



**Date:** 04/04/2018

## **MEMORANDUM**

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**To:** Chair and Directors, Cariboo Regional District Board  
**And To:** John MacLean, Chief Administrative Officer  
**From:** Peter Hughes, Manager of Environmental Services  
**Date of Meeting:** Committee of the Whole\_Apr12\_2018  
**File:** 5210-01  
**Subject:** Utility Billing

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### **Item for Discussion:**

In the past year there have been instances where taxpayers within a utility service area, specifically the Red Bluff Sewer System, have argued that the annual billing should not apply because the lot is either vacant or the structures on the lot are not occupied. One complainant has contacted the Electoral Area Director to express their displeasure more than once. Staff wish to clarify interpretation of the current bylaw(s) with respect to this issue, and suggest potential options to remedy this situation.

### **Background:**

There are inconsistencies in the wording of the various management bylaws for the sewer utility systems.

For example, CRD Management Bylaw 5059 for the Red Bluff/Dragon Lake sewer system under Section 6.0 Requirement to Connect states:

*“Each parcel within the local service area upon which exists an occupied structure or a structure fit for occupation containing a group of plumbing fixtures and which is capable of connection shall connect to the sewer utility. In the event that such parcel shall not connect to the sewer utility, the owner shall nonetheless pay the user fees that would apply if the parcel were so connected.*”

*All parcels within the local service area shall be deemed to be connected for the purpose of the payment of user fees, effective upon the date of adoption of this bylaw.”*

Staff have interpreted this to mean that all parcels within the Red Bluff/Dragon Lake sewer service area, regardless of whether they are connected, should be charged user fees.

The remaining four other sewer system bylaws state under Section 7, Charges for Service: (2):

*“There is hereby imposed and levied each year a public sanitary sewer user rate, as set out in Schedule “B” attached to and forming part of this by-law, against the owner or occupier of real property connected to the public sewer system.”*

Staff have interpreted this clause to mean that if a parcel is within the service area and is connected, it should be charged user fees; if the parcel is not connected, no charges apply.

The situation with respect to the water systems is not as confusing, as the water management bylaws were consolidated into one bylaw in 2014, Bylaw No. 4936. The bylaw states:

*Requirement to Connect:*

*Each parcel within a specified service area upon which exists an occupied structure or structure fit for occupation containing a group of plumbing fixtures and which is capable of connection shall connect to the water utility. In the event that such parcel shall not connect to the water utility the owner shall nonetheless pay the user fees that would apply if the parcel were so connected.*

**Summary:**

With the exception of the Red Bluff/Dragon Lake sewer system management bylaws, the management bylaws for the remaining CRD owned sewer systems are out-dated. The differences in the bylaws have created inconsistencies in how the bylaws are interpreted with respect to collection of user fees/user rates. Further, there is differing terminology, i.e., user fees versus user rates vs parcel tax that creates additional confusion for staff and the public.

Parcels that are connected to a water utility service benefit directly from the availability of reliable and safe water for drinking and domestic water. In the case of sewer systems, there is a direct benefit from the provision of sewer services in place of individual septic systems that would require regular maintenance and associated costs. Properties that are not connected also benefit indirectly through enhanced property values, and lower insurance costs, where fire protection is provided, and the option to connect at some point in the future. Based on this it is preferred that all parcels within a sewer service area be required to connect to the utility, and be required to pay the applicable fees, whether connected or not.

With respect to water utilities, all parcels within the service area are required to pay applicable fees, parcel tax, for infrastructure, with the option to turn on or turn off the water service.

**Options:**

To remedy the inconsistencies staff offer the following options:

- 1) That the management bylaws for each sewer system be updated and amended to reflect the Board's wishes with respect to requirements to connect.
- 2) That one management bylaw that governs all of the sewer systems be developed.

**Attachments:**

N/A