

March 15, 2019

B.C. Supreme Court sides with City on water rates charged outside municipal boundary

On March 14, the BC Supreme Court issued its judgment on a petition challenging water fees charged to residents of Area D of the Strathcona Regional District.

In its ruling, the Court found that the City is authorized to enact bylaws to set fees for bulk water sold outside its boundaries, and to charge a fee that reflects the cost of delivering water to residents outside City boundaries.

Madam Justice Young stated that *“there is nothing untoward about the City, who is a seller, setting a purchase price for its commodity.”*

She concluded that the water fee increases imposed by the City are linked to the cost of delivering water, and that the City has no obligation to subsidize the water supply to the SRD.

“Along with dismissing the petition, the BC Supreme Court judgment confirms that the City has the authority to set water rates charged outside City boundaries and that the rates are valid and lawful,” said Mayor Andy Adams. *“The City bylaw was approved by Council as a matter of principle to offer services to neighbouring communities in a manner that is financially responsible and sustainable.”*

The Mayor adds, *“The City recognizes the Strathcona Regional District as a valued government partner, and with this court case is resolved, we commit to moving forward to work together on other areas of mutual interest.”*

The petition was filed on July 4, 2018.

Campbell River’s water system distributes potable water for domestic, commercial and industrial use as well as fire protection via watermains running throughout the community, to local First Nations and a portion of Strathcona Regional District Area D.

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