Proposed Amendment to Sewer By-law No. 7640/2000, Section 42.1 – Large Volume Sewer Discount Adjustment
File WW-2.3 (Vol. 15)

2. On January 26, 2000, City Council amended and adopted Clause 1 of the Report of the Standing Policy Committee on Public Works dated January 18, 2000, which included a recommendation that a discount sewer rate be provided in support of economic development for large users, effective July 1, 2000.

On May 24, 2000, Council passed By-law No. 7640/2000, an amendment to Sewer By-law No. 7070/97, to include Section 42.1, Large Volume Sewer Discount Adjustment, as follows:

"42.1 Large Volume Sewer Discount Adjustment

Any person may receive a large volume sewer discount adjustment as listed in Schedule "A" subject to meeting all of the following criteria:

1) the owner or occupant uses over the base amount shown on Schedule "A" in sewer services (uniform sewer rate and/or over strength wastewater surcharge) in a calendar year; and
2) the owner or occupant makes application on a yearly basis by March 15 following the calendar year in which the discount is being requested; and
3) sales outside of the City must account for at least twenty-five (25%) percent of the owner's or occupant's sales on a calendar year basis. The owner or occupant, at their own expense and to the satisfaction of the Sewer Utility, must provide an audited statement of sales by an independent accounting professional, authorized to provide such opinions in the Province of Manitoba; and
4) the nature of business or undertaking of the owner or occupant is limited to the manufacture, fabrication, assembly or processing of goods and materials at premises located within the City; and
5) an owner or occupant is not in default under the Sewer By-law or the Water Works By-law.

The Sewer Utility may credit the discount annually. A discount credit will be applied directly to the owner's or occupant's sewer services account."

In addition, Schedule "A" to By-law No. 7070/97 was revised to include the following:

"Schedule "A"

18. Large Volume Sewer Discount Adjustment – Section 42.1
Thirty (30%) percent discount on the total dollar value of sewer services (uniform sewer rate and/or over strength wastewater surcharge) in a calendar year over and above the first one hundred thousand ($100,000.00) dollars of billed services (the "base amount").

which shall come into force and effect on July 1, 2000."

Report of the Standing Policy Committee on Public Works dated November 20, 2001

In June of 2001, the Water and Waste Department completed a review of the first year of the program. There were several inquiries regarding the March 15 deadline for submitting applications for the discount. Many clients had difficulty in meeting this deadline and the department extended the application date to May 7, 2001, taking into consideration that this was the first year of the program. Some customers also experienced concern regarding the cost of having to provide an additional audited statement of sales that was required to determine eligibility for the Large Volume Sewer Discount.

Based upon customers' comments and the first year's experience, the Water and Waste Department is recommending that the March 15 deadline for applications be extended to December 31 following the calendar year in which the discount is being requested. This flexibility would: (1) permit the customer to have the audited statement of sales completed in conjunction with their fiscal year end audits and may help in consolidating or reducing their audit costs, and (2) provide sufficient time to complete the application. There would be no cost implications to the department since, in the event that a customer delays application for the discount, the utility earns interest on the working capital.

In January 2002, as part of the current communication strategy, the top fifty customers will be mailed an information package and advised of the deadline extension beginning 2002. The information package will detail program requirements and highlight the change in submission date.

There is no financial impact associated with extending the application deadline.

An amendment to the Sewer By-law requires Council approval.

The Standing Policy Committee on Public Works recommends:

I. That effective January 1, 2002, Council approve an amendment to the Sewer By-law No. 7070/97, Large Volume Sewer Discount Adjustment, Section 42.1 Part 2, that changes the deadline for application from March 15 to December 31, as follows:

"2) the owner or occupant makes application on a yearly basis by December 31 following the calendar year in which the discount is being requested; and"

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.