



REQUEST FOR DECISION

To: Mayor & Members of Council

Title: Manager of Engineering (City Engineer) – Fee for Service Amendment Bylaw No. 4694

Date: April 14, 2025

Motion for Consideration:

THAT: the bylaw entitled City of Salmon Arm Fee for Service Amendment Bylaw No. 4694 be read a first, second and third time.

Background:

The Engineering and Utilities departments have been working together to create alignment between the utility (water and sewer) billing processes and curbside collection billing processes. While reviewing the procedures and policies, staff noted several areas for improvement for the procedures and regulations regarding the billing of curbside collection and utilities which will improve efficiency and consistency.

Under City Bylaw 2498 - Fee for Services ("Bylaw"), new single family dwelling developments that qualify for curbside collection are billed the pro-rated curbside collection fee for the remaining portion of the year, calculated from the first (1st) day of the fourth (4th) month following the date of the building permit issuance, or from the date of occupancy permit issuance, whichever is earlier. Under the City's Utility Billing Policy 7.22, new single-family developments are billed the pro-rated annual utility fees from a date four (4) months after building permit issuance, or from the date of occupancy permit issuance, whichever is earlier. For other types of developments such as multi-family buildings and commercial, fees are billed from a date that is six (6) months after building permit issuance, or occupancy permit issuance, whichever is earlier. Staff are proposing to align both billing commencement dates for consistency and efficiency. Additionally, Utility Billing Policy 7.22 should be incorporated into the Bylaw rather than existing as an internal policy. This ensures that the utility billing procedures co-exist with the utility rate schedules (Schedules C and D of the Bylaw) and creates consistency with curbside collection fees for which both billing procedures and rates are contained in Schedule B, Appendix 10 of the Bylaw.

The utility billing sections of Bylaw 1274 – Water Rates and Waterworks Regulation should be incorporated into Bylaw 2498 and removed from Bylaw 1274, to ensure all billing related procedures and regulations are contained within the Bylaw 2498.

At the January 13, 2025 Regular Council Meeting, a letter authored by D. McGregor was presented that expressed concerns with the City's procedures for billing curbside collection fees and water and sewer utilities, as they pertain to new developments; specifically, the period of time

between building permit issuance and commencement of billing for these services is insufficient to complete the construction and sale of a single-family home. She indicates that this increases the cost of the development and potentially housing affordability, as they are required to pay for these services despite not needing, or being able to use them until occupancy occurs. Council requested staff review the process and provide a report back regarding potential changes. Since staff have already been considering recommending changes to Council regarding the utility and curbside collection billing processes, Ms. McGregor's comments have been reviewed and staff's recommended changes included.

Specifically, Staff acknowledge that developments have become larger scale over time, requiring a greater amount of time to construct; however, due to complexities in the system, using the date of occupancy approval is not recommended by staff. Therefore, increasing the deferral period from building permit issuance to commencement of billing is supported and proposed to be increased as follows:

- For single family dwellings, duplexes, secondary suites and accessory dwelling units increased from four (4) months to eight (8) months.
- For residential developments involving dwellings of three or more units (such as rowhouses and townhouses), multi-family buildings and commercial developments, increased from six (6) months to twelve (12) months.
- In both of the above cases, billing commencement will be based on occupancy permit issuance or the appropriate deferral period from building permit issuance, whichever is earlier.

The amendments being proposed under Bylaw 4694 incorporate the proposed changes outlined above. Curbside collection fee amendments are to be applied to the existing Schedule B, Appendix 10 of the Bylaw, and Schedule B, Appendix 11 will be newly created within the Bylaw to incorporate the utility billing procedures and regulations.

The proposed amendments to Bylaw 1274 will be addressed under City of Salmon Arm Water Rates and Waterworks Regulation Amendment Bylaw No. 4695.

Legislative authority / plans / reports:

	Official Community Plan		Master Plan
	Community Charter/LGA		Other
X	Bylaw/Policy		Corporate Strategic Plan
	Zoning Bylaw		2024-2028 Financial Plan
			Long Term Financial Plan

Financial Considerations:

Residential dwellings that are typically charged flat-rate annual utilities fees will benefit from the longer deferral periods, as the fees for both utilities and curbside collection are pro-rated for the remainder of the year from when billing commences. Therefore, these property owners should incur lower initial fees for these services.

For multi-family buildings and commercial developments, where utility billing is based on actual meter readings (i.e. metered-billing), the fees charged when billing commences will be based on

the meter reading at that time, even if the deferral period is extended from six (6) months to twelve (12) months. Therefore, the longer deferral period may mean a larger initial utility bill, depending on when the development begins to use the utilities. Curbside collection fees are not applicable to these types of developments so there is no financial impact in this case.

Alternatives & Implications:

If Council defeats this bylaw amendment then the City of Salmon Arm Water Rates and Waterworks Regulation Amendment Bylaw No. 4695 must also be defeated. This contains the proposed amendments to Bylaw 1274 to remove the sections related to water utility billing as described above.

Council may choose not to alter the billing commencement start dates, in which case, the motion should be defeated and staff will bring forward a revised bylaw for consideration in the future.

Communication:

Staff will respond to D. McGregor with Council's decision regarding this bylaw amendment.

On an ongoing basis, billing information will continue to be provided by staff in response to any enquiries received by property owners or developers.

Prepared by: Engineering Assistant I
Reviewed by: Manager of Engineering (City Engineer)
Approved by: Chief Administrative Officer

Attachments:

- City of Salmon Arm Fee for Services Amendment Bylaw No. 4694
- D. McGregor email