

Report

Date	February 21, 2024	File: 3900-50Fee
Subject	Fees and Charges Amendment Bylaw No. 3954, and Sewer and Parcel Tax Amendment Bylaw No. 3955 for first three readings	

PURPOSE

To introduce:

- (1) Fees and Charges Amendment Bylaw No. 3954, 2024, which proposes to increase excess metered water rates, interment fees, and administrative fees, and to update some of the wording in the development application fees section; and,
- (2) Sewer and Water Parcel Tax Amendment Bylaw No. 3955, 2024, which proposes to increase sewer parcel taxes for Chemainus, Crofton, and South End sewer services and increase water parcel taxes for Chemainus and South End water services.

BACKGROUND

In accordance with section 8 of the Fees and Charges Bylaw, Council must review the fees and charges on an annual basis to ensure they are sufficient to offset their associated service-delivery costs.

At the January 9, 2024, Committee of the Whole meeting, the following resolution was passed:

"THAT the Committee of the Whole direct staff to prepare the Five-Year Financial Plan Bylaw, a Fees and Charges Amendment Bylaw and a Water and Sewer Parcel Tax Amendment Bylaw to:

- a. Increase Chemainus water parcel tax by 6% per year for ten years;*
- b. Increase South End water parcel tax by 7% per year for ten years;*
- c. Increase Chemainus sewer parcel tax by 4% per year for ten years;*
- d. Increase Crofton sewer parcel tax by 6% per year for ten years;*
- e. Increase South End sewer parcel tax by 7% per year for ten years; and*
- f. Increase metered water rates (amounts over minimum) for all water utility systems by 6% in 2024 and an additional 0.5% per year thereafter for nine years."*

DISCUSSION

In addition to the direction from Council to increase the water and sewer parcel taxes and excess metered water rates noted above, staff reviewed the other line items in the Fees and Charges Bylaw and recommend updating Administration Fees, Development and Permitting Fees, and Interment Fees as follows:

- Schedule A – Administration Fees (*Section 2, Miscellaneous Fees*)
 - Credit card payments will now be accepted for property taxes and all fees found in the Fees and Charges Bylaw. To offset the credit card user fees that credit card companies charge, a convenience fee of 2.75% on credit card transactions was added as Item 1.
 - Item 9, NSF Cheque, has been increased from \$17.50 to \$20.00.
 - Item 16, Property Tax Notice – for owner, has been increased from \$0 to \$1.
 - Item 18, Tax Certificate – owner – current year, has been increased from \$0 to \$1.

- The wording of some items listed under the Description column was updated for clarity.
- Schedule C – Development and Permitting Fees (*Section 2, Engineering Fees*)
 - Item 30, Waste Collection – Tri-annual per dwelling unit, has been adjusted to show the tri-annual amount of \$51 rather than the annual amount of \$153 for better transparency, ease of billing, and to be consistent with how the Water and Sewer Use Fees are presented in the bylaw.
 - Item 31, Waste Collection – Extra residential garbage container tag, has been increased from \$3 to \$4.
 - Item 32, Waste Collection – Recycling bag, has been increased from \$2 to \$3.
 - Item 39, Waste Collection – Recycling sticker, has been added: \$1.
- Schedule C – Development and Permitting Fees (*Section 3, Development Application Fees*)
 - The wording in section 1 has been updated to reflect the current Agricultural Land Reserve application process.
 - The wording in sections 2 – 5 has been updated to provide greater clarity for the public and staff when collecting fees associated with the Official Community Plan (OCP) and Zoning Amendments.
 - The wording in item 3 of the table has been changed to reflect public notification, which carries most of the cost implications, whether it is to advertise holding a public hearing or not holding a public hearing.
 - The wording in item 4 of the table has been changed to be a 'Public Hearing Surcharge' and the surcharge amount decreased from \$2,000 to \$500. This reflects only the cost of holding the public hearing event and not any associated notification, which is now captured under item 3.
 - The wording in items 13 – 15 of the table has been updated to provide greater clarity for the public and staff when collecting fees for Development Permit Areas. The fee amounts were not changed.
 - Items 18 – 20 have been updated to reflect the reorganization and renumbering of development permit areas that occurred with adopting the OCP.
- Schedule C – Development and Permitting Fees (*Section 8, Water Fees*)
 - The excess consumption rates listed under items 16 and 17 have been updated to reflect the direction from the Committee of the Whole on January 9, 2024, to increase metered water rates (amounts over minimum) for all water utility systems by 6% in 2024 and an additional 0.5% per year thereafter...
- Schedule C – Development and Permitting Fees (*Section 7, Sewer Fees*)
 - The sewer fee amounts **were not changed** but adjusted to show tri-annual and/or quarterly amounts. This provides greater transparency to residents, is easier for billing purposes, and is consistent with how the Water Use Fees are presented in the bylaw.
- Schedule D – Interment Fees (*Section 1, Cemetery Fees*)
 - Item 14, Burial for Adult, has been increased from \$1,621 to \$2,021 due to increased expenses we incur from our contractor.
 - Item 16, Burial for Child, has been increased from \$793 to \$1,193 due to increased expenses we incur from our contractor.

In addition to the above-noted schedule updates, the wording of sections 7.1 and 12 of the bylaw has been replaced to provide more clarity. Section 13 has been deleted as the dates have passed, so it is no longer relevant.

The rates included in the attached Sewer and Water Parcel Tax Amendment Bylaw No. 3955, 2024 reflect the direction from the Committee of the Whole on January 9, 2024.

OPTIONS

1. **(Recommended Option)** THAT Council:

- (1) Give first, second, and third readings to Fees and Charges Amendment Bylaw No. 3954, 2024; and,
 - (2) Give first, second, and third readings to Sewer and Water Parcel Tax Amendment Bylaw No. 3955, 2024.
- *This option is consistent with the previous direction given by Council and the requirement set by bylaw to review the fees and charges annually.*

2. This alternative option would be to refer the Fee and Charges Amendment Bylaw to the Committee of the Whole for further discussion and consider just the Sewer and Water Parcel Tax Amendment Bylaw for first three readings at this time.

THAT Council:

- (1) Refer Fees and Charges Amendment Bylaw No. 3954, 2024, to Committee of the Whole for further discussion; and,
 - (2) Give first, second, and third readings to Sewer and Water Parcel Tax Amendment Bylaw No. 3955, 2024.
- *If Council chooses this option, any changes to the Fees and Charges Amendment Bylaw amounts should not be made arbitrarily as North Cowichan must make available to the public, if requested, a report on how the fee was determined in accordance with s.194 of the Community Charter. A fee should be sufficient to recover the costs of a service and ensure its future sustainability. They are generally applied on a user-pay basis, so only those who benefit from the service assume the fee.*
 - *The Sewer and Water Parcel Tax Amendment Bylaw includes rates approved during budget deliberations. It ensures sufficient revenues will be collected in 2024 and beyond to meet those set in 2024-2028 Financial Plan Bylaw No. 3953. Should Council wish to make changes, an amendment to 2024-2028 Financial Plan Bylaw No. 3953 will be required.*

IMPLICATIONS

The bylaws presented to Council for consideration include the amounts that the Committee of the Whole directed staff to apply to ensure the utilities meet the revenue targets needed for 2024 operating and capital and ensure the fees we collect are sufficient to offset their associated service-delivery costs.

RECOMMENDATION

THAT Council:

- (1) Give first, second, and third readings to Fees and Charges Amendment Bylaw No. 3954, 2024; and,
- (2) Give first, second, and third readings to Sewer and Water Parcel Tax Amendment Bylaw No. 3955, 2024.

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Attachments:

- (1) Fees and Charges Amendment Bylaw No. 3954, 2024
- (2) Sewer and Water Parcel Tax Amendment Bylaw No. 3955, 2024