

DATE OF MEETING DECEMBER 1, 2025

AUTHORED BY ANA FRANCISCO, MANAGER, REVENUE SERVICES

SUBJECT AMENDMENT TO BULK WATER RATES FOR SOUTH WEST EXTENSION FOR 2026

OVERVIEW

Purpose of Report

To introduce “South West Bulk Water Rate Amendment Bylaw 2025, No. 7099.14” for first, second and third reading.

Recommendation

That:

1. “South West Bulk Water Rate Amendment Bylaw 2025, No. 7099.14” (a bylaw to set the 2026 bulk water rate for South West Extension) pass first reading;
2. “South West Bulk Water Rate Amendment Bylaw 2025, No. 7099.14” pass second reading; and
3. “South West Bulk Water Rate Amendment Bylaw 2025, No. 7099.14” pass third reading.

BACKGROUND

In 2004, responsibility for the water supply service originally established under the *Greater Nanaimo Water District Act* was transferred to the City of Nanaimo. Since then, the City has been responsible for providing water to the South West Extension Waterworks District. Fees for this service are reviewed annually and as required by the legislation, must not exceed the actual cost of delivering the service.

DISCUSSION

The estimated cost to provide water to South West Extension for 2026 is \$3.75 per 1,000 gallons to meet full cost recovery. The new rate would take effect on January 1, 2026.

OPTIONS

1. That:

“South West Bulk Water Rate Amendment Bylaw 2025, No. 7099.14” (a bylaw to set the 2026 bulk water rate for South West Extension” pass first reading;

“South West Bulk Water Rate Amendment Bylaw 2025, No. 7099.14” pass second reading; and

“South West Bulk Water Rate Amendment Bylaw 2025, No. 7099.14” pass third reading.

Advantages:

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

Disadvantages:

- None noted. The City is required by legislation to provide this service.

2. That Council provide alternative direction. |

SUMMARY POINTS

- Pursuant to the *Nanaimo and South West Water Supply Act* the City is required to service water to the South West Extension Waterworks District.
- The rate cannot be more than the cost of the service.
- The 2026 rate for every 1,000 gallons of water is proposed to be \$3.75.

ATTACHMENTS:

South West Bulk Water Rate Amendment Bylaw 2025, No. 7099.14 |

Submitted by:

Ana Francisco
Manager, Revenue Services |

Concurrence by:

Wendy Fulla
Director, Finance

Laura Mercer
General Manager, Corporate Services

Bill Sims
General Manager, Engineering and Public
Works
|