



Corporate Report

Report from Financial Management Services, Accounting

Date of Report: February 20, 2014 **Date of Meeting:** March 31, 2014

Report Number: FMS-075-2014 **File:** 18.45.252

Subject: 2014 Water and Wastewater Budget and Associated Rates

Recommendation

That the 2014 Water and Wastewater Budget in Appendix “1” of the report from Financial Management Services, Accounting, dated February 20, 2014, be approved; and

That Water Use By-law 2005-200 be amended to reflect the changes needed with the conversion to Automated Meter Reading (AMR); and

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

Report

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 2014 Water and Wastewater budget and associated rates.

Significant components of the 2014 Water and Wastewater budget include the following.

Watermain Replacement Program

The total length of watermain under the City’s jurisdiction is approximately 615 km. The estimated replacement value in 2014 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 106 recorded watermain breaks in 2013, compared with 105 in 2012, and 114 in 2011. 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 2014 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 2014 program will replace approximately 6.57 km of watermain or 1.07% of the water distribution system. To achieve sustainability, the watermain replacement program should be replacing 12.3km 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 2014, \$4,432,000 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.

Sanitary Sewer Replacement Program

The City currently has 561 km of combined and sanitary sewers. The estimated replacement value of these sewers in 2014 dollars is \$357,400,000. The proposed 2014 Sewer Improvement Program amounts to \$2,051,500. The proposed Capital Budget includes an additional expenditure for sanitary sewers in the amount of \$1,445,000. These combined budgets allow for the replacement or rehabilitation of approximately 1,945 lineal metres of sanitary sewer.

The combined sewers allow rainwater to enter into the sanitary sewer system. In 2013, the Region supplied the City with approximately 15.9 million cubic meters of potable water (16.3 million in 2012) and treated 23.8 million cubic meters of wastewater (20.8 million in 2012). 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.

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 2014 Draft Water and Wastewater Budget includes the following expenditures:

	\$	%
City Costs	\$19,337,173	38.81%
Region Costs	30,490,968	61.19%
	\$49,828,141	100.00%

2014 Regional Overall Water and Wastewater Budgets

The approved 2014 Regional net expenditure budgets for water and wastewater are as follows:

	2013	2014	Increase/Decrease	
			\$	%
Water	\$ 42,261,382	\$ 42,294,019	\$ 32,637	0.08 %
Wastewater	65,405,802	64,928,122	-477,680	-.73 %
Total	\$ 107,667,184	\$ 107,221,141	-\$445,043	-.41 %

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 2014 (with comparable 2013 rates) are as follows:

Water	2014	2013	% increase (decrease)
Variable rate per cm	\$0.537	\$0.537	0.00%
Fixed Monthly Charge	\$244,042	\$245,111	(.44%)

The above rates result in the City's 2014 Draft Water Budget including Regional costs of \$11,037,204, a decrease of \$308,178 (2.71%) from 2013. As \$8,108,700 of these costs are related to the variable rate, this provides some protection to the City should our water consumption decline once again in 2014. The fixed annual charge of \$2,928,504 will be payable to the Region regardless of our water consumption.

Regional Wastewater Rates

The Regional wastewater charges contain no variable rates.

The rates for 2014 (with comparable 2013 rates) are as follows:

Wastewater	2014	2013	% decrease
Fixed Monthly Charge	\$1,621,147	\$1,623,201	0.13%

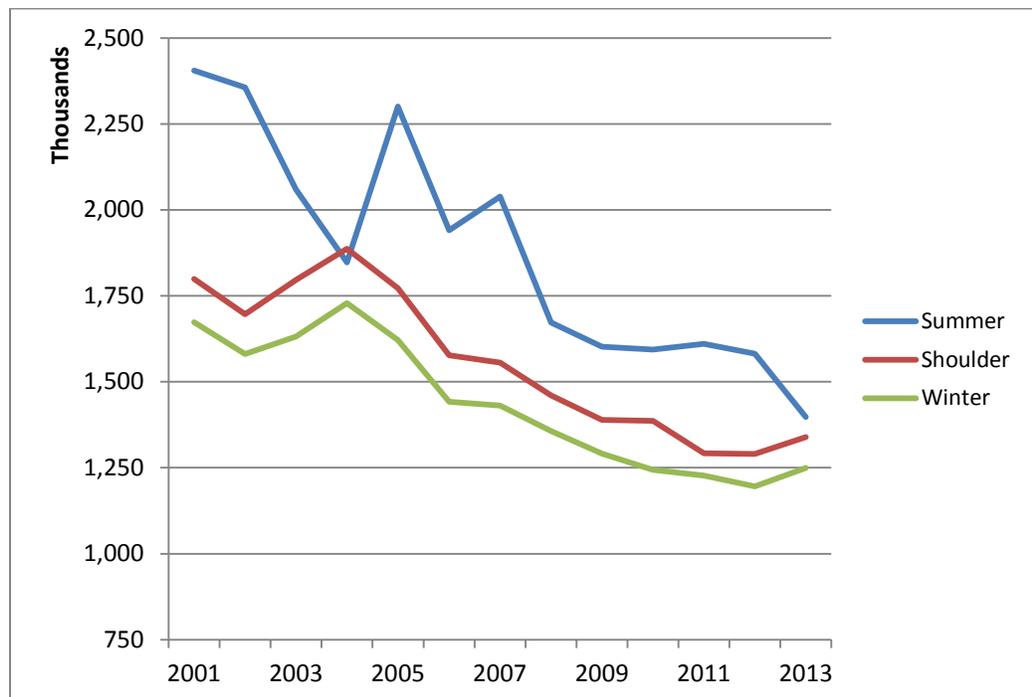
Forecasting Water Volumes

An analysis of water purchases over the last 15 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 42% from 27,599,000 cubic metres annually to 15,947,000 cubic metres in 2013. From 2007 to 2013 alone the decrease was 4.15 million cubic metres (20.7%).

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 blue or top 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 to 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 2013 water purchases were 15,947,405 cm. Staff expect the purchases will reach a low of 15,100,000 cm.

Allocation of Fixed Costs

The approval of the 2013 Water/Wastewater Budget on April 8, 2013, included the following motion:

"That staff be directed to analyze and report back on the potential of revision to the billing structure to charge fixed costs on a per unit dwelling basis for residential customers"

Current Billing Structure – American Water Works Association Meter Multiplier used for Fixed Charge Calculation

The City's current water and wastewater rate structure is a combination of fixed and volumetric charges. The fixed rates are charged to customers based on the size of the meter.

Typically, residential customers have smaller meters than industrial / commercial /institutional (ICI) customers or multi-residential developments as their demand for water is much lower. Water meter sizes vary depending on the required water flow to the property. A typical house may have a 15 mm meter whereas a hotel could have a 150 mm meter. The American Water Works Association (AWWA) recommends the use of the meter multiplier approach as an option for redistributing fixed charges. This approach shifts the weighting of fixed charges based on the type of meter. A larger meter would bear a higher proportion of the fixed charges than a residential meter, which is reflective of the larger burden that the higher volume customer places on the water system. The AWWA meter multiplier approach is used by a number of Niagara municipalities and a significant amount of municipalities in Ontario.

This billing method was implemented by the City of St. Catharines in 2011. The AWWA meter multiplier factors are as follows:

Meter size (in inches)	Multiplier
1	1.4
1.5	1.8
2	2.9
3	11
4	14
6	21

An Alternative for Multi-residential Properties

Although not widespread, some municipalities charge their fixed fees according to the number of dwelling units connected to each meter. In effect, an apartment building with 50 units could pay 50 times the fixed rate charged to a single residential property. This is meant to reflect the fact that the volume of water used and wastewater generated is higher on the multi-residential property and therefore they should be paying more of the fixed cost of operating the system.

Theoretically, the fixed costs of operating the systems should be allocated to customers based on their usage of the system.

The goal of the ideal billing structure is to most accurately distribute the costs amongst the customers based on their usage of the system. In this ideal structure, each customer would be billed an annual amount that was exactly their proportionate share of the annual operating costs of the system.

To analyze the effect that a unit charge would have on our current billing structure, staff used the actual customer base from the 2012 fiscal year. Each customer's annual billing totals were calculated using the following scenarios:

1. St. Catharines billing structure prior to meter multipliers
2. Current billing structure which includes meter multipliers

These two results were compared against a third scenario. This scenario used the actual consumption volumes and actual expenditure results for 2012 and allocated the costs to each individual customer proportionately. This scenario is referred to as the "theoretical" scenario.

The analysis resulted in the following observations:

Positive impact of the meter multiplier billing method

The current billing structure which includes meter multiplier billing was a significant step in redistributing the fixed costs of the system to the larger users. The introduction of the meter multiplier shifted a greater percentage of the responsibility for the fixed costs to the larger users. In effect, the meter multiplier billing has brought these billings closer to the "theoretical" scenario.

Smaller multi-residential properties do not require adjustment

When comparing the current billing structure to theoretical one, the changes to smaller multi-residential customers (i.e. less than 10 units), are not significant. In many cases, the change to the annual bill is less than \$100. Therefore, staff conclude that changes to these types of users are not required. The current billing structure comes close to achieving the “theoretical” scenario.

A solution should be developed for larger multi-residential properties

When comparing the current billing structure to theoretical one, the large multi-residential customers were impacted significantly. Their theoretical “share” of the fixed costs is larger than the amount that they are currently paying. Staff conclude that adjustments to the billing structure should be made to ensure proper distribution of the fixed costs to these higher users. A fixed charge related to the number of dwelling units connected to an individual meter could help to redistribute the fixed costs of the system.

Next steps

Based on the above observations, staff recommend the current billing structure be amended to include a per unit charge for larger multi-residential properties. Further research needs to be completed to determine if that charge should be a “one for one” (ie 50 units equal 50 charges) charge or less than that. Review of other municipalities billing structures has shown that many permutations exist. An appropriate solution for our customer base needs to be developed.

Prior to the implementation any further changes, staff want to ensure property owners and residents are provided with a reasonable time period to adjust to the changes and recognize that landlords may also be required to adjust lease agreements to reflect the adjustments. To reflect this concern, staff recommend that the plan include phasing provisions which could encompass three to five years.

2014 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	\$2,051,500
Debt Charges	1,073,846	904,557
Total City Fixed Charges	\$6,573,846	\$2,956,057
Regional Fixed Charges	2,928,504	19,453,764
Total Fixed Costs	\$9,502,350	\$22,409,821
Calculation of Recovery Rates		
Based on 42,450 customers	\$224.00	\$528.00
2014 Proposed Rates	\$150.00	\$84.00
2013 Rates	\$150.00	\$81.00

As the chart above indicates, the calculated fixed component of the City's rate structure should be \$224 for Water and \$528 Wastewater. While staff does not propose that the 2014 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 \$	2013	2012	2011	2010	2009	2008
Revenue	\$24.863	\$25.317	\$23.462	\$22.501	\$20.118	\$19.489
Expenditures	25.074	25.251	23.999	23.349	21.653	21.145
Recovery/(Loss)	(\$211)	\$66	(\$537)	(\$848)	(\$1.535)	(\$1.656)

As a result, the wastewater system currently has an accumulated deficit of \$2.6 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.

To eliminate this deficit in 2014 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 2014, 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, 2014, the rate structure for recovering water and wastewater costs be the following:

	2013	2014
Water		
Fixed (annual)	\$150	\$150
Volumetric (per cm)	\$1.199	\$1.199
Wastewater		
Fixed (annual)	\$81	\$84
Volumetric (per cm)	\$1.688	\$1.773

The proposed rates will result in an annual increase to the average ratepayer (at annual consumption levels of 200 cubic metres) of \$20.00. A breakdown of this increase is as follows:

Description	Amount
Water Rates	\$ 0.00
Wastewater Rates	20.00
Total Increase - \$	\$ 20.00
Total Increase - %	2.47%

Financial Implications

The proposed 2014 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 in wastewater rates is proposed. This change in rates will serve to increase the financial stability of the wastewater system and continue the process to reduce the reliance of the wastewater system on the water rates.

Prepared & Approved by:

Shelley Chemnitz, Director of Financial Management Services, City Treasurer

City of St Catharines
Water/Wastewater Budget Summary

	Estimate		Actuals	
	2014	2013	2013	2012
Reserve at Beginning of Year	<u>2,796,556</u>	<u>2,735,232</u>	<u>2,735,232</u>	<u>795,828</u>
Revenues	49,185,565	49,571,270	48,148,797	50,100,167
Less: Region expenditures	<u>30,490,968</u>	<u>30,823,794</u>	<u>30,725,901</u>	<u>30,641,362</u>
Net Revenue	<u>18,694,597</u>	<u>18,747,476</u>	<u>17,422,896</u>	<u>19,458,805</u>
City Expenditures				
Water Operating costs	6,110,499	5,975,041	5,690,541	5,240,869
Water Debenture debt	1,073,846	1,037,776	1,052,872	1,018,001
Water Infrastructure costs	5,500,000	5,500,000	4,770,773	4,943,521
Sewer Operating costs	3,551,771	3,432,102	3,282,557	3,472,484
Sewer Debenture debt	904,557	995,103	992,731	937,254
Sewer Infrastructure costs	<u>2,196,500</u>	<u>2,058,000</u>	<u>1,572,098</u>	<u>1,907,272</u>
	<u>19,337,173</u>	<u>18,998,022</u>	<u>17,361,572</u>	<u>17,519,401</u>
Annual Surplus/(Deficit)	<u>-642,576</u>	<u>-250,546</u>	<u>61,324</u>	<u>1,939,404</u>
Reserve at End of Year	<u>2,153,980</u>	<u>2,484,686</u>	<u>2,796,556</u>	<u>2,735,232</u>
City total	19,337,173	18,998,022	17,361,572	17,519,401
Region total	<u>30,490,968</u>	<u>30,823,794</u>	<u>30,725,901</u>	<u>30,641,362</u>
	<u>49,828,141</u>	<u>49,821,816</u>	<u>48,087,473</u>	<u>48,160,763</u>
cm - purchased	<u>15,100,000</u>	<u>15,650,000</u>	<u>16,271,289</u>	<u>16,518,505</u>

WATER SYSTEM (515.XXX)**2014 Water Budget Summary**

	<u>Dept.</u>	<u>Acct.</u>	<u>Estimate</u>		<u>Actual</u>	
			<u>2014</u>	<u>2013</u>	<u>2013</u>	<u>2012</u>
<u>Operating Expenditures:</u>						
General Administration	FMS	105	1,340,817	1,337,894	1,279,464	1,234,288
Engineering Overhead	TES	110	1,652,122	1,617,951	1,584,797	1,636,237
Mains, Valves, Hydrants	TES	115	1,736,670	1,755,356	1,775,543	1,468,224
Water service lines	TES	120	416,580	396,920	387,668	374,681
Meters	TES	125	870,110	765,840	620,291	496,056
New Mains, Valves, Hydrants	TES	135	94,200	101,080	63,386	53,880
Services Rendered	TES	145	0	0	-20,608	-22,497
Total Operating Expenditures:			<u>6,110,499</u>	<u>5,975,041</u>	<u>5,690,541</u>	<u>5,240,869</u>
<u>Capital Expenditures:</u>						
Water Capital/Revenue	FMS	190	0	0	0	0
Debenture Debt	FMS	195	1,073,846	1,037,776	1,052,872	1,018,001
Water Improvement Program	TES	520	5,500,000	5,500,000	4,770,773	4,943,521
Total Capital Expenditures:			<u>6,573,846</u>	<u>6,537,776</u>	<u>5,823,645</u>	<u>5,961,522</u>
Total Water Expenditures			<u>12,684,345</u>	<u>12,512,817</u>	<u>11,514,186</u>	<u>11,202,391</u>

Note: FMS - Financial Management Services

TES - Transportation and Environmental Services

**City of St Catharines
2014 Water Improvement Program**

Account 520.	<u>Budget 2014</u>
520.'s	
322 Queenston Street P13-066	\$65,000.00
420 Buckland/Eastchester/Herrick P12-005	315,000.00
421 Carlisle/St Paul Street P13-062	95,000.00
422 George Street P14-066	245,000.00
423 Lorne Street P14-067	425,000.00
424 Forest Hill Road P14-068	265,000.00
425 Beverly/Philip P14-100	240,000.00
426 Hiscott Street P14-101	175,000.00
427 Niagara Street P14-102	1,100,000.00
428 Petrie Street P14-103	315,000.00
429 Village Road P14-104	450,000.00
430 Vine Street P14-105	650,000.00
431 Glendale Avenue PSC replacement P14-106	45,000.00
432 Valves/Hydrants/Services P14-118	50,000.00
433 Design for 2015 Projects P14-119	50,000.00
434 Lakeshore Road RN14-	490,000.00
435 Main Street RN14-	525,000.00
	<u>\$5,500,000.00</u>

CITY OF ST. CATHARINES - WATER/WASTEWATER BUDGET
ESTIMATE 2014

EXPENDITURE ACCOUNT	2014 BUDGET
310.112 <u>WATER/WASTEWATER EQUIPMENT RESERVE:</u>	
OPENING BALANCE	\$946,382
ANNUAL RESERVE PROVISION	180,000
EQUIPMENT TRANSFER FROM TES RESERVE	255,000
EXPENDITURES,2014	-752,000
CLOSING BALANCE	<u>\$629,382</u>
 <u>EXPENDITURE DETAILS</u>	
TWO (2) SEWER CAMERA MONITORS (REPLACEMENT UNITS)	15,000
ONE (1) INFRAMAP GIS/GPS HARDWARE AND SOFTWARE	50,000
ONE (1) DUMP TRUCK COMPLETE WITH PLOW, WING, DIRECT LIQUID APPLICATION, AND PREWETTING CAPABILITY PLUS AVL/GPS (REPLACE UNIT #104)	335,000
FOUR (4) CUBE VANS COMPLETE WITH MODIFICATIONS (REPLACE UNITS #1,5,85 AND 14	340,000
ONE (1) GUILLOTINE SAW (NEW)	12,000
	<u>752,000</u>

WASTEWATER SYSTEM

2014 Wastewater Budget Summary

	Dept.	Acct.	Estimate		Actual	
			2014	2013	2013	2012
<u>Operating Expenditures:</u>						
Sewers - General	TES	730.100	512,440	457,415	513,917	571,649
Sewers - Insurance	FMS	730.105	0	0	86,100	55,195
FLAP Program	TES	732.115	213,008	205,159	264,159	163,257
Lateral Replacement	TES	732.100	597,090	529,350	556,901	610,509
New Laterals	TES	732.105	0	0	-26,876	-8,145
Drain Clearing	TES	732.110	185,630	190,830	144,555	157,238
Overhead	TES	732.190	914,206	861,690	788,711	955,980
Pollution Control	TES	735.300	739,357	679,975	628,036	585,993
Overhead	TES	735.305	390,040	507,683	327,054	380,808
Total Operating Expenditures:			3,551,771	3,432,102	3,282,557	3,472,484
Debtenture Debt	TES	731.195	904,557	995,103	992,731	937,254
Sewer Improvement Program	TES	731.100	2,051,500	2,000,000	1,514,098	1,907,272
Capital Out of Revenue	FMS	735.304	145,000	58,000	58,000	0
Total Capital Expenditures:			3,101,057	3,053,103	2,564,829	2,844,526
Total City Wastewater Expenditures			6,652,828	6,485,205	5,847,386	6,317,010

Note: FMS - Financial Management Services

TES - Transportation and Environmental Services

**City of St Catharines
2014 Sewer Improvement Program**

Account 731.	Budget 2014
731.'s	
323 Queenston Street P13-066	\$203,500.00
410 Sewer Spot Repair Program, 2014 P14-011	100,000.00
411 Sanitary Sewer Reaming, 2014 P14-012	75,000.00
412 Design 2015 Sanitary Sewer Projects P14-015	25,000
413 George Street P14-066	437,000.00
414 Lorne Street P14-067	461,000.00
415 Forest Hill Road P14-068	250,000.00
416 Extraneous Flow and Collection System Survey ST14-009	1,000,000.00
416 CSO funding - Regional Cost Share	-500,000.00
	<u>\$2,051,500.00</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

* 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) Flat Rates (For each four month billing period)

UPDATE	Per Dwelling unit	\$150.00	\$150.00
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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

UPDATE (g) Water Under Construction

First four month period Per sq. ft.	\$0.026
Per sq. m.	0.282

		<u>Current</u>	<u>Proposed</u>
UPDATE	Next Flat Rate per dwelling unit 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.		
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>Meter Size</u>		
	*16mm (5/8") Displacement	\$19.00	
	*16mm (5/8") Displacement with ECR	\$35.00	
NEW	*16mm (5/8") Displacement-ECR/Transmitter		\$40.00
	19mm (3/4") Displacement	\$25.00	
	19mm (3/4") Displacement with ECR	\$41.00	
NEW	19mm (3/4") Displacement-ECR/Transmitter		\$46.00
	25mm (1") Displacement	\$29.00	
	25mm (1") Displacement with ECR	\$46.00	
NEW	25mm (1") Displacement-ECR/Transmitter		\$51.00
	38mm (1-1/2") Displacement	\$82.00	
	38mm(1-1/2") Turbine	\$111.00	
	38mm (1-1/2") Displacement with ECR	\$115.00	
NEW	38mm (1-1/2") Displacement-ECR/Transmitter		\$120.00
	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") Displacement with ECR	\$128.00	
NEW	50mm(2") Displacement-ECR/Transmitter		\$133.00
	50mm (2") Turbine	\$114.00	
NEW	50mm (2") Turbine/Transmitter		\$119.00
	50mm (2") Compound	\$96.00	
NEW	50mm (2") Compound/Transmitter		\$101.00
	50mm (2") OMNI T2 Turbine	\$96.00	

		<u>Current</u>	<u>Proposed</u>
NEW	50mm (2") OMNI T2 Turbine/Transmitter		\$101.00
	50mm (2") OMNI C2 Compound	\$128.00	
NEW	50mm (2") OMNI C2 Compound/Transmitter		\$133.00
	75mm (3") Turbine	\$375.00	
NEW	75mm (3") Turbine/Transmitter		\$380.00
	75mm (3") Compound	\$418.00	
NEW	75mm (3") Compound/Transmitter		\$423.00
	75mm (3") OMNI T2 Turbine	\$375.00	
NEW	75mm (3") OMNI T2 Turbine/Transmitter		\$380.00
	75mm (3") OMNI C2 Compound	\$402.00	
NEW	75mm (3") OMNI C2 Compound/Transmitter		\$407.00
	100mm (4") Turbine	\$475.00	
NEW	100mm (4") Turbine/Transmitter		\$480.00
	100mm (4") Compound	\$498.00	
NEW	100mm (4") Compound/Transmitter		\$503.00
	100mm (4") OMNI T2 Turbine	\$475.00	
NEW	100mm (4") OMNI T2 Turbine/Transmitter		\$480.00
	100mm (4") OMNI C2 Compound	\$488.00	
NEW	100mm (4") OMNI C2 Compound/Transmitter		\$493.00
	150mm (6") Turbine	\$587.00	
NEW	150mm (6") Turbine/Transmitter		\$592.00
	150mm (6") Compound	\$671.00	
NEW	150mm (6") Compound/Transmitter		\$676.00
	150mm (6") Fire Assembly	\$900.00	
NEW	150mm (6") Fire Assembly /Transmitter		\$905.00
	150mm (6") OMNI T2 Turbine	\$587.00	
NEW	150mm (6") OMNI T2 Turbine/Transmitter		\$592.00
	150mm (6") OMNI C2 Compound	\$671.00	
NEW	150mm (6") OMNI C2 Compound/Transmitter		\$676.00

		<u>Current</u>	<u>Proposed</u>
	200mm (8") Turbine	\$665.00	
NEW	200mm (8") Turbine/Transmitter		\$670.00
	200mm (8") Fire Assembly	\$1,131.00	
NEW	200mm (8") Fire Assembly/Transmitter		\$1,136.00
	250mm (10") Turbine	\$794.00	
NEW	250mm (10") Turbine/Transmitter		\$799.00
	250mm (10") Fire Assembly	\$1,408.00	
NEW	250mm (10") Fire Assembly/Transmitter		\$1,413.00

* 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.

(a)(i) METER PITS (CHAMBER) RENTALS (Annually)

Meter Size

16mm (5/8")	\$46.00	\$51.00
19mm (3/4")	\$48.00	\$52.00
25mm (1")	\$53.00	\$58.00
38mm (1-1/2")	\$130.00	\$142.00
50mm (2")	\$132.00	\$151.00
75mm (3")	Actual Cost	
100mm (4")	Actual Cost	
150mm (6")	Actual Cost	
200mm (8")	Actual Cost	
250mm (10")	Actual Cost	

		<u>Current</u>	<u>Proposed</u>
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:		
(a)	<u>Wastewater Fees</u>		
	Sewer Replacement Program	\$27.00	\$28.00
	Wastewater charges – per cubic metre	1.688	1.773
	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)	<u>Meter Equivalency</u>		
	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		
	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%.		
UPDATE	(c) <u>Flat Rates</u> (For each four month billing period)		
UPDATE	Per Dwelling unit	200.00	200.00
UPDATE	(d) <u>Wastewater Under Construction</u>		
	First four month period	0.00	
	Next Flat Rate per dwelling unit for each four month period until meter is installed	200.00	\$200.00
	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.		
NEW/ UPDATE	4. <u>Unauthorized Use of Water</u>		
(a)	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:		
UPDATE	Two (2) times the average of last three representative bills. If not applicable, estimate to be determined at the discretion of the Treasurer. (For each four month billing period)	2X	
NEW	(b) Where property has operated a grow-op, amount is three (3) times the total Flat Rate per dwelling unit as outlined in Sections 1 and 3 (For each four month billing period)	3X	\$1,050.00

		<u>Current</u>	<u>Proposed</u>
NEW/ UPDATE	5. <u>Miscellaneous</u>		
	(a) <u>Meter Relocation</u> 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		
NEW	(b) <u>Installation of Automated Meter Reading (AMR) apparatus when performed not in accordance with scheduled deployment :</u>		
	When requested by homeowner		\$350.00
	When determined by City Engineer, amount charged at the discretion of the Treasurer		
	(c) <u>Late Payment Penalty</u>		
	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.		
	(d) <u>Water Certificate</u>	25.00	\$30.00
UPDATE	(e) The rates set out above shall be deemed to have become effective on all accounts with Billing periods ending on or after April 1, 2014.		

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

*bolded script = proposed changes for 2014