# Q&A Sewer Cost Recovery – Town of View Royal

View Royal's sewer system consists of approximately 50 kilometres of pipeline and 17 pump stations which are electronically monitored on a continual basis. All sewage from View Royal flows through the Capital Regional District (CRD) sewage system through the Craigflower pump station at Shoreline Drive and then on to the wastewater treatment plant.

The Town of View Royal sewer utility invoice reflects 100% of the cost of sewer collection, treatment, and disposal, including costs relating to the CRD's sewer system. Prior to 2020, costs for CRD's sewer system were charged through a levy on your annual property tax bill. Now, all sewer utility costs are based solely on a property's metered water consumption (rather than some costs based on the assessed value of the property) and charges will appear only on your View Royal sewer utility invoice.

### What is the sewer user fee?

The sewer user fee is an annual levy charged to all residents connected to View Royal's sewer system. This charge is the recovery of the annual operating and maintenance costs for the sewer system, including amounts billed by the Capital Regional District (CRD) for their sewer system. There is no flat fee component to the sewer user fee; however, the minimum sewer user fee levied is \$100.00 for all sewer users.

#### Why are CRD sewer charges on my View Royal sewer utility invoice?

In 2020, sewer utility charges relating to CRD's sewer system were restructured to be based solely on your metered water consumption rather than on your assessed property value. CRD sewer charges now appear only on your View Royal sewer utility invoice.

This revenue neutral shift redistributes the total cost of operating and maintaining the CRD's component of the sewer system to reflect each user's impact on the system. Basing sewer charges on water consumption is considered a best practice, and a more equitable system than basing on assessed property value. In addition, this system will enable you to potentially reduce your sewer costs by reducing the amount of water you use.

## What does the sewer utility invoice pay for?

The Town of View Royal's annual sewer utility invoice pays for the operation and maintenance costs related to the use of the sanitary sewer collection system and sewer pump stations owned and operated by the Town of View Royal.

View Royal also recovers a share of the operating costs, capital contributions and debt costs relating to the sewer trunk mains, pump stations and wastewater treatment plant owned and operated by the CRD that move sewage from the View Royal collection systems to the regional treatment centre and outfall. Prior to 2020, CRD costs were recovered through the CRD sewer tax, which was collected on the annual property tax notice.

Sanitary sewer usage fees for 2022 are listed in the consolidated <u>Fees and Charges Bylaw 958</u>, in the Engineering section of Schedule A. The sewer fees structure is established in <u>Sanitary</u> <u>Sewer Rates and Regulations Bylaw 397</u>, Part VI – Charges for Service.

# Why is sewer usage based on water consumption?

Because the level of water consumption related to a particular property is generally considered a good indicator of the level of sewer services related to that property, water consumption is a generally accepted measure to determine sewer user fees.

All non-institutional user sewer fees are based on actual water consumption for six winter months (November through April). This ensures that water used for irrigation and car washing is not counted when calculating sewer user fees, as this water does not enter the sewer system. Winter water consumption is annualized (multiplied by two) for billing purposes because the sewer utility invoice covers a full year (12-month) billing period.

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User class	Consumption base	Consumption volume	View Royal sewer user fees, per cubic metre	CRD sewer user fees, per cubic metre
Residential	Annualized winter water consumption (6 months x 2)	All consumption	\$0.8397	\$1.3700
Non-residential	Annualized winter water consumption (6 months x 2)	First 1,000 m <sup>3</sup>	\$0.8397	\$1.3700
		Next 10,000 m <sup>3</sup>	\$0.9237	\$1.5070
		Remaining m <sup>3</sup>	\$1.0496	\$1.7125
Institutional	Full-year water consumption (12 months)	First 1,000 m <sup>3</sup>	\$0.8397	\$1.3700
		Next 10,000 m <sup>3</sup>	\$0.9237	\$1.5070
		Remaining m <sup>3</sup>	\$1.0496	\$1.7125

# What are the sewer user rates?

# How are the sewer rates calculated?

Sewer user fees are required to recover the cost of providing sanitary sewer collection, conveyance, treatment, and disposal of sewer for properties in View Royal. Part of this system is owned by the Town of View Royal, which discharges sewer from View Royal properties to

CRD's trunk mains that carry the sewer to the CRD's McLoughlin Point wastewater treatment plant.

Sewer rates are calculated by starting with the budgeted costs for both View Royal and CRD sanitary sewer systems, including the costs to operate and maintain the systems and to service debt or build reserves to spread out the cost of capital infrastructure over time. Once we know the total amount that needs to be recovered, we factor in the total consumption for the applicable period to arrive at the base rate used for all Tier 1 levels of consumption (up to 1,000 cubic metres). Tier 2 rates (between 1,000 and 11,000 cubic metres) are 110% of the Tier 1 rate and Tier 3 rates (all consumption over 11,000 cubic metres) are 125% of the Tier 1 rate.

Each sewer user is classified according to the property's actual use code, determined by BC Assessment, and the consumption is multiplied by the applicable rate(s) to calculate the annual View Royal and CRD sewer user fees.

A minimum charge of \$100 applies to each sewer user account.

# How is the sewer user rate calculated for residential property owners?

The sewer utility invoice for residential properties is calculated using the winter water consumption between November and April. The sewer user fees cover View Royal's cost of sewer operations and infrastructure replacement and our participation in regional (CRD) sewer treatment.

The annual sewer user fees for residential users are calculated by multiplying the annualized consumption (6 winter months' consumption times 2) by the residential rates prescribed by the bylaws adopted by Council. The amount required to recover the costs for View Royal's sewer system is calculated separately from the amount required for CRD's sewer system.

In 2022 a residential property with 80 m<sup>3</sup> winter water consumption will pay an estimated \$354 for all sewer services (160 m<sup>3</sup> X \$2.2097). This same level of consumption was charged \$357 in 2021.

# I own a Strata unit. How does this impact me?

Strata properties with a single water service receive one sewer utility invoice for the entire strata complex. Individual unit owners in these strata properties do not receive individual invoices. The strata corporation is invoiced, and the costs are redistributed to individual strata unit owners through the strata fees.

Strata properties may have individual water services to each separate unit. In this case, each individual strata property owner will receive a separate sewer utility invoice based on their individual consumption.

## Why is the sewer user fee calculation based on annualized water flows?

To apportion the costs of services based on actual usage, the sewer user fee is entirely consumption-based. Allocating the costs associated with maintaining the sewer infrastructure according to actual usage is a significant step in fairly distributing the costs.

Residential and non-residential sewer user fees are based on winter water consumption – the water used in the six months between November and April – to avoid charging for water that does not place a burden on the sewer system, like water used in irrigation or for washing vehicles. Winter water consumption is annualized (multiplied by two) for billing purposes because the sewer utility invoice covers a full year (12-month) billing period.

Institutional sewer user fees are based on full-year consumption – water used in the full 12months ending in April of the billing year.

All non-residential and institutional users who use more water will pay for a larger share of maintaining the sanitary sewer system. To encourage water conservation, the rate per cubic water metre increases with consumption for these users.

### When are sewer user fees due?

Typically, sewer user fees are due 45 days after the invoice date. The Sewer Utility Invoice is issued in October and is due near the end of November. If you have not received your invoice by October 31, please contact the Finance Department at 250-708-2270 or email <u>finance@viewroyal.ca</u>.

Any sewer utility invoice unpaid by December 31<sup>st</sup> of any year it is due shall be deemed taxes in arrears on the land or real property on which the fee is imposed.

## If I suspect a sewer problem, who do I contact?

Any inquiries regarding sewer problems or repairs, etc. should be referred to the Town of View Royal Engineering Department at 250-708-2258 or by email to <u>engineering@viewroyal.ca.</u>

## If I suspect a water leak, who do I contact?

Any inquiries regarding water leaks, etc. should be referred to the CRD Water Department at 250-474-9600.

## What if we had a water leak at our property?

If you experienced a water leak during the consumption period used to calculate your sewer utility invoice, view the <u>Sewer User Fee Adjustments due to Water Leaks Policy [PDF - 21 KB]</u> and <u>Application Form</u>.