



MUNICIPALITY OF **West Elgin**

Staff Report

Report To: Council Meeting
From: Magda Badura, CAO/Treasurer
Date: 2021-05-13
Subject: 2021 Water and Wastewater Rates

Recommendation:

That West Elgin Council hereby receives the report from Magda Badura, CAO/Treasurer regarding 2021 Water and Wastewater Rates for information purposes.

Purpose:

The purpose of this report is to provide Council with a refresher of how the water and wastewater rates are calculated prior to bringing forward the by-law to set these rates as part of the by-law portion of the agenda.

Background:

Water System Rates

Sharratt Water Management provided West Elgin a Drinking Water System Rate report in 2019, which provided a 20 year plan for the Drinking water system in West Elgin which set out a plan for the capital work required and the water rates required to fund this work (the report can be found on the website at <https://www.westelgin.net/en/municipal-office/resources/Documents/Ken-Sharratt---West-Elgin-Water-System-Rate-Report-May-6.pdf>). This report suggested a Fixed Flat Bi-Monthly Rate of \$43.45 and a Variable Rate per m³ of \$1.58. This would have resulted in a water increase for an average family of 4 using 42 cubic meters of water of \$4.81 on the bi-monthly bill or \$28.86 per year.

The COVID-19 pandemic is affecting nearly every aspect of our lives and has demanded abrupt changes in the status quo. On February 25, 2021 Budget meeting council decided to provide the residents of West Elgin a relief during these extraordinary times and set the following water rates:

Fixed Flat Bi-Monthly Rate: \$42.00

Variable Rate per m³: \$1.58

The bi-monthly water increases for a family of 4 using 42 cubic meters will be \$3.36 or \$20.16 per year.

Ontario Clean Water provided West Elgin Council a Rate Structure Report in 2020 for the Rodney Wastewater Treatment plan with options depending on if West Elgin received funding for upgrades to the Rodney Plant or not (this plan can be found on our website at <https://www.westelgin.net/en/municipal-office/resources/Documents/Rate-Structure-Report---2020.pdf>)

This report recommends an increase of the sewage rates to 180%, however staff are proposing, freezing the wastewater rate at 171% of the water rate. The water flat rate has increased which will result in a \$0.72 increase of the flat rate and a \$0.12 increase to the sewer consumption per cubic meter rate. The rates will be:

Residential Flat Rate: \$71.82

Sewer Consumption Rate: \$2.70 per m³

West Lorne Sewage

The Council in 2018 approved 12% increases to the West Lorne wastewater rates for three consecutive years. Currently West Lorne sewage rate is 164% of water rates and staff are proposing freezing the wastewater rate there. The water flat rate has increased which will result in a \$0.69 increase of the flat rate and a \$0.11 increase to the sewer consumption per cubic meter rate. The rates will be:

Residential Flat Rate: \$68.88

Sewer Consumption Rate: \$2.59 per m³

Financial Implications:

Rate changes will take effect July 1, 2021

Rates as approved in the 2021 Budget