

DATE OF MEETING DECEMBER 2, 2024

AUTHORED BY ANA FRANCISCO, ASSISTANT MANAGER, REVENUE SERVICES

**SUBJECT 2025 AMENDMENT TO BULK WATER RATES FOR SOUTH WEST EXTENSION**

## **OVERVIEW**

### **Purpose of Report**

To introduce “South West Bulk Water Rate Amendment Bylaw 2024, No. 7099.13” for first, second and third reading. |

### **Recommendation**

That:

1. “South West Bulk Water Rate Amendment Bylaw 2024, No. 7099.13” (a bylaw to set the 2025 bulk water rate for South West Extension) pass first reading;
2. “South West Bulk Water Rate Amendment Bylaw 2024, No. 7099.13” pass second reading; and
3. “South West Bulk Water Rate Amendment Bylaw 2024, No. 7099.13” pass third reading.

## **BACKGROUND**

The water supply service established under the *Greater Nanaimo Water District Act* was transferred to the City of Nanaimo in 2004, making the City responsible for provision of water to the South West Extension Waterworks District. The fees are reviewed annually, and under legislation, the City’s fees for this cannot exceed the cost of providing the services. |

## **DISCUSSION**

The estimated cost to provide water to South West Extension for 2025 is \$4.22 per 1,000 gallons to meet full cost recovery. The new rate will be effective January 1, 2025. |

## **OPTIONS**

1. That:

1. “South West Bulk Water Rate Amendment Bylaw 2024, No. 7099.13” (a bylaw to set 2025 bulk water rate for South West Extension) pass first reading;
2. “South West Bulk Water Rate Amendment Bylaw 2024, No. 7099.13” pass second reading; and

3. “South West Bulk Water Rate Amendment Bylaw 2024, No. 7099.13” pass third reading.

**Advantages:**

- The City will continue to fulfill its responsibility for provision of water to the South West Extension Waterworks District, whilst meeting its revenue targets, including asset management initiatives.

**Disadvantages:**

- The City is required by legislation to provide this service, and no disadvantages are noted.

2. That Council provide alternative direction.]

**SUMMARY POINTS**

- The City is required by legislation to provide water service to the South West Extension Waterworks District
- Pursuant to legislation the rate charged cannot be more than the cost of service
- The 2025 rate for every 1,000 gallons of water is proposed to be \$4.22

**ATTACHMENTS:**

South West Bulk Water Rate Amendment Bylaw 2024, No. 7099.13 |

**Submitted by:**

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**Concurrence by:**

Wendy Fulla  
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General Manager, Corporate Services |