

DATE OF MEETING JANUARY 16, 2023

AUTHORED BY JAMIE SLATER, MANAGER, FINANCIAL SERVICES AND SPECIAL PROJECTS

SUBJECT WATERWORKS RATE AND REGULATION AMENDMENT BYLAW TO ADD A BULK WATER RATE AND WATER HAULING RATE

OVERVIEW

Purpose of Report

To introduce “Waterworks Rate and Regulation Amendment Bylaw 2023, No. 7004.20” for first, second, and third reading.

Recommendation

That:

1. “Waterworks Rate and Regulation Amendment Bylaw 2023, No. 7004.20” (A bylaw to add a bulk water rate and water hauling rate) pass first reading;
2. “Waterworks Rate and Regulation Amendment Bylaw 2023, No. 7004.20” pass second reading; and,
3. “Waterworks Rate and Regulation Amendment Bylaw 2023, No. 7004.20” pass third reading.

BACKGROUND

As part of the 2023-2027 Financial Planning process, Council supported a Utility Rate Review that included rate structure changes that are effective January 1, 2023. Water rates were set by the adoption of “Waterworks Rate and Regulation Amendment Bylaw 2023, No. 7004.18” in December 2022. Since then, Revenue Services staff have been working on the implementation and configuration of the new rate structures.

DISCUSSION

During configuration, it was noted that there are three amendments that need to be included in the Water Rate Bylaw. The proposed amendments are noted below and outlined in Attachment A.

- 1) In the single family residential / multi family residential (up to 2 units) category, the wording should be clarified to identify that the base rate is applicable to each user rate account that is associated with a folio number.
- 2) The Bulk Water rate is still required and needs to be added to the fee section of the bylaw. The previous 2022 rate of \$0.01022 per gallon would be increased by 5% and the 2023 rate would be \$1.010731.

- 3) The Water Hauler rate is still required and needs to be added to the fee section of the bylaw. The previous 2022 rate of \$0.01689 per gallon would be increased by 5% and the 2023 rate would be \$1.01773.

To illustrate how the amendments would be incorporated into Schedule A of the Waterworks Rate and Regulation Bylaw see Attachment B.

OPTIONS

Option 1:

That:

1. "Waterworks Rate and Regulation Amendment Bylaw 2023, No. 7004.20 (a bylaw to add a bulk water rate and water hauling rate) pass first reading;
2. "Waterworks Rate and Regulation Amendment Bylaw 2023, No. 7004.20 pass second reading; and
3. "Waterworks Rate and Regulation Amendment Bylaw 2023, No. 7004.20 pass third reading.
 - **Advantages:**
The City will meet its revenue targets that include cost recovery and asset management initiatives.
 - **Disadvantages:**
Rates are required to increase by 5%. This additional cost reflects the increased costs of providing water utility services, and the cost of planning for infrastructure maintenance and replacement.

Option 2:

Council direction is sought.

SUMMARY POINTS

- A Utility Rate Review was conducted in 2022 and supported by Council
- Water rates for 2023 were set by "Waterworks Rate and Regulation Amendment Bylaw 2023, No. 7004.18" in December 2022
- As part of the new rate structure configuration, required housekeeping amendments to the bylaw have been identified

ATTACHMENTS:

Attachment A – B7004-20 – Waterworks Rate and Regulation Amendment Bylaw
Attachment B – B7004-20 – Consolidated Schedule A

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