



REPORT

Report Date: November 9, 2021
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Meeting Date: December 1, 2021
[Submit comments to Council](#)

TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: 2022 Annual Review of Sewer Rates under the Sewer and Watercourse By-law

RECOMMENDATION

- A. THAT Council approve, in principle, proposed amendments to rates and fees in the Sewer & Watercourse By-law for 2022, generally as set out in Appendix A, including the following recommended increases: 12.5% increase in the per unit flat fee for Single Dwelling (from \$581 per unit in 2021 to \$653 per unit in 2022); 12.5% increase in Other Sanitary Sewer User Rates (as listed in Appendix A); 12.5% increase in per unit Metered Rate (from \$3.735 in 2021 to \$4.199 in 2022); 12.5% increase in the per unit Waste Discharge Permit User Rate (from \$1.2301 in 2021 to \$1.3834 in 2022); 4.3% increase in Flat Rate Sewer Connection Fees; 4.3% increase for inspection of a plumbing system, subsoil drainage pipes and a building sewer fees; and 4.3% increase for public sewer connections other than One-Family or Two-Family dwellings (as listed in Appendix A, PART I).
- B. THAT Council approve, in principle, proposed amendments to have applicants for sewer connections pay 10% of the expected connection fees as an application fee with the remaining amount paid upon permit issuance, and to amend a term to make it gender neutral.
- C. THAT Council instruct the Director of Legal Services to bring forward for enactment the necessary Sewer and Watercourse By-law amendments, generally as set out in Appendix B.

REPORT SUMMARY

Each year, staff review all costs related to the Sewer Utility and recommend rates for the year to come. This is also an opportunity for staff to provide an update to Council and the public on the Utility's strategic objectives and progress in meeting its strategic objectives.

These rates cover the sanitary sewer system while the storm system is funded through property taxes. The cost of the City's sewer system includes a levy paid to Metro Vancouver for sewage treatment, as well as capital and operating costs to renew and maintain the City's sewer system. The key drivers of the proposed rate increase are increasing treatment costs paid to Metro Vancouver and the debt costs associated with the Sewers Capital Plan. In 2016, Metro Vancouver started increasing the levy, in preparation for the regulatory obligation to upgrade the Iona Wastewater Treatment Plant, which treats sewage from the City of Vancouver.

For 2022, staff is recommending a 12.5% increase for sanitary service rates for flat and metered customers; 4.3% increase for public sewer connections other than One-Family or Two-Family dwellings, 4.3% increase for all other connection fees; and 4.3% for inspection fees of a plumbing system, subsoil drainage pipes and a building sewer.

The Sewer and Watercourse By-law annual rate changes, miscellaneous amendments related to the timing of fee payments for sewer connections, as well as an amendment of a term to make it gender neutral, are contained in Appendix B

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Sanitary sewer user fees and public sewer connection fees are reviewed annually by Council to establish the following year's rates.

On April 4, 2000, Council approved the implementation of user fees for sanitary sewer services to fund the operating portion of the sanitary sewer costs, based on volume.

In December 2008, Council approved shifting the remainder of the sanitary sewer costs (the infrastructure costs) from general taxes to payment through user fees. This shift was implemented over two (2) years and was complete in 2010. Currently, only the allocated costs for the storm system costs are funded by property taxes.

In December 2011, Council approved annual transfers between the Water Rate Stabilization Reserve and the Sewer Rate Stabilization Reserve based on the impact that weather related water consumption has on revenues in each utility.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Engineering Services recommends approval of recommendations A and B above.

REPORT

Background/Context

The City of Vancouver's sewer system has two (2) main components. The sanitary system collects wastewater from homes and businesses, while the storm system handles surface runoff from private and public property. Sanitary water and stormwater are collected from more than 100,000 service connections from homes and businesses, and stormwater is primarily collected from more than 45,000 catch basins. These systems channel water through 24 pump stations and 2,136 km of pipes, with a replacement value of approximately \$6.1 billion.

The system delivers sanitary water to the treatment facilities operated by the Greater Vancouver Sewerage and Drainage District (GVS&DD - Metro Vancouver). Also, the system captures and treats some stormwater through green infrastructure assets, and conveys the remainder of stormwater to outfalls along the City's surrounding water bodies. Originally the sewer system was built as a combined sewer system in which both sanitary water and storm flows were collected in a single combined sewer pipe in the street. In a combined system, during periods of rainfall, Combined Sewer Overflows (CSOs) can occur in which the combined sewer system can overflow into receiving waters. Since the late 1950s, the system has been built and replaced as a separated system with both sanitary and storm pipes in the street. Approximately 55.2% of the system has now been separated.

The costs of running the system include the capital costs for renewing the system and separating sewers, the costs to operate and maintain the system, and the cost of the delivery and treatment of sanitary water provided by Metro Vancouver. The sanitary system is funded through sewer user rates, based on water consumption, and the storm system is funded through general property taxes.

In the City of Vancouver, only some of the Sewer Utility's customers' water consumption is metered. All commercial, industrial, institutional and multi-family properties have water meters. In 2012, Council approved revisions to the Waterworks By-law requiring residential water metering for all new single-family and duplex properties. As of 2021, approximately 9,800 or 12.0% of these homes are now metered. Metered properties pay sewer costs based on water consumption as a proxy for sewer flows and unmetered single-family dwellings pay a flat rate on an annual basis.

A third group of customers, referred to as Permittees, are those industries that discharge more than 300 cubic metres of wastewater into the sanitary system over a 30-day period. These customers pay Metro Vancouver directly for sanitary treatment but also pay their share of the costs the City incurs in operating the sewer system. This is a metered rate covering only City costs and is less than the metered rate charged to other customers (which includes both City and Metro Vancouver costs).

Strategic Analysis

The mandate of the City's Sewer Utility is to protect public health, the environment and property from contamination and flooding. All of the initiatives and strategies discussed here support this mandate.

As part of the strategic asset management approach, the City evaluates asset condition based on system performance and industry benchmarks. Currently, 21% of the sewer assets have a poor overall condition rating, while the remaining 79% are in fair-to-good condition. Additional investments will reduce the rate of deterioration; however, in the next 10 years, and despite a

substantial anticipated increase in rate of asset renewal, the condition of sewer assets is expected to continue on a path of deterioration to 27% poor condition. The impacts of this worsening condition are expected to be further exacerbated by climate change.

As the assets increasingly deteriorate, it is expected there will be higher rates of pipe collapses and blockages. To counter this increase in failures, and as part of a multi-decade plan to address a sewer infrastructure renewal needs, the asset renewal rate is being increased from 0.5% annually to 0.7% during the 2019-2022 Capital Plan, which will result in additional lengths of pipe being replaced year over year. Maintenance activities will also need to increase to maintain aging components such as pump stations, service lines, and catch basins, and to respond to more intense storms. Assets located adjacent to shorelines, such as outfalls and tide gates, will see increased maintenance and upgrades in response to sea level rise.

In addition to the asset management strategies, other City strategic priorities include accelerating actions to meet the city's obligations to mitigate combined sewer overflows by 2050, mitigating flood risk, as well as monitoring and improving stormwater quality and discharges into receiving environments through integrated solutions that include accelerated sewer separation, on-site rainwater management, nature based assets that capture and treat water closer to where it falls, and watershed-specific climate adaptive solutions.

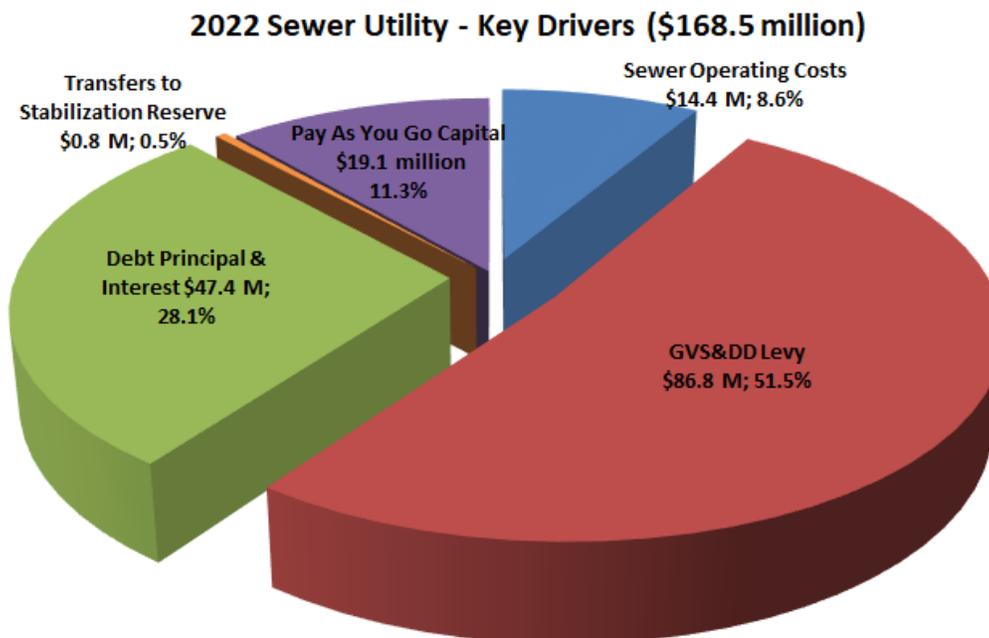
Ultimately, the City aims to keep the sewer and drainage systems in a state of good repair, respond proactively to climate change, protect people, the environment, and property from flooding, and help restore watersheds to enable increased resilience, improved biodiversity, and healthy ecosystems for all.

The multi-award-winning Rain City Strategy (2019) provides a vision, transformative directions, and action plans to guide management of rainwater around the city. The ongoing Sewage and Rainwater Management Plan (SRMP) will bring forward a decision making framework that will allow Council to guide policy and investments in the City's sewer and drainage systems over the coming decades.

Financial Implications

Key Cost Drivers

Sewer Utility expenditures consist of four (4) key cost drivers: the Greater Vancouver Sewerage and Drainage District (GVS&DD) levy which makes up about 52% of the total budget, costs associated with Sewer capital expenditures, which make up about 39% of the budget, City of Vancouver operating costs which make up about 9% of the total budget, and transfers to or from the stabilization reserve which make up about 0.5%.. These components are shown graphically in Figure 1 below.

Figure 1 – Sewer Utility Costs

GVS&DD Levy

The Greater Vancouver Sewerage and Drainage District (GVS&DD), part of Metro Vancouver, imposes an annual levy on each of its members to cover the cost of implementing and operating of regional collection systems and sewage treatment facilities. The levy is a fixed amount based on the operating and capital budgets in each of the sewerage areas in the region. Levy increases in the coming five years are for the upcoming upgrades to the Metro Vancouver Iona Island wastewater treatment plant. The current year levy, which also covers the operating and capital costs of the regional collection system, will increase by 5.0% in 2022, with substantially higher increases anticipated in the following four years.

Sewer Capital Program

The Sewers capital program comprises the City's pipe system renewal and upgrades, pump station program renewal and upgrades, and the service connections program. The Sewers capital program has historically been funded through debentures. The impact of debt on the operating budget is gradual and spread over 10 years. In 2015, the City instituted a small 'pay-as-you-go' contribution towards capital expenditures on the sanitary sewer system. Pay-as-you-go uses current year revenues to fund current year and ongoing capital investments, ensuring the City's borrowing capacity is preserved for important one-time capital investments that are not appropriate for or too costly to be funded on a pay-as-you-go basis.

This 'pay-as-you-go' contribution grew to \$4.3 million by 2019, \$9.3 million in 2020, and \$13.7 million in 2021. The plan for 2022 is to increase this 'pay-as-you-go' contribution by a further \$5.4 million to \$19.1 million in order to help fund the capital work associated with the 2019-2022 Capital Plan to achieve our targeted rate of renewal of 0.7% by the end of this capital plan.

Operating and Maintenance

Sewer operating and maintenance costs are associated with cleaning, repairing, inspecting and managing the infrastructure, as well as emergency response for sewer backups and flooding. Tasks include unblocking mains and connections, clearing tree root intrusions, completing CCTV inspections, cleaning and maintaining catch basins, maintaining sewer pump stations and working with property owners to locate and eliminate cross connections.

2021 Budget Performance

Table 2 summarizes the operating budget and current forecast for the Sewer Utility in 2021.

Table 2 – 2021 Budget Performance

Sewer Utility (\$ millions)	2021 Forecast	2021 Budget	\$ Variance	% Variance
Water Consumption Volume	110,058,022	112,000,000		
Revenues				
General Tax Levy	\$ 46.5	\$ 46.5	\$ (0.0)	0.0%
Metered Rate Revenues	60.0	60.6	(0.6)	-1.0%
Flat Rate Revenues	43.8	43.8	-	0.0%
Industrial Waste Water Fees	1.1	1.1	0.0	2.0%
Other Revenues	1.6	1.8	(0.1)	-8.2%
Total Revenues	\$ 153.1	\$ 153.8	\$ (0.8)	-0.5%
Expenses & Transfer				
GVS&DD Levy	\$ 82.7	\$ 82.7	\$ -	0.0%
Sewers Operating Costs	12.1	13.3	1.2	9.0%
Debt Service Charges	43.5	43.5	-	0.0%
Transfer to/(from) Stabilization Reserve	1.1	0.6	(0.4)	-69.5%
"Pay as you Go" Capital	13.7	13.7	-	0.0%
Total Expenditures & Transfers	\$ 153.1	\$ 153.8	\$ 0.8	0.5%
Surplus/(Deficit)	\$ -	\$ -	\$ -	0.0%

**Tables may not sum due to rounding. The purpose of this table is to explain budget performance. Additional revenue is reported as positive and additional expenditures as negative.*

2021 Revenues

The revenues from General Tax Levy fund the storm component of the sewer system and the utility fee revenues fund the sanitary component of the system. While the proportions can vary from year to year, the storm component typically makes up about 37% of the total sewer expenditures.

Metered sewer revenues are associated with the potable water used by metered customers since the volume of water consumed serves as a proxy for discharged sanitary flows. As a result of continued slowdown in commercial business activities in 2021 due to the ongoing health restrictions in place as a result of COVID-19 pandemic, we see lower water consumption in 2021. This has resulted in a lower forecast for metered revenues by about \$0.6 million compared to 2021 budget.

2021 Expenditures & Transfers

As previously stated, the largest driver of expenses in the Sewer Utility is the levy paid to Metro Vancouver to cover the cost of regional collection and sewage treatment facilities. For 2021, there is no budget variance forecasted for the Metro sewer levy. However, Sewer operating expenditure is forecasted to be underspent in 2021. This is mainly due to the restrictions in place due to COVID-19 and delays in hiring of staff, leading to deferral of some of the operating program works to 2021.

The Sewer Utility uses the Sewer Rates Stabilization Reserve to mitigate year-over-year increases in Sewer rates and balance year-end differences between budgeted and actual revenues. In 2021, there was a budgeted transfer of \$0.6 million to the reserve; however, for this year \$1.1 million is expected to be transferred to the reserve. This variance is due to lower operating expenditures partially offset by lower metered revenue.

2022 Proposed Budget and Rates

Sewer utility rates will increase by 12.5% or \$72 per year for a single-family residence. This increase is necessary due to:

- A 5.0% increase in the Metro Vancouver levy, which includes costs for the planned upgrades to secondary treatment at Iona Island wastewater treatment plant. The Iona Island plant must be upgraded to secondary treatment by no later than 2030 to meet regulatory requirements. Per Metro Vancouver, the completion of secondary treatment is currently anticipated by 2034 at a cost of approximately \$10.7 billion for tertiary treatment, including contingency and risk reserve; preparatory work has already begun. The cost of this facility will significantly impact sewer rates in the coming years, and the investment is anticipated to deliver a replacement to the existing asset and achieve important environmental, ecological and community benefits for the region.
- Increase in funding for sewer capital projects related to the approved 2019-2022 Capital Plan to achieve our targeted rate of renewal of 0.7% by the end of this capital plan, in order to continue the necessary pace of increase in asset renewal towards an anticipated 1-1.5% renewal rate, that would eventually allow the city to keep up with the rate of deterioration of aging infrastructure and meet regulatory obligations.
- Increase in debt servicing costs related to capital programs supporting sewer main replacement and maintaining the City's sewer and drainage system.
- An increased transfer to the Sewer stabilization reserve to help mitigate future rate increases as a result of higher future Metro Levy due to upgrades at the Iona Island wastewater treatment plant.

Since sewage flows are not directly metered, the volume of the City's annual drinking water consumption is used as a proxy to determine the annual sewage consumption. Actual drinking water consumption is lower than budgeted in 2021 and the longer term trend demonstrates a gradual overall reduction in per capita use. Water consumption over the short-term is anticipated to be lower due to the slowdown in commercial business activity as a result of the COVID-19 pandemic. However, in the long-term, enhanced water conservation strategies and additional investment in water conservation programs are expected to further contribute to the downward per capita drinking water use trend. The drinking water consumption volume budget for 2022 has been set at 112,000,000 m³.

The Draft 2022 budget is summarized in Table 3 with the restated 2021 budget and forecast for comparison.

Table 3 – Draft 2021 Budget

Sewer Utility (\$ millions)	2021 Budget	2022 Proposed	\$ Change from 2021 Budget	% Change
Water Consumption Volume	112,000,000	112,000,000		
Revenues				
General Tax Levy	\$ 46.5	\$ 49.0	\$ 2.5	5.4%
Metered Rate Revenues	60.6	68.1	7.5	12.3%
Flat Rate Revenues	43.8	48.5	4.7	10.7%
Industrial Waste Water Fees	1.1	1.1	0.0	2.0%
Other Revenues	1.8	1.8	0.1	3.5%
Total Revenues	\$ 153.8	\$ 168.5	\$ 14.7	9.6%
Expenses & Transfer				
GVS&DD Levy	\$ 82.7	\$ 86.8	\$ 4.1	5.0%
Sewers Operating Costs	13.3	14.4	1.1	8.4%
Debt Service Charges	43.5	47.4	3.9	9.0%
Transfer to/(from) Stabilization Reserve	0.6	0.8	0.2	26.4%
"Pay as you Go" Capital	13.7	19.1	5.4	39.4%
Total Expenditures & Transfers	\$ 153.8	\$ 168.5	\$ 14.7	9.6%
Surplus/(Deficit)	\$ -	\$ -	\$ -	0.0%

**Tables may not sum due to rounding. The purpose of this table is to present year-over-year changes in the budget as presented in the 2021 Budget Book where both additional revenue and expenses are presented as positive changes.*

2022 Revenues & Proposed Rates

The proposed rate increase for both flat and metered sewer utility customers is 12.5% in 2022, which resulted in a net increase of \$7.5 million to metered revenues.

Prior to 2012, all single-family dwellings and duplexes paid a flat annual rate for sanitary services. Since January 1, 2012, all new single-family homes and duplexes are metered and no longer pay the flat rate. Approximately 1,000 homes per year are moving to a metered rate through redevelopment activity. Although the rates are increasing by 12.5% over 2021, the total flat revenue is only increasing by 10.7% due to a decrease in the number of households to be billed in 2022.

The \$2.5 million increase in the tax supported portion of the sewer budget represents the cost of the storm component of the sewer system which is calculated to be about 37% of the total expenses and transfers, which include cost that are fully allocated to the sanitary system.

2022 Expenditures & Transfers

The 2022 budget for Metro Vancouver charges will increase by 5.0% over the 2021 budget. While this levy includes Greater Vancouver Sewerage and Drainage District (GVS&DD) capital costs, 2022 increase is primarily driven by increased Metro Vancouver costs at the Iona Island wastewater treatment plant, including expense of site preparation for secondary sewer

treatment. The increase in City operations costs are to fund higher salaries expenditures to account for merit and pay increases along with new positions to support ongoing operational work.

In 2022, City staff recommends a \$5.4 million increase in the pay-as-you-go contribution from \$13.7 million to \$19.1 million to help fund the approved 2019-2022 Capital Plan. Debt charges (interest and principal combined) will also increase by \$3.9 million or 9%.

Staff proposes to transfer \$0.8 million to the Sewer Rates Stabilization Reserve in 2022 to provide rate stabilization to mitigate what would otherwise be a higher year-over-year rate increase in future years.

Five Year Outlook

Table 4 summarizes the five (5) year outlook for the Sewer Utility and the following paragraphs discuss the assumptions used.

Table 4 – Sewer Utility Five-year Outlook

Sewer Utility (\$ millions)	2022	2023	2024	2025	2026
Assumptions:					
Water Consumption Volume	112,000,000	111,500,000	111,000,000	110,500,000	110,000,000
Metro Levy Price Increase	5.0%	13.2%	19.7%	26.9%	17.8%
City Rate Increase	12.5%	15.0%	15.0%	15.0%	15.0%
Revenues					
General Tax Levy	\$ 49.0	\$ 52.0	\$ 58.1	\$ 72.7	\$ 84.9
Sewer Fees - Metered	68.1	78.1	89.3	102.3	117.1
Sewer Fees - Flat Rate	48.5	55.0	62.3	70.6	80.1
Industrial Waste Water Fees	1.1	1.3	1.5	1.9	2.3
Other Revenues	2.9	3.1	3.4	3.9	4.3
Total Revenues	168.5	188.2	213.2	249.5	286.3
Expenses					
GVS&DD Levy	86.8	98.3	117.6	149.3	175.9
Sewers Operating Costs	14.0	14.4	14.7	15.0	15.4
Total Expenses	101.2	113.0	132.7	164.7	191.6
Transfers					
Debt Transfers	47.4	44.1	43.8	44.3	45.8
Pay As you Go Capital	19.1	30.1	36.0	42.4	48.7
Transfer to/(from) Stabilization Reserv	0.8	0.9	0.7	(1.9)	0.2
Total Transfers	67.3	75.1	80.5	84.8	94.7
Total Expenditures & Transfers	168.5	188.2	213.2	249.5	286.3
Surplus/(Deficit)	\$ -				

**Tables may not sum due to rounding – some of the revenues are grouped in Property tax revenue, Cost recoveries, grants & donations and Other revenue in the budget book*

The GVS&DD levy for the Vancouver Sewerage Area (VSA) is increasing by 5.0% in 2022 with projected increases in the GVS&DD levy of an average of 19.4% per year for the next four (4) years. These projections are based on operating and capital costs at the Iona wastewater

treatment plant and have been adjusted for site preparation. The Iona plant must be upgraded to secondary treatment by 2030. As such, we expect to see larger increases in Metro Vancouver costs in the future.

Capital expenditures (Debt costs and pay-as-you-go contributions) are expected to increase as we continue to invest in our sewer infrastructure and strive to meet the regulatory obligation to mitigate combined sewer overflows by 2050. The five (5) year outlook numbers were projected based on the forecasted rate of separation in the approved 2019-2022 Capital Plan.

Although this five (5) year outlook assumes inflationary increases in the sewer operating costs, we will continue to look for ways to provide the service at a lower cost by finding more efficient ways to maintain the system.

Related Fees

To be consistent with other flow related rate increases, a 4.3% increase in rates for specific types of disposals is proposed. These include discharge of contaminated groundwater, ship wastewater and discharges by third-party utilities.

Connection Fees

All new development and major renovation projects in the City are required to install separated sewer connections on private property and pay connection fees for the corresponding connections on City property. These fees are updated regularly to ensure cost recovery.

The fees are collected prior to the timing of the actual connection work and are based on an average price model and the underlying complexities can vary by job.

The Conference Board of Canada forecasted that the CPI for Metro Vancouver would increase between 2.0% and 2.3% from 2022 to 2025. However, the costs of the sewer utility, which are heavily influenced by Metro Vancouver levy increases and increased construction material costs, are expected to increase well above forecasted inflation.

To maintain full cost recovery, it is recommended that a 4.3% increase is recommended for approval for Sewer Flat Rate Connections other than One-Family or Two-Family dwellings and a 4.3% increase be approved for all other Sewer Flat Rate Connections and for inspection of a plumbing system, subsoil drainage pipes and a building sewer.

Application Fee for Sewer Connections

In continued efforts to improve customer service and reduce permit wait times, the City's sewer connection permits recently transitioned into the new electronic applications platform that now allows applications to be submitted online. Along with the efficiencies realized with the new process, an unintended consequence resulted whereby the timing of when permit fees were collected created issues for both applicants and the City. Namely, with a requirement for applicants to pay for the full cost of the sewer permit at the time of application, more than a year prior to the installation of the connection or issuance of the permit, carrying costs for financing sewer works well in advance of actual development work was identified as a concern.

In addition, with applicants paying full fees at the time of application and not reasonably closer to when work is anticipated to be completed by City forces, fees collected in previous years would generally not cover the true costs at the time of construction, potentially resulting in an

under recovery of costs. To address these concerns, staff recommend the bylaw be amended to have applicants for sewer connections pay 10% of the expected connection fees as an application fee, with the remaining amount paid upon permit issuance. The 10% application fee would cover costs incurred by the City in processing applications from intake to the time the permit is issued.

Legal Implications

The Sewer and Watercourse By-law annual rate changes, miscellaneous amendments related to the timing of fee payments for sewer connections, as well as an amendment of a term to make it gender neutral, are contained in Appendix B

CONCLUSION

Rates for sewer services are adjusted annually to offset cost increases in the sewer utility, including operating and debt costs and the Metro (GVS&DD) levy. Based on a review of the proposed sewer costs for 2022, it is recommended that flat and metered sewer fees be increased by 12.5%, sewer and connection fees other than One-Family or Two Family dwellings be increased by 4.3% and all other service and connection fees be increased by 4.3%.

The Sewer and Watercourse By-law annual rate changes, miscellaneous amendments related to the timing of fee payments for sewer connections, as well as an amendment of a term to make it gender neutral, are contained in Appendix B

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Appendix A
Sewer & Watercourse By-law No. 8093
2022 Rate Changes

Schedule A

Part I: Sewer Connection Flat Rates

	2021	Proposed 2022	% Increase
1. Public Sewer Connection, for One-Family or Two-Family Dwellings (including 3 inch/75 mm diameter and greater pressure connections)	\$12,107	\$12,628	4.3%
2. Public Sewer Connection, other than One-Family or Two-Family Dwellings			
a) 4 inch/100 mm diameter	\$17,729	\$18,491	4.3%
b) 6 inch/150 mm diameter	\$21,398	\$22,318	4.3%
c) 8 inch/200 mm diameter	\$24,207	\$25,248	4.3%
d) 10 inch/250 mm diameter	\$27,924	\$29,125	4.3%
e) 12 inch/300 mm diameter	\$31,730	\$33,094	4.3%
f) 15 inch/375 mm diameter	\$35,483	\$37,009	4.3%
g) Connection to building sewer where installation cost is greater than 1.5 times the applicable flat rate connection fee set out in this Schedule		At Cost pursuant to Sentence 2.7 (2)	
h) Maintenance hole installation in conjunction with a public sewer connection pursuant to Sentence 2.7 (3) of Sewer and Watercourse By-law		At Cost pursuant to Sentence 2.7 (3)	
3. Where a public sewer connection will be placed more than 5 feet below the ground elevation, taken to the nearest foot and measured at the centre line of the street or lane as determined by the City Engineer, the fees payable shall be an amount equivalent to an increase of 10%, for each additional foot below 5 feet, of the fee otherwise payable by section 1 or 2 above.			
4. New fitting on a twin sewer pursuant to Sentence 2.7 (4)	\$5,417	\$5,650	4.3%
5. New fitting on a single sewer pursuant to Sentence 2.7 (4)	\$2,388	\$2,491	4.3%
6. Inspection of a plumbing system, subsoil drainage pipes and a building sewer	\$328	\$342	4.3%

Part III: Flat Rates for Unmetered Property

	2021	Proposed 2022	% Increase
Single Family Dwelling	\$581	\$653	12.5%
Single Family Dwelling with Suite	\$784	\$882	12.5%
Single Family Dwelling with Laneway House	\$784	\$882	12.5%
Single Family Dwelling with Suite and Laneway House	\$987	\$1,110	12.5%
Strata Duplex (per dwelling unit)	\$393	\$442	12.5%
2 Services, 1 Lot	\$1,160	\$1,305	12.5%
3 Services, 1 Lot	\$1,739	\$1,956	12.5%
4 Services, 1 Lot	\$2,321	\$2,610	12.5%
Parking Lot/Garden	\$332	\$373	12.5%

Part IV: Flat Rates for Other Property or Shut Off Water Service

	2021	Proposed 2022	% Increase
Other Property	\$283	\$295	4.3%
Turned Off, 1 Service	\$283	\$295	4.3%
Turned Off, 2 Services	\$283	\$295	4.3%
Turned Off, 3 Services	\$283	\$295	4.3%

Part V: Unit-Based Rates for Metered Property

	2021	Proposed 2022	% Increase
Metered Property Rate	\$3.735	\$4.201	12.5%
Waste Discharge Permit User Rate	\$1.230	\$1.383	12.5%

Part VI: Flat Rate for Specific Types of Discharges/Disposals

	2021	Proposed 2022	% Increase
For the discharge of contaminated groundwater pursuant to Section 7.11 (per cubic metre)	\$1.45	\$1.51	4.3%
For the disposal of ship wastewater pursuant to Section 7.12 (per cubic metre)	\$1.45	\$1.51	4.3%
For discharges by Utilities pursuant to Section 7.13 (per maintenance hole connected)	\$382	\$398	4.3%

DRAFT

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

**A By-law to amend
Sewer and Watercourse By-law No. 8093
regarding 2022 fee increases and miscellaneous amendments**

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. This By-law amends the indicated provisions of By-law No. 8093.
2. Council:
 - (a) strikes out “manhole” wherever it appears, and substitutes “maintenance hole”; and
 - (b) strikes out “manholes” in the title of section 4.4, and substitutes “maintenance holes”.
3. Council strikes out section 2.7(7) and substitutes the following:
 - “(7.1) Where an application for a connection permit has been submitted but a permit has not yet been issued, an applicant may withdraw their application and request a refund of a portion of the application fee paid, and where the City Engineer recommends the refund, the Collector may refund to the applicant such part of the application fee paid as is recommended by the City Engineer.
 - (7.2) Where a permit has been issued but the City has not yet commenced the work specified by the permit, a permit holder may apply in writing to the City Engineer for cancellation of the permit and a refund of a portion of the fees paid, and where the City Engineer recommends the refund and certifies that the work has not been commenced and the permit has been cancelled, the Collector may refund to the permit holder such part of the fees paid as is recommended by the City Engineer.”.
4. Council repeals Parts I, III, IV, V, and VI of Schedule A to the Sewer and Watercourse By-law, and substitutes:

“PART I

SEWER CONNECTION RATES

Every applicant for a public sewer connection must pay to the City the applicable sewer connection rates set out below, payable as follows:

- (a) an application fee of 10% of the applicable rates set out below in sections 1, 2(a) through (f), and 6, at the time of application, and
- (b) the remaining amount when invoiced by the City, prior to permit issuance.

1.	Public sewer connection, for One-Family or Two-Family Dwellings with or without a Laneway House (including 3 inch/75mm and greater pressure connections)	\$12,628.00
2.	Public sewer connection, other than One-Family or Two-Family Dwellings	
	a) 4 inch/100 mm diameter	\$18,491.00
	b) 6 inch/150 mm diameter	\$22,318.00
	c) 8 inch/200 mm diameter	\$25,248.00
	d) 10 inch/250 mm diameter	\$29,125.00
	e) 12 inch/300 mm diameter	\$33,094.00
	f) 15 inch/375 mm diameter or greater	\$37,009.00
	g) connection to building sewer where installation cost is greater than 1.5 times the applicable flat rate connection fee set out in this Schedule	At cost, pursuant to Section 2.7(2)
	h) maintenance hole installation in conjunction with a public sewer connection, pursuant to Sentence 2.7(3) of Sewer and Watercourse By-law	At cost, pursuant to Section 2.7(3)
3.	Where a public sewer connection will be placed more than 5 feet below the ground elevation, taken to the nearest foot and measured at the centre line of the street or lane, as determined by the City Engineer, the fees payable shall be an amount equivalent to an increase of 10% for each additional foot below 5 feet, of the fee otherwise payable by section 1 or 2 above	
4.	New fitting on a twin sewer pursuant to Sentence 2.7(4)	\$5,650.00
5.	New fitting on a single sewer pursuant to Sentence 2.7(4)	\$2,491.00
6.	Inspection of a plumbing system, subsoil drainage pipes, and a building sewer	\$342.00

PART III
FLAT RATES
FOR UNMETERED PROPERTY

Single Family Dwelling	\$653.00
Single Family Dwelling with Suite	\$882.00
Single Family Dwelling with Laneway House	\$882.00
Single Family Dwelling with Suite and Laneway House	\$1,110.00
Strata Duplex (per dwelling unit)	\$442.00
2 Services, 1 Lot	\$1,305.00
3 Services, 1 Lot	\$1,956.00
4 Services, 1 Lot	\$2,610.00
Parking Lot/Garden	\$373.00

PART IV
FLAT RATES FOR OTHER PROPERTY
OR SHUT OFF WATER SERVICE

Other Property	\$295.00
Turned Off, 1 Service	\$295.00
Turned Off, 2 Services	\$295.00
Turned Off, 3 Services	\$295.00

PART V
UNIT-BASED RATES FOR METERED PROPERTY

Metered Property Rate	\$4.201
Waste Discharge Permit User Rate	\$1.383

