

Cost Apportionment Bylaw CONSOLIDATED

THIS IS A CONSOLIDATION, FOR REFERENCE PURPOSES, OF:

- “Greater Vancouver Sewerage and Drainage District Cost Apportionment Bylaw No. 283, 2014”
(Adopted March 28, 2014)
- “Greater Vancouver Sewerage and Drainage District Cost Apportionment Amending Bylaw No. 301, 2016” *(Adopted October 28, 2016)*

As of October 28, 2016

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GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
BYLAW NUMBER 283, 2014
A BYLAW TO APPORTION ANNUAL EXPENDITURES

WHEREAS:

- A. Section 55(2) of the *Greater Vancouver Sewerage and Drainage District Act* (the “**Act**”) provides that the amount for annual expenditures of a sewerage area that is entirely within a municipality shall be apportioned to that municipality, unless a bylaw under section 55(4) applies;
- B. Section 55(3) of the Act provides that the amount for annual expenditures of a sewerage area that includes two or more municipalities shall be apportioned among them on the basis of the converted value of land and improvements, unless a bylaw under section 55(4) applies;
- C. Section 55(4) of the Act authorizes the Administration Board by bylaw to establish a different method of apportionment of costs among the member municipalities; and
- D. This bylaw sets out the Greater Vancouver Sewerage and Drainage District’s method of apportioning annual sewerage and drainage expenditures among the member municipalities, as permitted by section 55(4) of the Act.

NOW THEREFORE the Administration Board of the Greater Vancouver Sewerage and Drainage District in open meeting assembled of which and for the purpose of which due notice was given, enacts as follows:

1. Definitions

In this bylaw:

“**Assessed Value**” as applied in any calendar year in respect of any particular area, means the aggregate ‘converted value of land and improvements’ (as that term is defined in the *Community Charter*) within such area for the immediately preceding calendar year, as provided by the assessment commissioner of the British Columbia Assessment Authority pursuant to section 804.2 of the *Local Government Act*;

“**Community Benefit**” means any aspect of any of the Corporation’s wastewater treatment plants that is unrelated to the Corporation’s activities;

“**Corporation**” means the Greater Vancouver Sewerage and Drainage District;

“**Dry Weather Flow**” in respect of any 12 month period means:

- (i) for a Sewerage Area, the 25th percentile of the average daily flows of sewage and wastewater, as determined by the Corporation, measured at whichever (one or more) of the Corporation’s five wastewater treatment plants (being Annacis Island, Iona, Lions Gate, Lulu Island and North-West Langley) providing service to that Sewerage Area;

- (ii) for a member municipality of the Fraser Sewerage Area for the purposes of sections 3.1 and 7.4, the 25th percentile of the average daily flows of sewage and wastewater discharged from that member municipality as measured at the flow metering stations for that member municipality, or where there is insufficient data from flow metering stations, as determined by the Corporation, based on (A) discharge rates applicable to land use, land area and population data based on the design criteria for wastewater discharges in the Rawn Report of September 1953, as updated by the Corporation from time to time, (B) temporary flow monitoring from mobile meters, (C) data from pump stations or, (D) such other data deemed appropriate by the Corporation for making such determination;

“Growth Component” means, together, the Tier I Growth Component and the Tier II Growth Component;

“Industrial Assessed Value” in respect of any particular area, means the aggregate of the Assessed Values attributed by the Corporation to all lands and improvements within such area which are the subject of an Industrial Permit or Industrial Permits;

“Industrial Flows” in respect of any 12 month period, for a Sewerage Area or any member municipality thereof, means the average daily flows of sewage and wastewater discharged within the Sewerage Area or member municipality during such 12 month period under an Industrial Permit or Industrial Permits, as determined by the Corporation;

“Industrial Treatment Costs” means the costs as determined by the Corporation to treat and dispose of sewage and wastewater discharged pursuant to an Industrial Permit;

“Industrial Permit” means a permit issued by the Corporation under Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw No.299, 2007, as amended or replaced from time to time, and **“Industrial Permittee”** means a person holding a valid Industrial Permit;

“Operation and Maintenance Costs” means the costs of operating and maintaining the Corporation’s sewerage infrastructure;

“Regional Share” means 70% of Tier II Non-Growth Financing;

“Sewerage Area” means any of the Fraser Sewerage Area, the Lulu Island West Sewerage Area, the North Shore Sewerage Area and the Vancouver Sewerage Area, being respectively the sewerage areas established by the Corporation under the Act;

“Sewerage Area Share” means 30% of Tier II Non-Growth Financing;

“Tier I Growth Component” means all of the capital expenditures incurred by the Corporation for Tier I Projects that are primarily “growth” projects, as provided for in the applicable annual budgets of the Corporation or in the supporting documentation to such annual budgets;

“Tier I Growth Component Payments” means the payments of principal and interest due and payable in each year in respect of the Tier I Growth Component (excluding interest payable on any borrowing that has a term in excess of 12 months);

“Tier I Non-Growth Component” for any 12-month period, means the aggregate of those capital expenditures for Tier I Projects not constituting the Tier I Growth Component;

“Tier I Non-Growth Financing” for any 12-month period, means the aggregate amount of principal and interest payments (except where specifically excluded) and other financing costs in respect of monies borrowed by the Corporation to pay for the Tier I Non-Growth Component;

“Tier I Project” means any capital project provided for in an annual budget of the Corporation or in the supporting documentation to any such annual budget, other than a Tier II Project;

“Tier II Growth Component” means all of the capital expenditures incurred by the Corporation for Tier II Projects that are primarily “growth” projects, as provided for in the applicable annual budgets of the Corporation or in the supporting documentation to such annual budgets;

“Tier II Growth Component Payments” means the payments of principal and interest due and payable in each year in respect of the Tier II Growth Component (excluding interest payable on any borrowing that has a term in excess of 12 months);

“Tier II Non-Growth Component” for any 12-month period, means the aggregate of those capital expenditures for Tier II Projects not constituting the Tier II Growth Component;

“Tier II Non-Growth Financing” for any 12-month period, means the aggregate amount of principal and interest payments (except where specifically excluded) and other financing costs in respect of monies borrowed by the Corporation to pay for the Tier II Non-Growth Component;

“Tier II Project” means a capital infrastructure project at any of the Corporation’s wastewater treatments plants, other than:

- (i) any portion of the project that is a Community Benefit; or
- (ii) any portion of the upgraded Lions Gate wastewater treatment plant and the upgraded Iona wastewater treatment plant that is primary treatment infrastructure equivalent to primary treatment infrastructure that was in place at Annacis wastewater treatment plant and Lulu Island wastewater treatment plant prior to those plants being upgraded to secondary treatment, namely the primary treatment tanks;

“Total Dry Weather Flows” means the aggregate of the Dry Weather Flows for all of the Corporation’s Sewerage Areas;

“UBC Dry Weather Flow” in respect of any 12 month period means the 25th percentile of the average daily flows of sewage and wastewater discharged from the university site, as determined by the Corporation, and based upon:

- (i) flow monitoring meters for the University of British Columbia, and
- (ii) such other data deemed relevant by the Corporation for making such determination;

“UEL Dry Weather Flow” in respect of any 12 month period means the 25th percentile of the average daily flows of sewage and wastewater discharged from the University Endowment Lands, as determined by the Corporation, and based upon:

- (i) temporary flow monitoring by mobile flow meters for the University Endowment Lands, and
- (ii) such other data deemed relevant by the Corporation for making such determination; and

“University Endowment Lands” means the area of the University Endowment Lands (as referred to in section 5(2) of the Act).

2. DELETED by Bylaw 301. 2016

3. DELETED by Bylaw 301, 2016

4. Apportionment of Growth Costs

4.1 The Corporation will, by way of borrowing, raise sufficient monies to pay the Growth Component in each year, as capital expenditures are incurred.

4.2 The Corporation will apportion to each Sewerage Area:

- (a) 100% of the Tier I Growth Component Payments that are attributable to that Sewerage Area; and
- (b) 30% of the Tier II Growth Component Payments that are attributable to that Sewerage Area.

4.3 The Corporation will apply the development cost charge monies (the **“DCC Monies”**) received under Greater Vancouver Sewerage and Drainage District Development Cost Charge Bylaw No.254, 2010 (as amended or replaced from time to time) in any year and apportioned to a particular Sewerage Area to pay up to 99% of the Tier I Growth Component Payments and Tier II Growth Component Payments apportioned to that Sewerage Area pursuant to section 4.2.

4.4 The Corporation will apportion to each Sewerage Area the total of the interest payable on any borrowing having a term of more than 12 months, incurred in respect of:

- (a) 100% of the Tier I Growth Component that is attributable to that Sewerage Area; and

(b) 30% of the Tier II Growth Component that is attributable to that Sewerage Area.

4.5 The Corporation will apportion among the Sewerage Areas the total of:

(a) the interest payable on any borrowing that has a term of more than 12 months incurred in respect of 70% of Tier II Growth Component; and

(b) 1% of the amount that is equal to 70% of the Tier II Growth Component Payments,

on the basis of the following formula:

$$\frac{\text{Sewerage Area Population Growth}}{\text{District Population Growth}} \times \text{Amount to be apportioned among Sewerage Areas}$$

4.6 After complying with sections 4.2, 4.3, 4.4 and 4.5 above, the Corporation will apply DCC Monies to pay the unapportioned balance of the Tier II Growth Component Payments. In the event that there is a shortfall in the amount of DCC Monies required to pay the unapportioned balance of the Tier II Growth Component Payments, the amount of such shortfall will be apportioned among the Sewerage Areas on the basis of the formula set out in section 4.5.

4.7 The Corporation will further apportion among the member municipalities within each Sewerage Area (including, in the case of the Vancouver Sewerage Area, the University Endowment Lands) the total of:

(a) 1% of the amount apportioned to the Sewerage Area pursuant to section 4.2;

(b) the amount by which the DCC Monies are insufficient to pay 99% of the amount apportioned to the Sewerage Area pursuant to section 4.2;

(c) the amount apportioned to the Sewerage Area pursuant to section 4.4;

(d) the amount apportioned to the Sewerage Area pursuant to section 4.5; and

(e) the amount by which DCC Monies are insufficient to pay the unapportioned balance of the Tier II Growth Component Payments apportioned to the Sewerage Area pursuant to section 4.6,

on the basis of the following formula:

$$\frac{\text{Member Population Growth}}{\text{Sewerage Area Population Growth}} \times \text{Amount to be apportioned among Member municipalities of the Sewerage Area}$$

4.8 For the purposes of the formulae set out in sections 4.5 and 4.7, the Member Population Growth, the Sewerage Area Population Growth and the District Population Growth will be the applicable (rolling) average annual population growth (as published in the most recent edition, as determined by the Corporation, of British Columbia Municipal and Regional

District Population Estimates of the Demographic Analysis Section of BC STATS, Ministry of Technology, Innovation and Citizens' Services of the Government of the Province of British Columbia) in each respective area for the five-year period that precedes and ends on December 31 of the calendar year that is two years prior to December 31 of the calendar year in respect of which the calculation is made. Despite the foregoing, the Member Population Growth for the University Endowment Lands will be deemed to be equal to 0.9% of the Member Population Growth for the City of Vancouver.

5. Industrial Treatment Costs

5.1 The Corporation will charge its Industrial Treatment Costs directly to Industrial Permittees and Industrial Treatment Costs will not be apportioned to the Sewerage Areas or member municipalities pursuant to this Bylaw.

5.2 For the purpose of section 7.1, all Assessed Values will be reduced by an amount equal to the Industrial Assessed Value within each relevant area for Industrial Permits (Permittees).

6. Apportionment of Non-Growth Costs

6.1 Except as otherwise provided in this bylaw, the Regional Share will be apportioned among the Sewerage Areas in the same proportion that the Dry Weather Flow for each Sewerage Area during the twelve month period ending June 30 of the immediately preceding year bears to the Total Dry Weather Flows during that same period.

6.2 The Sewerage Area Share will be apportioned to those Sewerage Areas for which the Corporation has incurred Tier II Non-Growth Financing, in the proportion that Tier II Non-Growth Financing incurred for services within a Sewerage Area bears to 100% of Tier II Non-Growth Financing.

6.3 The Tier I Non-Growth Financing will be apportioned to the Sewerage Area for which the costs were incurred.

7. Apportionment of Non-Growth Costs Among Member Municipalities

7.1 Except as otherwise provided in this bylaw, the total of:

(a) the portion of the Regional Share apportioned to the Vancouver Sewerage Area under section 6.1;

(b) the Sewerage Area Share apportioned to the Vancouver Sewerage Area under section 6.2;

(c) the Tier I Non-Growth Financing apportioned to the Vancouver Sewerage Area under section 6.3; and

(d) all other costs apportioned to the Vancouver Sewerage Area pursuant to section 9,

will, except for the amount apportioned under section 8.1, be further apportioned among the member municipalities within the Vancouver Sewerage Area in the same proportion that the Assessed Value (as adjusted in accordance with section 5.2) of the lands of each member municipality within the Vancouver Sewerage Area bears to the Assessed Value (as adjusted in accordance with section 5.2) of all lands within the Vancouver Sewerage Area.

7.2 Except as otherwise provided in this bylaw, the total of:

- (a) the portion of the Regional Share apportioned to the Lulu Island West Sewerage Area under section 6.1;
- (b) the Sewerage Area Share apportioned to the Lulu Island West Sewerage Area under section 6.2;
- (c) the Tier I Non-Growth Financing apportioned to the Lulu Island West Sewerage Area under section 6.3; and
- (d) all other costs apportioned to the Lulu Island West Sewerage Area pursuant to section 9,

will be further apportioned entirely to the City of Richmond, being the sole member municipality within that Sewerage Area.

7.3 Except as otherwise provided in this bylaw, the total of:

- (a) the portion of the Regional Share apportioned to the North Shore Sewerage Area under section 6.1;
- (b) the Sewerage Area Share apportioned to the North Shore Sewerage Area under section 6.2;
- (c) the Tier I Non-Growth Financing apportioned to the North Shore Sewerage Area under section 6.3; and
- (d) all other costs apportioned to the North Shore Sewerage Area pursuant to section 9,

will be further apportioned among the member municipalities within the North Shore Sewerage Area as follows:

The Corporation of the District of West Vancouver	30%
The Corporation of the District of North Vancouver	45%
City of North Vancouver	25%

7.4 Except as otherwise provided in this bylaw, the total of:

- (a) the portion of the Regional Share apportioned to the Fraser Sewerage Area under section 6.1;

- (b) the Sewerage Area Share apportioned to the Fraser Sewerage Area under section 6.2;
- (c) the Tier I Non-Growth Financing apportioned to the Fraser Sewerage Area under section 6.3; and
- (d) all other costs apportioned to the Fraser Sewerage Area pursuant to section 9,

will be apportioned among the member municipalities of the Fraser Sewerage Area in the proportion that 100% of the Dry Weather Flow for each member municipality during the five year period ending June 30 of the previous year, less 100% of the Industrial Flows for each such member during the same period, bears to 100% of the Dry Weather Flow for the entire Fraser Sewerage Area, less 100% of the Industrial Flows for the entire Fraser Sewerage Area, during the same period.

8. Special Apportionment for Vancouver Sewerage Area

8.1 For the purpose of further apportioning costs apportioned to the Vancouver Sewerage Area, under section 7.1:

- (a) the amount to be apportioned to the University Endowment Lands in respect of the University Endowment Lands will be equal to that portion of the costs apportioned to the Vancouver Sewerage Area that the UEL Dry Weather Flow bears to 100% of the Dry Weather Flow for the Vancouver Sewerage Area less 100% of the Industrial Flows for the Vancouver Sewerage Area, during the 12 month period ending June 30 of the immediately preceding year; and
- (b) the amount to be apportioned to the University of British Columbia in respect of the university site will be equal to that portion of the costs apportioned to the Vancouver Sewerage Area that the UBC Dry Weather Flow bears to 100% of the Dry Weather Flow for the Vancouver Sewerage Area less 100% of the Industrial Flows for the Vancouver Sewerage Area, during the 12 month period ending June 30 of the immediately preceding year.

9. Apportionment of Operation and Maintenance Costs and Previously Unapportioned Capital Costs

9.1 Operation and Maintenance Costs attributable to a particular Sewerage Area will be apportioned to the Sewerage Area for which such costs will be incurred, and will be further apportioned within each Sewerage Area on the basis set out in sections 7 and 8.

9.2 Operation and Maintenance Costs that are not attributable to a particular Sewerage Area and relate to region wide programs will be apportioned among the Sewerage Areas in the same proportion that the Dry Weather Flow for each Sewerage Area during the twelve month period ending June 30 of the immediately preceding year bears to the Total Dry Weather Flows during that same period, and will be further apportioned within each Sewerage Area on the basis set out in sections 7 and 8.

9.3 Operation and Maintenance Costs that are not attributable to a particular Sewerage Area and comprise administration and corporate service costs will be apportioned among the Sewerage Areas in the same proportion that the Operation and Maintenance Costs apportioned to each Sewerage Area for the previous year bears to the total Operation and Maintenance Costs for the same period, and will be further apportioned within each Sewerage Area on the basis set out in sections 7 and 8.

9.4 All principal, interest and other financing costs (excluding costs referred to in section 10.1) arising out of capital expenditures which have not already been apportioned pursuant to any other section of this bylaw and can equitably be apportioned (in the sole discretion of the Corporation) to a single Sewerage Area will be apportioned entirely to that Sewerage Area and further apportioned within that Sewerage Area on the basis set out in sections 7 and 8. If any principal, interest and other financing costs (excluding costs referred to in section 10.1) arising out of capital expenditures which have not already been apportioned pursuant to any other section of this bylaw cannot equitably be attributed to a single Sewerage Area, such costs will be apportioned among the Sewerage Areas on the basis set out in section 6.1 and further apportioned within each Sewerage Area on the basis set out in sections 7 and 8.

10. Apportionment of Drainage Area Costs

10.1 Despite any other section of this bylaw, all costs relating to the three drainage areas of the Corporation, being the Still Creek/Brunette River Drainage Area, the Port Moody/Coquitlam Drainage Area, and University Drainage Area, will be apportioned among the member municipalities in the same proportion that the Assessed Value within each member municipality bears to the total Assessed Value within all member municipalities.

11. Citation

11.1 This bylaw shall be cited for all purposes as “Greater Vancouver Sewerage and Drainage District Cost Apportionment Bylaw No. 283, 2014”.

12. Effective Date

12.1 This bylaw shall take effect on the _____ day of _____, 2014.

READ A FIRST, SECOND AND THIRD TIME this _____ day of _____, 2014.

PASSED AND FINALLY ADOPTED this _____ day of _____, 2014.

Paulette Vetleson

Greg Moore

Corporate Officer

Chair