

Report from Financial Management Services, Accounting

Date of Report: March 8, 2013

Date of Meeting: March 25, 2013

File:

Subject: 2013 Water and Wastewater Budget and Associated Rates

RECOMMENDATION

That the report from the Financial Management Services Department – Accounting dated March 8, 2013 regarding the 2013 Water and Wastewater Budget and Associated Rates be referred to City Council for consideration after the Public Meeting scheduled for April 8, 2013 for which notice will be duly given.

STAFF RECOMMENDATION

That the 2013 Water and Wastewater Budget in Appendix “A” of the report from the Financial Management Services Department, Accounting dated March 8, 2013 be approved; and

That the City Solicitor be directed to prepare the necessary by-laws. FORTHWITH

SUMMARY

The Water and Wastewater Budget is fully funded by user rates with no reliance on property taxes. The water and wastewater rates fund both operating and capital expenditures. This report seeks approval for the 2013 Water and Wastewater budget and associated rates.

In addition, this report provides information on various Water/Wastewater budget related issues that have been considered by staff during the preparation of the 2013 draft budget.

The report has been organized into the following sections:

- A. Sustainable Funding for Water and Wastewater Infrastructure
- B. Automated Meter Reading Technology
- C. Regional Costs to be Recovered through the City Water/Wastewater Billing
- D. Forecasting Water Volumes
- E. 2013 Water and Wastewater Proposed Rates

REPORT

A. SUSTAINABLE FUNDING FOR WATER AND WASTEWATER INFRASTRUCTURE

The proposed 2013 Water and Wastewater budgets contain the following levels

of funding for the Water and Wastewater Infrastructure:

	2013	2012
Water	\$5,500,000	\$5,500,000
Wastewater	2,000,000	2,000,000
Total	\$7,500,000	\$7,500,000

The above levels of funding have remained fairly constant for the last five years. The water program is unchanged since 2008. The wastewater program has fluctuated but is currently below the funding level of 2005. Staff is currently working on a comprehensive asset management plan for all City assets. As reported previously to Council, the level of funding for both water and wastewater infrastructure is currently below sustainable levels. As the development of the Asset Management plan is currently in progress, the levels of infrastructure funding have remained constant in the 2013 proposed budget.

A brief summary of the each system follows.

1. Watermain Replacement Program

The total length of watermain under the City's jurisdiction is approximately 620 km. The estimated replacement value in 2013 dollars is \$460,000,000. Assuming an average service life of 50 years for the entire system, the annual cost for watermain replacement should be 2% of the total replacement cost of the whole system, or \$9.2 million to maintain a sustainable watermain distribution system.

There were 105 recorded watermain breaks in 2012, compared with 114 in 2011, and 105 in 2010. The number of watermain breaks can fluctuate significantly from year to year. An aggressive replacement program is required to reduce the annual number of breaks.

The proposed 2013 water budget includes \$5,500,000 for the replacement of watermains. Additional waterworks improvements have been identified in the proposed Capital Budget for Regional Road Replacement. The 2013 program will replace approximately 6.5km of watermain or 1.05% of the water distribution system. To achieve sustainability, the watermain replacement program should be replacing 12.4km of watermain at a cost of \$9.2 million.

Watermain replacement is prioritized based on a number of criteria with the primary consideration being the previous number of breaks on a particular section. In addition, Council has directed that each year's water budget include an allocation of at least \$750,000 for the replacement of watermains in areas experiencing coloured water problems. In 2013, \$2,736,000 is proposed to be spent on replacement of old and deteriorated cast iron watermains which are usually the cause of coloured in the system. Other factors used to prioritize the program include upgrading undersized mains and installing new mains to fill in "missing links" to improve the system

integrity and increase fire flow protection. Co-ordination with other proposed road or sewer work can also accelerate the replacement of certain mains.

2. Sanitary Sewer Replacement Program

The City currently has 566 km of combined and sanitary sewers. The estimated replacement value of these sewers in 2013 dollars is \$503,000,000. The proposed 2013 Sewer Improvement Program amounts to \$2.0 million and allows for the replacement or rehabilitation of approximately 2,740 lineal metres of sanitary sewer. The combined sewers allow rainwater to enter into the sanitary sewer system. In 2012, the Region supplied the City with approximately 16.3 million cubic meters of potable water (16.5 million in 2011) and treated 20.8 million cubic meters of wastewater. (25.7 million in 2011) Therefore the City's regional wastewater cost is not only influenced by the amount of water used but also the amount of precipitation the City receives in the year.

B. Automated Meter Reading Technology

The City currently used direct read meters to monitor water usage for the purpose of billing its customers. These direct read meters measure and display the total water usage based on the amount of water that passes through the meter. Direct read meters are usually installed in the basement of the building to help protect the meter from extreme weather conditions. While this protects the meter, this location makes it necessary for the City's meter reading staff to enter the building for the purposes of reading the meter.

New technology is available to automate this meter reading process and reduce the need for City staff to access the building. This technology benefits both the City and water customers as readings can be obtained in a timely manner without entering the customer's premises.

There are three types of automated technology currently available. They include:

Touch read meters

- Meters are read through the use of a handheld device
- Remote mounted touch pad is installed on the exterior of the building
- The meter reader walks onto the property to access the tough pad and obtain the reading
- The handheld device collects and stores the data for upload to the billing system

Radio read drive-by meters

- Radio transmitters are installed on the water meters
- A reading device is mounted in a City vehicle
- The meter reader drives by and the reading device obtains the reading
- The device collects and stores the data for upload to the billing system

Fixed base network meters

- Radio transmitters are installed on all water meters
- Radio transmitters are installed in strategic areas of the City to collect the meter readings
- The data is forwarded to the data storage/processing centre and uploaded to the billing system

In the 2012 Water/Wastewater budget report, staff indicated that the preferred option would be the Fixed Base Network Solution. The Fixed Base option provides more information at a comparable cost to the Radio read drive-by solution. The opportunity to retrieve readings instantaneously now makes this the option of choice.

The 2013 Draft Water/Wastewater budget includes funds to begin the installation of water meters which have the capability to migrate to an automated system. Full scale implementation of an automated meter reading process is cost prohibitive at this time. With the recent and continuing increases to the water/wastewater rate, staff is not proposing a capital investment to exchange the whole system at this time. However, automated meter reading technology can provide significant benefits to the City of St. Catharines and therefore staff will consider the expansion of this project for future budgets.

C. REGIONAL COSTS TO BE RECOVERED THROUGH THE CITY WATER/WASTEWATER BILLING

The City and Region are responsible for various aspects of water. The Region is responsible for supply and treatment including all reservoirs and water towers. In general, watermains sixteen inches (400 mm) or larger are a Regional responsibility and the City is responsible for the smaller distribution watermains.

There is also a shared responsibility for collection and treatment of sanitary sewage between the City and the Region. The Region is responsible for treatment facilities, pumping stations, sludge disposal and sewers with flows of six cubic feet per second or greater or sewers spanning a municipal boundary. The City is responsible for the remaining sanitary sewer pipelines.

This shared responsibility results in the City's Water/Wastewater bill containing a combination of both City and Regional Costs. In general, the 2013 draft Water and Wastewater Budget includes the following expenditures:

	\$	%
City Costs	\$18,998,022	38.13%
Region Costs	30,823,794	61.87%
	\$49,821,816	100.00%

2013 Regional Overall Water and Wastewater Budgets

The approved 2013 Regional net expenditure budgets for water and wastewater are as follows:

	2012	2013	Increase	
			\$	%
Water	\$ 42,026,440	\$ 42,261,382	\$ 234,942	0.56 %
Wastewater	63,042,626	65,405,802	2,363,176	3.75 %
Total	\$ 105,069,066	\$ 107,667,184	\$2,598,118	2.47 %

Per the Regional Rate setting report, the increases are explained as follows:

The \$2.6 million increase in net expenditures for the water and wastewater program can be largely attributed to the following key drivers:

- Cost Allocation (\$1.083 million)
 - This includes a \$1 million reallocation of support for the capital programs from water to wastewater in accordance with the Region's capital funding plan
- Personnel Related Costs (\$744 thousand)
- Repair and Maintenance (\$357 thousand)
- Material, Supplies, Purchased Services (\$328 thousand)
- Program Change – Succession Planning (\$186 thousand)
 - This is the costs for adding 3 staff members to the Succession planning strategy, meaning that resources would be used to certification and licencing for compliance with the Safe Drinking Water Act and the Ontario Water Resources Act.
- Increases in Other revenues (-\$100 thousand)

The above requisitions are apportioned amongst all municipalities in Niagara which have Water and Wastewater systems.

City of St. Catharines' Share of the Regional Costs

Determination of St. Catharines' share of the Regional Costs

The calculation of each municipality's share is dependent upon the municipality's usage of each system. (i.e. cm of water purchased or cm of wastewater treated) This means St. Catharines' share of the total budget will change over time with our water and wastewater flows.

Regional Water Rates

The Region charges the lower tier municipalities for the supply of potable water using both a fixed monthly charge and a variable rate per cubic meter.

The rates for 2013 (with comparable 2012 rates) are as follows:

	2013	2012	% increase (decrease)
Water			
Variable rate per cm	\$0.537	\$0.534	0.56%
Fixed Monthly Charge	\$245,111	\$250,399	(2.11%)

The above rates result in the City's 2013 draft Water budget including Regional costs of \$11,345,382, a decrease of \$244,823 (2.11%) from 2012. As \$8,404,050 of these costs related to the variable rate, this provides some protection to the City should our water consumption decline once again in 2013. In effect, the fixed annual charge of \$2,941,332 will be payable to the Region regardless of our water consumption, but the estimated variable costs of \$8,404,050 will decline if less water is purchased.

Regional Wastewater Rates

The Regional charges to the lower tier municipalities for the treatment of wastewater contain no variable rates. They consist entirely of a fixed monthly payment.

The rates for 2013 (with comparable 2012 rates) are as follows:

Wastewater	2013	2012	% increase
Fixed Monthly Charge	\$1,623,201	\$1,592,823	1.91%

The above rates result in the City's 2013 draft Wastewater budget including Regional costs of \$19,478,412, an increase of \$435,956 (2.29%) from 2012. This increase is higher than the increase in the chart above as the new rates for 2013 were effective January 1, 2013. The previous year the rates increased February 1, 2012. This results in 12 months at the higher rate in 2013 versus only 11 months at the higher rates in 2012. As the entire amount is fixed, the amounts will be payable to the Region regardless of our usage of the system. If our water consumption declines, we will earn less revenue from our customers but will still owe the same amount to the Region. As the Regional costs account for 75% of the City's Wastewater budget, the financial stability of this budget is challenged in periods of declining water consumption.

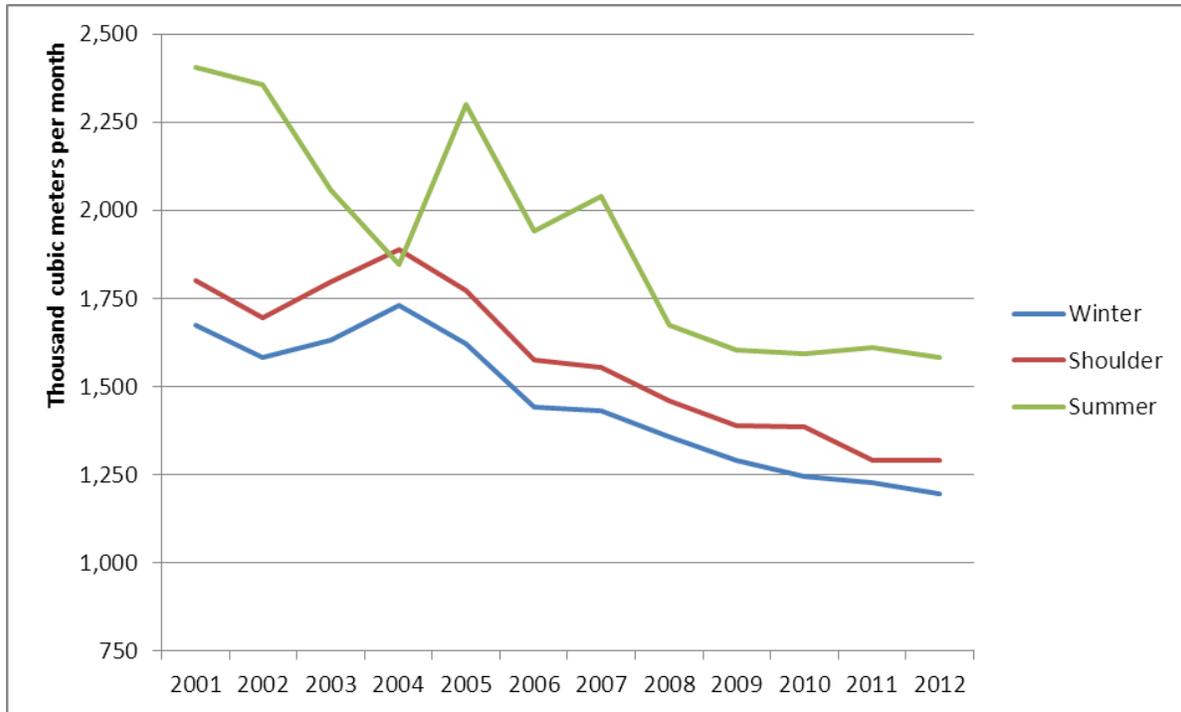
D. FORECASTING WATER VOLUMES

An analysis of water purchases over the last 10 years has shown conservation efforts by St Catharines water customers have resulted in a significant reduction in cubic metres of water purchased from the Region. Since 1999 annual water purchases have decreased 41% from 27,599,000 cubic metres annually to 16,272,000 cubic metres in 2012. From 2007 to 2012 alone the decrease was 3.83 million cubic metres (19.06%). Despite record low rainfall in the summer of 2012, the City's purchases of water from the Region still declined to a record low of 16.271 million cubic metres.

Each year staff review past history of water purchase volume and utilize that information to forecast what future volumes will be. Of particular concern is the determination of how much further the volumes can decline. In effect, are we nearing the end of volume decreases, or is there a significant decline still to come? In the process of this estimation, staff analysed the water purchased based on three separate "seasons" of the year:

- **Summer** - June to September
- **Winter** – November to February
- **“Shoulder” Months** – March to May and October

The following graph depicts the decline in purchases during these “seasons” since 2001.



This chart clearly depicts the average monthly summer consumption (the green line) as the most volatile line. It fluctuates significantly each year. However, this fluctuation appears to have declined in recent years. The summer monthly consumption is still higher than either of the other two ‘seasons’ but is no longer as volatile. The summers of 2009, 2010 and 2011 were some of the more rainy summers in recent history. However, when the hot dry summer of 2012 occurred, the consumption did not rebound. Rather, it continued a gradual decline.

The winter and “shoulder” seasons show consumption patterns that move fairly consistently together, with the ‘shoulder’ months slightly higher.

Reviewing these trends, staff are of the opinion, that consumption volumes will still continue to decline. The rate of decline has slowed and therefore, staff believe that overall annual consumption of the City may reach a low of 15,200,000 cm within the next five years. 2012 water purchases were 16,271,289 cm . While the 2013 budget is not based on the expected eventual low of 15,200,000 cm, further reductions are still necessary to ensure the financial stability of the water and wastewater systems.

E. 2013 WATER AND WASTEWATER PROPOSED RATES

General Rate Structure

The City's current water and wastewater rate structure is a combination of fixed and volumetric charges. Each customer account is charged a fixed rate for water and for wastewater. In addition, the customer is billed volumetric rates for water and wastewater based on the amount of water used. The following sections give further details regarding the specific charges.

The Fixed Charge – Water and Wastewater

In the City's current water and wastewater rate structure the fixed charge is defined to be cost of the City's annual replacement programs and fixed Regional charges. For each of the systems these costs are calculated to be:

	Water Budget	Wastewater Budget
Improvement program	\$5,500,000	\$2,000,000
Debt Charges	1,037,776	995,103
Total City Fixed Charges	\$6,537,776	\$2,995,103
Regional Fixed Charges	2,941,332	19,478,412
Total Fixed Costs	\$9,479,108	\$22,473,515
Calculation of Recovery Rates		
Based on 42,450 customers	\$225.00	\$532.00
2013 Proposed Rates	\$150.00	\$81.00
2012 Rates	\$150.00	\$78.00

As the chart above indicates, the calculated fixed component of the City's rate structure should be \$225 for Water and \$532 Wastewater. While staff does not propose that the 2013 fixed rates be increased in one year to fully recover these costs, increases over time are necessary.

Financial Stability of the Wastewater System

As shown in the chart above, a significant portion of the costs of the wastewater system are fixed. While the wastewater rates include a fixed portion, the majority of the revenue is collected through a variable rate based on water purchased by the customer.

When the majority of a rate structure consists of a variable rate, periods of declining consumption result in the reduction of overall revenue. Consequently, the revenue generated does not cover the costs of the system. With the exception of 2012, this has been the situation in the City's wastewater system since 2008. The net results by year are as follows:

In millions of \$	2012	2011	2010	2009	2008
Revenue	\$25.317	\$23.462	\$22.501	\$20.118	\$19.489

Expenditures	25.251	23.999	23.349	21.653	21.145
Recovery/(Loss)	\$66	(\$537)	(\$848)	(\$1.535)	(\$1.656)

As a result, the wastewater system currently has an accumulated deficit of \$2.4 million. In effect, the water rates are subsidizing the operations of the wastewater system. While many of our customers have both water and wastewater charges on their bills, there are customers that do not. As per guidelines from the Province rates should be structured so that both systems maintain their own financial stability through separate rates, it is necessary for our rates to be structured to eliminate this deficit. This will be achieved over time by focusing rate adjustments on the wastewater rates over the water rates.

To eliminate this deficit in 2013 would require a significant increase in wastewater rates. Therefore, staff are recommending that this deficit be addressed over the next 5 to 10 years. Where possible, the increase in wastewater rates will be coupled with smaller water rates increases, thereby adjusting the rates so that wastewater rates fully fund the wastewater system.

For 2013, staff are proposing that there be no increases to the water rates, neither fixed or variable rates.

Recommended Water and Wastewater Rates

As a result of the need to provide financial stability to the water/wastewater system, staff recommend that effective April, 2013, the rate structure for recovering water and wastewater costs be the following:

	2012	2013
Water		
Fixed (annual)	\$150	\$150
Volumetric (per cm)	\$1.199	\$1.199
Wastewater		
Fixed (annual)	\$78	\$81
Volumetric (per cm)	\$1.601	\$1.688

The proposed rates will result in an annual increase to the average ratepayer (at annual consumption levels of 200 cubic metres) of \$20.40. A breakdown of this increase is as follows:

Description	Amount
Water Rates	\$ 0.00
Wastewater Rates	20.40
Total Increase - \$	\$ 20.40
Total Increase - %	2.59%

FINANCIAL IMPLICATIONS

The proposed 2013 water and wastewater rates result in no increase to water rates. For the average ratepayer (at annual consumption levels of 200 cubic metres) an increase of \$20.40 in wastewater rates is proposed. This change in rates will serve to increase the financial stability of the wastewater system and begin the process to reduce the reliance of the wastewater system on the water rates.

Submitted/Prepared and Approved by:

S Chemnitz, CA

City of St Catharines
Water/Wastewater Budget Summary

	Estimate		Actuals	
	2013	2012	2012	2011
Reserve at Beginning of Year	<u>2,733,402</u>	<u>793,548</u>	<u>793,548</u>	<u>930,975</u>
Revenues	49,571,270	49,265,162	50,100,167	47,281,189
Less: Region expenditures	<u>30,823,794</u>	<u>30,632,661</u>	<u>30,641,362</u>	<u>30,062,277</u>
Net Revenue	<u>18,747,476</u>	<u>18,632,501</u>	<u>19,458,805</u>	<u>17,218,912</u>
City Expenditures				
Water Operating costs	5,975,041	5,853,447	5,240,419	5,246,338
Water Debenture debt	1,037,776	1,015,157	1,018,001	1,010,904
Water Infrastructure costs	5,500,000	5,500,000	4,943,521	4,984,136
Sewer Operating costs	3,432,102	3,294,129	3,472,484	3,173,956
Sewer Debenture debt	995,103	934,410	937,254	1,308,930
Sewer Infrastructure costs	<u>2,058,000</u>	<u>2,000,000</u>	<u>1,907,272</u>	<u>1,632,074</u>
	<u>18,998,022</u>	<u>18,597,143</u>	<u>17,518,951</u>	<u>17,356,339</u>
Annual Surplus/(Deficit)	<u>-250,546</u>	<u>35,358</u>	<u>1,939,854</u>	<u>-137,427</u>
Reserve at End of Year	<u>2,482,856</u>	<u>828,907</u>	<u>2,733,402</u>	<u>793,548</u>
City total	18,998,022	18,597,143	17,518,951	17,356,339
Region total	<u>30,823,794</u>	<u>30,632,661</u>	<u>30,641,362</u>	<u>30,062,277</u>
	<u>49,821,816</u>	<u>49,229,804</u>	<u>48,160,313</u>	<u>47,418,616</u>
cm - purchased	<u>15,650,000</u>	<u>16,067,623</u>	<u>16,271,289</u>	<u>16,518,505</u>

WATER SYSTEM (515.XXX)

2013 Water Budget Summary

	<u>Dept.</u>	<u>Acct.</u>	<u>Estimate</u>		<u>Actual</u>	
			<u>2013</u>	<u>2012</u>	<u>2012</u>	<u>2011</u>
<u>Operating Expenditures:</u>						
General Administration	FMS	105	1,337,894	1,310,476	1,234,288	1,279,967
Engineering Overhead	TES	110	1,617,951	1,540,751	1,636,237	1,401,098
Mains, Valves, Hydrants	TES	115	1,755,356	1,922,600	1,468,224	1,722,473
Water service lines	TES	120	396,920	406,920	374,681	378,157
Meters	TES	125	765,840	547,540	496,056	450,793
New Mains, Valves, Hydrants	TES	135	101,080	125,160	53,880	40,669
Services Rendered	TES	145	0	0	-22,947	-26,819
Total Operating Expenditures:			<u>5,975,041</u>	<u>5,853,447</u>	<u>5,240,419</u>	<u>5,246,338</u>
<u>Capital Expenditures:</u>						
Water Capital/Revenue	FMS	190	0	0	0	0
Debenture Debt	FMS	195	1,037,776	1,015,157	1,018,001	1,010,904
Water Improvement Program	TES	520	5,500,000	5,500,000	4,943,521	4,984,136
Total Capital Expenditures:			<u>6,537,776</u>	<u>6,515,157</u>	<u>5,961,522</u>	<u>5,995,041</u>
Total Water Expenditures			<u>12,512,817</u>	<u>12,368,604</u>	<u>11,201,941</u>	<u>11,241,379</u>

Note: FMS - Financial Management Services

TES - Transportation and Environmental Services

**City of St Catharines
2013 Water Improvement Program**

Account 520.	Budget 2013
520.'s	
320 Wilson Avenue P13-064	\$130,000.00
321 Bridge Street P13-065	217,000.00
322 Queenston Street P13-066	595,000.00
323 Rivercrest Drive P13-067	255,000.00
324 Rampart Drive P13-070	195,000.00
325 Baraniuk/Langdale/Linlake/Rio etc P13-100	1,175,000.00
326 Glendale Avenue P13-101	185,000.00
327 Jeanette/Leicester/Rexleigh P13-102	560,000.00
328 Rice/Rochelle P13-103	328,000.00
329 Runcorn Street P13-104	242,000.00
330 Welland Avenue P13-106	368,000.00
331 Bulk Water Filling Station P13-107	40,000.00
332 Valves/Hydrants/Services P13-118	50,000.00
333 Design for 2014 Water Projects P13-119	50,000.00
334 Edgedale/Eastchester Trunk Watermain RN11-18	690,000.00
335 Wellandvale Road	420,000.00
	\$5,500,000.00

WASTEWATER SYSTEM

2013 Wastewater Budget Summary

	<u>Dept.</u>	<u>Acct.</u>	<u>Estimate</u>		<u>Actual</u>	
			<u>2013</u>	<u>2012</u>	<u>2012</u>	<u>2011</u>
<u>Operating Expenditures:</u>						
Sewers - General	TES	730.100	457,415	444,260	571,649	494,838
Sewers - Insurance	FMS	730.105	0	0	55,195	62,409
FLAP Program	TES	732.115	205,159	207,529	163,257	171,961
Lateral Replacement	TES	732.100	529,350	523,410	610,509	601,683
New Laterals	TES	732.105	0	0	-8,145	-675
Drain Clearing	TES	732.110	190,830	189,130	157,238	174,264
Overhead	TES	732.190	861,690	798,300	955,980	743,531
Pollution Control	TES	735.300	679,975	672,704	585,993	563,649
Overhead	TES	735.305	507,683	458,796	380,808	362,295
Total Operating Expenditures:			<u>3,432,102</u>	<u>3,294,129</u>	<u>3,472,484</u>	<u>3,173,956</u>
Debtenture Debt	TES	731.195	995,103	934,410	937,254	1,308,930
Sewer Improvement Program	TES	731.100	2,000,000	2,000,000	1,907,272	1,632,074
Capital Out of Revenue	FMS	735.304	58,000	0	0	0
Total Capital Expenditures:			<u>3,053,103</u>	<u>2,934,410</u>	<u>2,844,526</u>	<u>2,941,003</u>
Total City Wastewater Expenditures			<u>6,485,205</u>	<u>6,228,539</u>	<u>6,317,010</u>	<u>6,114,960</u>

Note: FMS - Financial Management Services
 TES - Transportation and Environmental Services

**City of St Catharines
2013 Sewer Improvement Program**

Account 731.	<u>Budget 2013</u>
731.'s	
315 Summer Street P12-081	\$70,000.00
316 Ball Avenue West P13-003	300,000.00
317 Sewer Spot Repair Program, 2013 P13-011	100,000.00
318 Sanitary Sewer Reaming, 2013 P13-012	75,000.00
319 2013 TV Sewer Inspection P13-014	150,000.00
320 Design 2014 Sanitary Sewer Projects P13-015	25,000.00
321 Wilson Street P13-064	155,000.00
322 Bridge Street P13-065	290,000.00
323 Queenston Street P13-066	435,000.00
324 Rivercrest Drive P13-067	400,000.00
	<u>\$2,000,000.00</u>

**CITY OF ST. CATHARINES - WATER/WASTEWATER BUDGET
ESTIMATE 2013**

EXPENDITURE ACCOUNT	2013 BUDGET
310.112 <u>WATER/WASTEWATER EQUIPMENT RESERVE:</u>	
OPENING BALANCE	\$907,498
ANNUAL RESERVE PROVISION	155,000
EXPENDITURES,2013	-254,400
CLOSING BALANCE	<u>\$808,098</u>
 <u>EXPENDITURE DETAILS</u>	
TWO (2) SEWER CAMERA MONITORS (REPLACEMENT UNITS)	15,000
ONE (1) TRANSIT CONNECT VAN (UNIT #45) ADD ON	2,700
ONE (1) MINI VAN (REPLACE #22)	35,000
ONE (1) MID SIZE CAR (HYBRID) (REPLACE #102)	45,000
TWO (2) 1 TON CARGO VANS (REPLACE #113,114)	82,000
ONE (1) 4'X6' MODULAR SHORING BOX (NEW UNIT)	16,000
THREE (3) 2'X8' SPEED SHORING MULTISHORE PANELS (NEW)	8,700
ONE (1) INFRAMAP GIS/GPS HARDWARE AND SOFTWARE	<u>50,000</u>
	<u>254,400</u>

WATER, WASTEWATER AND RELATED SERVICE RATES

1. The following rates shall be paid to The Corporation of the City of St. Catharines for the use of water supplied by The Corporation of the City of St. Catharines:

(a) <u>Consumption - Cubic Metres</u> (For each four month billing period)	<u>Current</u>	<u>Proposed</u>
Customer Charge	\$50.00	\$50.00
Consumption Charge - per cubic metre	1.199	1.199
*Note: Large Industrial Users are billed monthly		

Water meter size of 1" or greater will be subject to a water meter equivalency charge when calculating the Customer Charge.
Exemption: Single Family Residential classification. See (b) below.

(b) Meter Equivalency

Water meter size of 1" or greater will be subject to a water meter equivalency charge when calculating the Customer Charge.
Exemption: Single Family Residential classification.

- 1" meter = 1.4 meter equivalency units
- 1 1/2" meter = 1.8 meter equivalency units
- 2" meter = 2.9 meter equivalency units
- 3" meter = 11 meter equivalency units
- 4" meter = 14 meter equivalency units
- * 6" meter = 21 meter equivalency units
- * >6" meter = 21 meter equivalency units

NEW * **Note: Where a single 6" meter or greater is installed for the purpose of additional fire protection, the multiplier equivalency shall be discounted to 50%.**

(c) <u>Flat Rates</u> (For each four month billing period)		
UPDATED Dwelling unit (per billing period)	\$150.00	\$150.00

NEW **Note: Where more than 20 units are being constructed, the maximum number of units charged is 20.**

(d) Estimated Billing

Where consumption and/or Flat Rate does not apply, estimates are based on previous actual readings. In the absence of previous actual readings, amount to be determined at the discretion of the Treasurer.

(e) Rates for Services Outside City (For each four month billing period)

Multiple of Regular Rate	2X	
Customer Charge	\$100.00	\$100.00
Consumption Charge - per cubic metre	2.398	2.398

(f) Bulk Water (Key Pad Operated)

Multiple of Regular Rate	2X	2X
Per cubic metre	\$2.398	2.398

(g) Rate when bypass valve is opened without Authorization or any other unauthorized use of water or determination that water provided has not passed through the meter. (For each four month billing period)

Two times the average of last three representative bills.

If not applicable, estimate to be determined at the discretion of the Treasurer.

(h) Water Under Construction

First four month period Per sq. ft.	\$0.026	
Per sq. m.	0.282	
Next Flat Rate for each four month period until meter is installed	\$150.00	\$150.00

If there are extenuating circumstances or if large Industrial/Commercial building, "Next Flat Rate" to be determined at the discretion of the Treasurer.

(i) Meter Relocation to a more appropriate position to facilitate reading and/or maintenance;

When requested by homeowner, equivalent to applicable Water Service Call as defined in Rates and Fees.

When determined by City Engineer, amount charged at the discretion of the Treasurer

2. The following rates shall be paid to The Corporation of the City of St. Catharines for the use of water related services supplied by The Corporation of the City of St. Catharines:

(a) <u>METER RENTALS</u> (Annually)	<u>Current</u>	<u>Proposed</u>
<u>Meter Size</u>		
*16mm (5/8") Displacement	\$19.00	
*16mm (5/8") Displacement with ECR	\$35.00	
19mm (3/4") Displacement	\$25.00	
19mm (3/4") Displacement with ECR	\$41.00	
25mm (1") Displacement	\$29.00	
25mm (1") Displacement with ECR	\$46.00	
38mm (1-1/2") Displacement	\$82.00	
38mm(1-1/2") Turbine	\$111.00	
38mm (1-1/2") Displacement with ECR	\$115.00	
38mm (1-1/2") OMNI T2 Turbine	\$96.00	
38mm (1 1/2") OMNI C2 Compound	\$115.00	
50mm(2") Displacement	\$92.00	
50mm (2") Turbine	\$114.00	
50mm (2") Compound	\$96.00	
50mm(2") Displacement with ECR	\$128.00	
50mm (2") OMNI T2 Turbine	\$96.00	
50mm (2") OMNI C2 Compound	\$128.00	
75mm (3") Turbine	\$375.00	
75mm (3") Compound	\$418.00	
75mm (3") OMNI T2 Turbine	\$375.00	
75mm (3") OMNI C2 Compound	\$402.00	
100mm (4") Turbine	\$475.00	
100mm (4") Compound	\$498.00	
100mm (4") OMNI T2 Turbine	\$475.00	
100mm (4") OMNI C2 Compound	\$488.00	
150mm (6") Turbine	\$587.00	
150mm (6") Compound	\$671.00	
150mm (6") Fire Assembly	\$900.00	
150mm (6") OMNI T2 Turbine	\$587.00	
150mm (6") OMNI C2 Compound	\$671.00	
200mm (8") Turbine	\$665.00	
200mm (8") Fire Assembly	\$1,131.00	
250mm (10") Turbine	\$794.00	
250mm (10") Fire Assembly	\$1,408.00	

* NOTE: No charge for 16mm (5/8") meter unless installed outside the City.

Where meter type consists of two meters combined, one rental rate is applicable, based on the **predominant use of the meter**.

UPDATED

(a)(i)	<u>METER PITS (CHAMBER) RENTALS</u> (Annually)	<u>Current</u>	<u>Proposed</u>
	<u>Meter Size</u>		
	16mm (5/8")	\$46.00	
	19mm (3/4")	\$48.00	
	25mm (1")	\$53.00	
	38mm (1-1/2")	\$130.00	
	50mm (2")	\$132.00	
	75mm (3")	Actual Cost	
	100mm (4")	Actual Cost	
	150mm (6")	Actual Cost	
	200mm (8")	Actual Cost	
	250mm (10")	Actual Cost	

(b) Late Payment Penalty

A penalty for late payment of 1.5% per month is added the day following the due date and the first day of each month thereafter.

(c)	Water Certificate	25.00	
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3. The following rates shall be paid to the Corporation of the City of St. Catharines for the wastewater system and services as outlined herein:

	<u>Current</u>	<u>Proposed</u>
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(a) Wastewater Fees

Sewer Replacement Program	\$26.00	\$27.00
Wastewater charges – per cubic metre	1.601	1.688

Flat Rates (For each four month billing period)

UPDATED	Dwelling unit (per billing period)	200.00
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Water meter size of 1" or greater will be subject to a water meter equivalency charge when calculating the Customer Charge.
Exemption: Single Family Residential classification. See (b) below.

(b) Meter Equivalency

Water meter size of 1" or greater will be subject to a water meter equivalency charge when calculating the Customer Charge.
Exemption: Single Family Residential classification.

- 1" meter = 1.4 meter equivalency units
- 1 1/2" meter = 1.8 meter equivalency units
- 2" meter = 2.9 meter equivalency units
- 3" meter = 11 meter equivalency units
- 4" meter = 14 meter equivalency units
- 6" meter = 21 meter equivalency units
- >6" meter = 21 meter equivalency units

NEW **Note: Where a single 6" meter or greater is installed for the purpose of additional fire protection, the multiplier equivalency shall be discounted to 50%.**

(c) Wastewater Under Construction 0.00

200.00

First four month period

Next flat rate for each four month period until meter is installed

NEW **Note: Where more than 20 units are under construction, the maximum number of units charged is 20.**

If there are extenuating circumstances or if large Industrial/Commercial building, "Next Flat Rate" to be determined at the discretion of the Treasurer.

4. The rates set out above shall be deemed to have become effective on all accounts with Billing periods ending on or after **April 1, 2013**.

DELETE:

* NOTE: Where consumption is calculated in cubic feet the consumption may be converted to gallons using the following formula:

$$\text{Cubic Feet} \times 6.23 = \text{Gallons}$$

Where consumption is calculated in litres the consumption may be converted to gallons using the following formula:

$$\text{Litres} \times .22 = \text{Gallons}$$

Replace with: METRIC CONVERSION: 1 cubic metre (CM) equals 220 gallons or 1,000 litres

***bolded script = proposed changes for 2013**