00	\$126.00	\$126.00	\$92.00	\$92.00	\$92.00
Langley City	\$132.68	\$132.68	\$132.68	\$116.18	\$116.18	\$116.18
Port Coquitlam	\$121.50	\$121.50	\$121.50	\$108.00	\$108.00	\$108.00

matter is an urgent one, then it can be heard on 10 days notice by a single judge.<sup>4</sup> If it is not urgent, then it is heard by what is historically referred to as the Divisional Court, which may take months to get an appointment. If the court orders the Minister to refer the matter, and this Order is not appealed, then the Minister must do so, and the matter is then in the hands of the Board. Until the Board receives the actual referral, it does not have the statutory authority to determine the matter.

As mentioned earlier, the exact wording of the various provisions of the Act differ slightly from one another. Without going into a detailed legal analysis, the Minister's discretion is wider when a private application to amend the official plan is being considered, and the council has neglected to make a timely decision.<sup>5</sup> In every other case, notwithstanding small variations in wording, the Minister *must* refer the matter upon request unless the Minister feels it is frivolous, vexatious, made in bad faith or for the purpose of delay.<sup>6</sup> With respect to a private official plan amendment (OPA) request, the legislation allows the Minister the option to deny the request outright upon providing a written explanation for the refusal. This option is not available to the Minister with respect to OPAs which have been adopted by the municipality and merely await the Minister's approval, or for plans of subdivision or consent applications.

I am aware of a few such court applications. In some recent examples, the government<sup>7</sup> chose not to defend against the application, but rather to refer the matter to the Board upon being served with the relevant court documentation. While this achieves the desired results, it leaves the applicant with a legal bill to pay and wondering why this drastic action was required to force the Minister's hand in the first place.

I believe that the Ministry is reluctant to challenge these applications for fear of having the court set a dangerous precedent against their interest. Were someone to bring an application dealing with a private official plan amendment for which no municipal decision has been made, I believe that the Minister would chose to challenge this case, which arguably, represents their strongest position.

At this point there have not been enough developers and/or municipalities who have taken the Minister to court in order to charge the Ministry's practise. As a result, the Minister continues to delay certain referral requests. For those developers who take the trouble of going to court, time will tell if one trip is enough, or if they will be required to do this every time their request is not processed in a timely manner. And, while it is very rare for the courts to order the Minister to pay the applicants' costs of such a challenge, the court might well see its way clear to doing just that, if the applicants are required to surmount these hurdles too often.

drywall to accommodate wiring, but not under force of a by-law. Instead, the municipal council of Aurora had decided to charge homeowners who refused the meters one-and-a-half times the going water rate.

TSH project co-ordinator Dave Slessor said the absence of a by-law put a heavier burden on the TSH team to persuade homeowners to accept the meters and the consequent changes to their homes. "Charm or whatever got us there," Slessor said. "We were selling the job to the people, explaining the benefits, as we went door-to-door. I think we did a heck of a job gaining the public's support."

In fact, approximately 60 houses remain without meters, and some of those could not be done for technical reasons. Consulting project manager Brian Parr assessed the houses before an installation crew would arrive. In some cases, the engineer decided the age of a house made metering unwise.

"The installation program went very smoothly," said CAO Currier. "There was very little negative reaction. The consultants were very diplomatic in their dealings with the homeowners and the contractor went out of his way to make sure residents were satisfied."


While most of the residents of Aurora came to accept the contractor and consultants' presence, the watchdogs of the community were another matter. One inspector working for the consultants now sports the imprint of canine tooth marks on his left hand; another student inspector sent a pooch flying through the air after the dog had latched on to his pant leg and project manager Parr came perilously close to scrapping with a large dog whose owner had decided to send Bruno out first and ask questions later.

With the job done, Currier is confident the town and residents concerned about conservation will reap benefits from water metering. The new 35-cent charge per cubic meter of water consumed will result in the average Aurora resident paying about \$139 a year for water. As of January 1, 1992, sewer rates will also be tied to water consumption. Homeowners now pay for sewage use through their annual tax bill.

Currier said the vast majority of Aurora residents recognize that the user-pay principle for water consumption "is something that was well overdue" in Aurora and across Ontario.



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4 Judicial Review Procedure Act, R.S.O. 1980, c. 224, s. 6; R.S.O. 1990, c. J.1, s. 6.  
5 Planning Act, 1983, S.O. 1983, c. 1, s. 22 (3); R.S.O. 1990, c. J.1, s. 22 (3).

## Liquid sunshine at a price

### Rude awakening for water hogs on the Wet Coast

**W**e're water pigs here in B.C. Canadians use an incredible 4,000 litres (880 gallons) of water each a day, more than anyone in the world outside the United States.

And we in B.C., particularly the Lower Mainland, use — and waste — more than anyone else in the country. But then why shouldn't we? Water is plentiful and cheaper than ... um ... dirt. Lower Mainland households pay less every month for water than they do for cable television.

Look at it this way. We pay less than 60 cents for a cubic metre — the standard measurement — of water. A cubic metre of Coca-Cola would likely run in the neighborhood of \$1,000.

Blessed with what seems to be unlimited — and virtually free — water, it's no wonder we rarely thought about it. Then this summer, drought and subsequent watering restrictions rudely reminded us that water is a resource, like electricity and fuel.

And very soon, water will be treated like electricity and fuel by those who provide it to us. In short, we're going to have to start paying for the stuff.

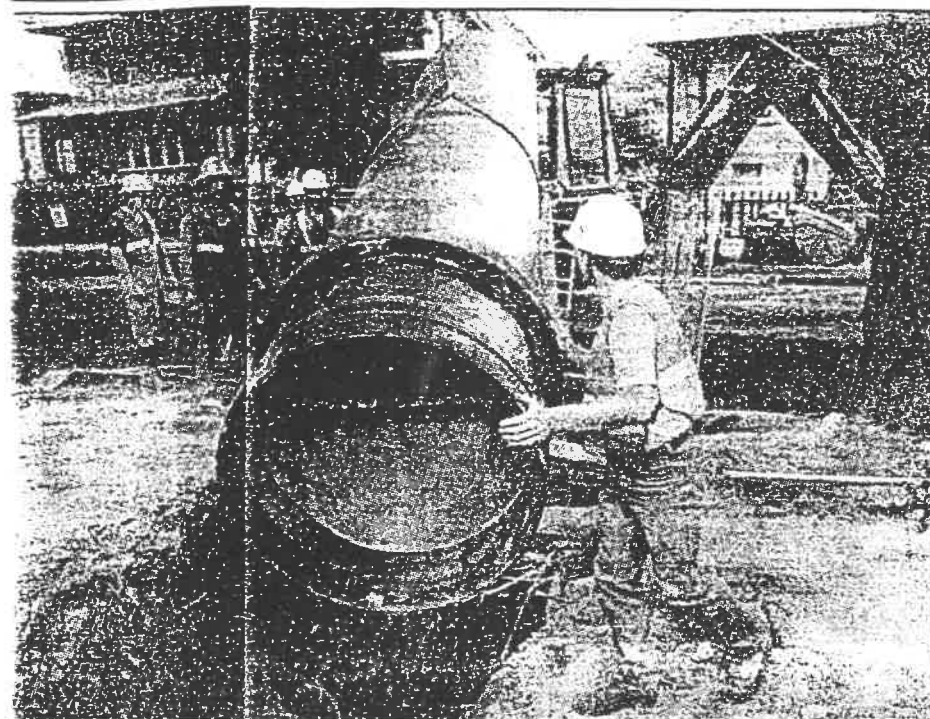
And, we'll also be encouraged to start conserving it. We're such water pigs that the Lower Mainland's water system is being stretched to its limit at peak-use periods and needs some expensive upgrading, if we're to continue receiving the same amount of good-quality water.

With that in mind, SundayMoney today looks at water, the resource we all take for granted here on the Wet Coast.

We'll examine work that needs to be done on the system and estimate some cost increases everyone will face soon.

We'll look at a unique conservation program in the Okanagan and see what industry — among the biggest users of water — can do to cut back.

We'll also show individual homeowners how to cut their water use and save some money in the long run, and we'll look at a trend that's becoming increasingly common — private water supply.



Overhauling of existing supply systems is required to guarantee water quality and delivery.

Staff photo by Greg Osadchuk

# Rates to rise

## Residents do not pay 'real' cost of water

Stories by Tony Wanless  
Business Reporter

We don't think much about water here in the Lower Mainland. But we're about to, because the reality is that, starting soon, we're going to have to start paying more for our water. Most Lower Mainland households pay an average of about \$130 a year for water, which is as always been plentiful and relatively sure. On the scale of water rates around North America, that's absurdly cheap.

And, what's worse, most of us have no idea that we're even paying that much, because we're not billed for water. For most homeowners, water costs — determined by a flat rate that disregards usage — are included in their yearly tax bill. Apartment dwellers pay for their water in their rent.



DOBROVOLSKY

But the day is coming when water won't be as ridiculously cheap as it has been. Municipalities around the Lower Mainland have to make some major capital expenditures to guarantee water quality and delivery, and someone has to pay for it.

"We're just not paying the real cost of water right now," says Jerry Dobrovolsky, Vancouver's assistant waterworks engineer.

While the city's benefited from "a very good infrastructure" built many years ago, "we're not replacing that infrastructure as fast as we should be," he says.

"Water is cheap right now, but the price is rising," says Tom Heath, administrator of plant operations with the water arm of the Greater Vancouver Regional District. "We have plenty, enough to supply three million people, but we have to spend a lot of dollars to improve old structures such as dams and to guarantee water standards meet higher expectations."

The GVRD, which gets the water from three sources around the Lower Mainland, treats it and then sells it wholesale to participating municipalities.

And an improvement program that is likely to cost a minimum of \$100 million means that wholesale price will likely at least double by the end of this decade. Municipalities will then pass the extra cost on to taxpayers, while at the same time piggybacking costs of their own improvement

programs.

Next month Vancouver city council will study a proposal to carry out an ambitious program of water-system upgrading that could, when coupled with increased GVRD costs, mean significant increases in residential water rates.

The city wants to move now to increase replacement of much of its aging 1,300 kilometres of water piping. It also wants to build a reservoir to increase capacity and provide better fire protection.

If council approves the entire upgrading regime, residential water rates are projected to increase from the current \$135 a year to \$362 a year by the year 2000.

A step to cutting some of these costs is conservation. This summer's lawn-sprinkling ban proved that conservation can be undertaken relatively easily.

The most severe method of enforcing conservation is to meter all water users individually.

But in Vancouver, as in most other municipalities in the Lower Mainland, the high cost of installing individual meters makes the move uneconomical.

Instead, Vancouver is planning to launch a public education program to encourage water conservation, targeting schools and other public areas to deliver the save-water message.

It's also looking at starting a retrofitting program, to help homeowners install water-saving devices.

# Hot savings from laundry

## Hotel stops cash going up in steam

The Hotel Vancouver never set out to stop wasting water.

It was motivated more by an environmental spirit a couple of years ago that overtook its parent chain, Canadian Pacific Hotels, which embarked on a pervasive recycling and waste-management program.

By going green, however, the venerable downtown Vancouver hotel also stopped being a water pig and discovered big savings at the same time.

Yet it's one of the few large commercial enterprises in the city that has bothered controlling its water use. Most industries have been lulled into inaction by absurdly cheap water rates — rates that already are starting to increase as the city moves from a declining block-rate structure (the more you use, the less you pay) to an escalating one (use more, pay more).

The Hotel Vancouver initially attacked its water use through the usual methods. It installed flow restrictors in showers and water taps throughout the building. It also is progressively replacing high-volume toilets with low-use appliances.

But the big savings for the hotel came in its laundry facility, which processes the thousands of kilograms of laundry generated daily by itself and its sister hotel, the Waterfront Centre.

By installing 82 steam guards, or traps, in the facility and reusing the steam for other purposes, the hotel saved not only on steam (or water) costs, but also showed significant energy savings. All the hotel's energy-conservation methods earned it a hefty rebate from B.C. Hydro's PowerSmart conservation program.

"We went to a new type of steam trap in the laundry," says Tony Dewald, the hotel's assistant building-maintenance supervisor. "We recover the condensate, or hot water, from the traps and use it as a pre-heat for our domestic water."

The savings on steam costs have been significant, Dewald says. The hotel buys its steam from a private supplier, which in turn pays for the water used to make it. Routinely, the hotel has been cutting \$5,000 from its \$30,000-a-month steam bill.

The new system also has helped the hotel cut its laundry costs, from nine cents a kilogram (4 1/2 cents a pound) to less than that.

The hotel's program is going to be adopted soon by other companies, predicts environmental consultant David Van Seters, who is vice-president of KPMG Environmental Services Inc.

"There's no incentive for industry to stop wasting water at today's low water prices," he says. "But those prices are going to go up, tremendously, if we follow other jurisdictions."

"The time to deal with it is now, especially if you're building something new. It doesn't have to involve big things. You can achieve significant water savings by a lot of little, incremental steps."



Staff photo by Rick Loughran

Tony Dewald amid the Hotel Vancouver's piles of laundry.

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## SUNDAY MONEY



Province photo by Darren Handshuh

Eric Jackson with water-saving devices for Vernon residents.

# A tab on the tap

## Vernon puts meters in every home

The city of Vernon doesn't have a water-supply problem — yet. But a booming population suggests it will. And an increased difficulty in delivering water means rising costs.

So the Okanagan city is acting now.

It's in the middle of an aggressive water-conservation program that is unique in Western Canada, where water has always been considered plentiful and cheap.

Vernon is the first city in B.C. to install water meters in every home. And it's installing energy-saving devices in all homes at the same time so that ordinary water consumption will be drastically reduced.

"We've had a kind of water conservation program for some

time, mostly to cut back on the wastewater flow because we put all our water waste on the land," says Eric Jackson, Vernon's environmental superintendent. "But we've gone to the more intensive program because we worried about maintaining our water supply in the face of our population growth."

There's no doubt Vernon's new program is intense — and expensive. But it already is showing savings and likely will mean more in the future, Jackson says.

Under the program, the city installs a water meter in each house, ensuring that homeowners are aware of just how much water they use. At the same time, it is helping cut water use by installing water-saving valves in thousands of private toilets, putting in thousands more low-flow shower heads and kitchen and bathroom tap aerators, which cut water flow by 25 per cent.

In all, the metering and retrofitting program is costing \$1.3 million. But that's nothing compared to the savings, Jackson says.

"For every dollar we are spending now, we're saving \$3 in deferred capital expenditures. We expect to

save \$4 million by extending the life of the existing water supply system and we're also saving by reducing our wastewater flow by 10 per cent."

Individual water metering is by far the most controversial part of the program and has been rejected by most other municipalities because of the large costs involved. But Vernon felt that metering was the fairest way to set water rates for homeowners.

"Flat (water) rates don't promote water conservation," Jackson says. "We wanted to set our rates at slightly higher than they are now but ensure that heavy water use pay for that use."

"And the cost benefits of metering are dramatic. We're projecting, conservatively, that we'll save 2 per cent by metering."

As well as hitting water pigs in the pocketbook through metering, the city has undertaken an active conservation education program that includes public discussions, water, a regular water column in the newspaper and school visits to teach water-saving habits to students.

# City teaches conservation

## Common sense key to cutbacks

Chances are you don't think much about what comes out of your taps or goes down your toilet every day. But you're soon going to be hearing a lot more about it.

And you're going to be encouraged to start conserving water.

It will only make sense.

Water costs in the Lower Mainland, which has some of the cheapest water in Canada, are going up — possibly tripling in Vancouver by the end of the decade.

With that in mind, Vancouver is starting a water-conservation education program soon as part of a concerted effort to reduce the one-billion-plus litres we use in the region every day.

Other municipalities are also thinking

about it.

In most cases, the conservation measures will be easy, cheap and relatively unnoticeable.

Twenty-seven per cent of household water use, for example, goes for washing, laundering and bathing.

A quarter of all water in the home is used to flush toilets.

Laundry and dish washing take up 31 per cent.

With that in mind, some water-saving tips you're likely to hear a lot about include:

■ **Fix leaking taps** — A dripping tap can waste 36,000 litres (8,000 gallons) of water a year. Save money by putting in a new washer.

■ **Put dams in all toilet tanks** — A toilet can use up to 20 litres of water in every flush. Dams can cut up to a third of that without really affecting the flush.

■ **And don't use bricks.** They erode in the tank.

■ **Check toilets for leaks** — You can put a drop of dye or food coloring in a tank and

see if it leaks into a bowl.

Leaks can use a lot of water over a year.

■ **Install low-flow showerheads** — They're cheap and can cut the flow from an astonishing 30 litres a minute by two-thirds without really affecting the shower.

■ **Install aerators or flow restrictors on faucets** — They cost only a few bucks but can cut in half the normal faucet delivery of 11 to 13 litres per minute.

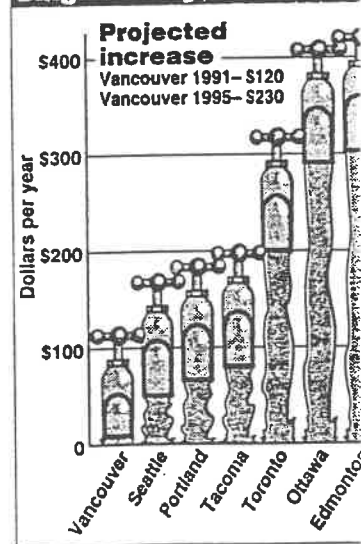
■ **Be water smart** — Don't leave the water running while you brush your teeth or shave. Put a jug of water in the fridge to cool it, rather than running a tap.

■ **Sweep your driveway instead of hosing it off.**

■ **Don't drown your lawn** — Use common sense and only sprinkle enough to put about 2.5 centimetres (an inch) of water on your lawn each week. Sprinkle early in the morning or at night when the water won't evaporate.

Better yet, don't even bother sprinkling. Your lawn likely doesn't need it anyway.

## Single family water rates



Staff graphic by Richard Jor