

THE CORPORATION OF THE TOWN OF MATTAWA

COMMITTEE: FINANCE

CHAIRPERSON: COUNCILLOR C. LACELLE

DEPT. HEAD: WAYNE P. BELTER

TITLE: 2014 WATER RATES BY-LAW

X Draft By-Law Item Policy Recommendation

Mayor D. Backer and Members of Council:

Water rate increases for 2014 have been reviewed in light of the Water Department's past year's activity and planned work this year.

Mattawa's water supply has been and is safe and pure and is produced at a relatively low cost compared to other municipalities. However, the Walkerton event, almost fourteen years ago has required all municipal water systems to meet increased minimum Provincial standards. Mattawa's improvements through this process were identified and OSTAR 1 major program improvements were completed and improvements are ongoing.

Three of our more recent large water and sewer infrastructure improvements included the Pine Street water and sewer reconstruction project which cost more than \$700,000.00 with the municipality's share being \$237,000.00. We also completed the Mattawan Street water project accommodating the new Hospital which cost the municipality \$320,000.00 and we also constructed a new water line under the Mattawa River Bridge at a municipal cost of \$185,000.00.

In 2012 the Highway 17 Sewer and Water project was completed and Mattawa's 1.1 million share of the cost has been debentured at a cost of \$102,000.00 per year for fifteen years.

In addition we hired a new qualified water/sewer employee to assist with the ongoing operation of the water and sewer department. There are expected and ongoing pump repairs and replacement work occurring on a regular basis and staff are continuing to resolve the phosphorous problems associated with the sewage lagoons.

We are also in the process of installing the water and sewer lines as part of the Brook Street Light Industrial Park Project. Mattawa's share of the approximately 1.2 million dollar project will be in the \$400,000 range and will be a 2014 capital expenditure. Council has also applied for Infrastructure funding to improve water and sewer lines in Rosemount which, if approved, is expected to be in the million dollar range. We passed Round One of the selection process and the

Government should announce the successful projects in the next couple of months and if approved engineering work will be finalized this year for construction in 2015.

These developments are in addition to substantial increases in hydro, insurance, equipment and labour costs. Hydro costs for the Sewer and Water Departments were in excess of \$100,000 in 2013 and with projected future hydro increases these costs are excessive but have to be paid. Future capital projects will require considerable municipal financial participation and will include continued water and sewer improvements throughout the municipality. We are also in the process of completing Source Water Protection Plans and it is expected there will be initial and ongoing costs associated with this Provincial directive.

These are some of the challenges and expected developments in the water and sewer departments going forward. The responsibility and management of this department is obviously rather complicated and critical to the long term success of our community.

Municipal water and sewer revenues in 2013 were approximately \$777,000.00. For the past eight years when Council reviewed our water rate levy, the increase was 7.9%, 9.4%, 9.0%, 4.5%, 4.5%, 4.5%, 4.5% and 3.5% last year. The Public Works Department as explained above is expected to be busy again this year and the cost will be considerable.

Council weighed all these requirements in light of the present economic difficulties in the area, held a public meeting on February 10, 2014 for public input with three people in attendance when our needs were discussed. A 2.1% increase seems reasonable based on the facts surrounding the need for water and sewer improvements and the projected costs associated with operations and long term debt. The completion of the water and sewer lines as part of the Light Industrial Park Project, the potential Valley project cost, in addition to full cost recovery being a Provincial requirement is a reality. However for this year, especially faced with the area's economic conditions, pressure to keep the rate lower was strongly considered.

A 2.1% increase translates into an increase of approximately \$16.50 on an average yearly water bill, which also includes the sewer surcharge. An average water bill for 2014 will be approximately \$803.50 which is about \$2.21 per day for an average residence in the Town of Mattawa to basically have an unlimited safe supply of water and the ability to use the sewer system. This is a great service for an extremely reasonable cost.

The fire suppression fixture flat rates of \$125.00 per year for a residential sprinkler system and \$250.00 per year flat rate for commercial, institutional and multi-residential units will continue at the flat rate previously established. It is also noted the policy of transferring existing water arrears to the tax bills has now been completed.

Recommendation:

That the Town of Mattawa adopt By-Law 14-09 which increases the water rate for flat rate water users and water users on meters by 2.1% for 2014 in order to maintain our water and sewer system. An average water bill will increase by approximately \$16.50 to approximately \$803.50.

Respectfully submitted

Councillor C. Lacelle

CORPORATION OF THE TOWN OF MATTAWA

BY-LAW NUMBER 14-09

BEING a By-law to establish water rates for 2014.

WHEREAS the Municipal Act provides for municipalities to charge a service rate for the continuance, operation, repair and maintenance of the water and sewer systems.

WHEREAS due to Bill 175 and Bill 195 and escalating costs of maintenance and improvements to the water and sewer system, and the need to fund various water improvement projects it is necessary to increase the annual water rate in 2014 to all consumers receiving water through the municipal water system, whether on flat or meter rates including non-residents.

AND THEREFORE the Council of the Town of Mattawa enacts as follows:

1. That the annual rate for all consumers of water is hereby increased by 2.1%. The consumption rate based on gallonage for metered residents and non-residents will increase accordingly.
2. This increase is effective as of January 1, 2014.
3. A flat rate of \$125.00 per year will be added to a residential water bill if incorporating a fire suppression sprinkler system in addition to the normal charges. A \$250.00 per year flat rate will be added to commercial, institutional and multi-residences incorporating a sprinkler system in addition to normal charges, which was established in 2010.
4. Water bills will be processed and due in March and August 2014. The metered consumers' water billings remain quarterly and will be due in March, May, August, and November 2014.
5. The Clerk, upon notice from the Treasurer of the amounts due and the person by whom it is due and the lands upon which the supply of water and / or sewer services were supplied, or upon which any work was done in connection with the supply of water or sewer services, enter any unpaid amounts for such service or work upon the Tax Collector's roll and be collected in the same manner and with the same priority as municipal real property taxes.
6. An administration/transfer fee of \$50.00 will apply to this action in accordance with the appropriate municipal policy approved by Council governing how this activity is exercised.
7. A Fee of \$40.00 will be charged for Water Certificates, a service charge of \$40.00 will be applied to any returned payments/per item and also a \$10.00 fee will be applied for a printed copy of water information (statement of account) per property. A fee of \$20.00 for research on water information per account per year.

READ, PASSED AND ADOPTED this 24th day of February 2014.



Mayor



Clerk

STATE OF TEXAS

