
Tuesday, April 15, 1997

Council Chamber
City Hall
14245 - 56 Avenue
Surrey, B.C.

Tuesday, April 15, 1997

Time: 5:00 p.m.

Present: Absent: Staff Present:

Acting Mayor Watts - Chair Councillor Eddington Acting City Manager
Mayor McCallum Councillor Higginbotham City Clerk
Councillor Lewin Councillor Robinson H. Garner, Administrative Assistant
Councillor Caissie _____
Councillor Hunt **Councillors Entering Meeting** _____

in Progress:

Councillor Villeneuve

C. DELEGATIONS

Greater Vancouver Regional District

File: 0065-012; 0046-019

Mr. Hugh McConnell of the Greater Vancouver Regional District was in attendance and reviewed the BOD/TSS Industrial Pricing Strategy.

The delegation advised that the GVRD strategy is part of a broader strategy to move to full cost recovery. He stated that they are now looking at a pricing strategy for industry. Other sectors will be reviewed. He also stated that industry cost services are being subsidized by other users. He pointed out that industry can have cost effective options. He stated the recommendations are really a reallocation of costs.

He advised that current levies are 80 million. 2 1/2 million is collected by municipalities. The balance is from commercial and residential sections. There is a gap of 7 1/2 million that is not being collected from industry but is being subsidized by residential and commercial. He stated that a user cost pay system will be implemented. He outlined the implications of subsidizing industry.

He stated that a Technical Working Group has been set up with industry representatives. They have been working for about one year on the technical analysis. He advised that a planning and consultation process has also taken place. A final consensus was reached with the Technical Working Group.

Councillor Villeneuve joined the meeting at 5:10 p.m.

The delegation presented rate strategy issues. There were five key issues that the groups considered. He advised that there is some concern about the impact of these rates on the broader scope. The recommendations will be a phased in over a 4 year period beginning in 1998. He advised that charges will be minimized to industry by using current costs rather than marginal costs. In addition, average industrial discharges will be

used as opposed to peak discharges. He informed that they are endorsing industry recommendations to do a competitive analysis.

The delegation stated that a number of industries are making representations to various Councils. The rate strategy conclusions are to proceed with the recommended rate strategy and further study the issue of competitiveness. The implementation will be done in consultation with municipalities.

In response to questions from Council, the delegation advised that:

- Comparisons have been done with other regions.
- Surrey has the option of billing customers at any rate, if they do not support the recommendations.
- The GVRD will continue working with the Technical Group through the implementation process and beyond.
- Industry in Vancouver may face higher costs.

Mayor McCallum expressed concern that businesses will be driven away from Surrey if the recommendations are implemented. He felt that an economic comparison study should be done prior to implementation.

In addition, the delegation advised that all municipalities will be dealt with in a consistent manner.

A. CORPORATE REPORTS

1. Corporate Report under date of April 15, 1997, was considered and dealt with as follows:

Item No. C341 BOD/TSS Industrial Pricing Strategy

File: 0046-019

The Acting General Manager, Engineering submitted a report informing Council of the work that has been carried out by the GVRD on a pricing strategy for industrial sewage effluent and to establish a corporate position to respond to the Regional District.

The Acting General Manager, Engineering was recommending:

1. That Council support the following principles regarding the industrial pricing strategy for sewer service:

- That at least a 4-year phase-in period be applied to BOD/TSS pricing
- That billing be to the member municipality who will in turn have the jurisdiction on how this charge is to be passed onto industry.

2. That the above recommendation be forwarded to the GVRD Board.

COMMITTEE RECOMMENDATION

It was Moved by Councillor Villeneuve

Seconded by Councillor Hunt
That the report be received.

Carried

It was Moved by Councillor Lewin
Seconded by Councillor Villeneuve

1. That Council support the following principles regarding the industrial pricing strategy for sewer service:

- That at least a 4-year phase-in period be applied to BOD/TSS pricing
- That billing be to the member municipality who will in turn have the jurisdiction on how this charge is to be passed onto industry.

2. That the above recommendation be forwarded to the GVRD Board.

Before the motion was put:

It was Moved by Mayor McCallum
Seconded by Councillor Hunt

That this issue be deferred until after the Economic Impact Study is completed.

Carried

It was Moved by Councillor Hunt
Seconded by Councillor Lewin

That Councils position be communicated to the GVRD.

Carried

B. ITEMS REFERRED BY COUNCIL

D. DELEGATION REQUESTS

E. COUNCIL MEMBERS REPORTS

F. OTHER COMPETENT BUSINESS

G. ADJOURNMENT

It was Moved by Councillor Hunt
Seconded by Councillor Caissie

That the Council-in-Committee meeting do now adjourn.

Carried

The Council-in-Committee adjourned at 6:05 p.m.