

STAFF REPORT

Department: Treasury / Public Works / Environmental Services

Date: November 27, 2024

Item: Water and Sewer Rates for 2025

Recommendation: Be It Resolved That: Bylaw No. 3215/24, being a Bylaw to Authorize Billing and Collection of Water and Wastewater Services for the Town of Espanola and to Repeal Bylaw 3196/24, be adopted and come into force and have effect on January 1st, 2025.

Background: Municipal Water and Sewer systems and facilities are funded separately from the municipal operating and capital budgets. The water and sewer system is funded by the water and sewer rates charged to users. Water and sewer rates are failing to generate enough revenue to cover the cost of the system. This is primarily due to significant increases in the cost of operating the Town's water and sewer treatment facilities that are operated by OCWA as well as added work needed to maintain areas of the system that are very old. The current water and sewer rates would leave a 20% shortfall with projected annual expenses including both operating and capital.

Analysis: In order to address the 20% shortfall, a phased in water and sewer adjustment has been implemented to minimize the initial increase to users. An increase of \$10.19 per month for residential users took effect July 2024. A second increase of \$10.19 per month effective January 2025. The chart below outlines the impact on specific rate classes and the difference between the rates.

2025 Water and Sewer Rate Adjustment			
	Current Rate	Proposed 10% Increase	Difference
Residential Flat Rate	\$112.10	\$122.29	\$10.19
Commercial Flat Rates:			
W26	\$37.87	\$41.66	\$3.79
W37	\$68.44	\$75.28	\$6.84
W50	\$136.88	\$150.57	\$13.69
W75	\$248.88	\$301.14	\$52.26
W100	\$373.32	\$451.72	\$78.40
Consumptions Rates:			
0 - 300 m3	\$1.05	\$1.16	\$0.11
over 301 m3	\$0.485	\$0.587	\$0.10



The major changes between the bylaws are as follows:

- 5.0 Water Meter Installation - has been re-worded to better align with our installation guidelines.
- 7.0 Meter Repairs and Maintenance – the cost of repairing and maintaining all meters is now the responsibility of the owner, not the Town. The Town will assist in maintaining, repairing and replacing.
- 10.0 Final Billing – 10.4 and 10.5 have been removed to better align with our current practices.
- The minimum flat rate consumption amount has increased to 70m³ from 21m³. This is to align with usage averages ranging from 70-90m³. When the first bylaw was adopted, there was no data to establish what the average usage amount would be.
- Monthly flat rate when water is turned off has increased to \$50 from \$40.80 to better align with the monthly residential rates and to cover the cost of operations.
- 75mm and 100mm rates did not increase in July, these increases are needed to bring to current values.
- Schedule B – Water/Wastewater Collection Policy – 5.1 was removed to align with our current practices.

Existing Policy: Bylaw 3196/24

Strategic Goal: Infrastructure

Financial Commitment: [Click or tap here to enter text.](#)

Budgeted: **Yes** ☐ **No** ☒

Implementation: Upon Council Recommendation – Effective January 1, 2025

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CAO/Clerk: Joseph Burke

Approval of Recommendation: **Yes** ☒ **No** ☐

Comments: