

Town of Imperial

Bylaw # 5-2016

A Bylaw to Provide for a Water and Sewer Works Rate Policy and a Water and Sewer Works Capital Investment Strategy

The Council of the Town of Imperial in the Province of Saskatchewan enacts as follows:

Water and Sewer Works Rate Policy:

Under the water and sewer works rate policy, the quarterly water and sewer rates will continue as adopted in the water and sewer rate bylaw number 5-2013 dated November 13, 2013:

Quarterly Water Rates:

Consumption – Water

Cost

0 – 10,000 gallons	\$90.00 per quarter
10,001 to 35,000 gallons	\$1.00 per 1,000 gallons or part thereof
35,000 +	\$6.00 per 1,000 gallons or part thereof

Quarterly Sewer Rates:

Carwash	\$174.00 per quarter
All users	\$28.00

These rates will allow Council to work towards water and sewer revenues that cover water and sewer costs, beginning January 1, 2017. Council will closely monitor water and sewer expenditures and an annual review of rates will take place. Within this time frame there may be a need for an additional water and sewer infrastructure charge.

By planning the water and sewer rate increases, residents and businesses will be able to prepare for and adjust to increases. Bylaws will be passed annually if water and sewer rate changes are required and implemented.

The water and sewer rates that were established on November 13, 2013 were chosen to be an acceptable rate for residents and businesses at that time. The rates generated enough revenues to cover the water and sewer operating expenditures. Water and sewer operating expenditures include waterworks' staff salaries; benefits; training; power; telephone; heat; insurance; chemicals; repairs; maintenance; supplies; etc. The water and sewer rates do not include an infrastructure charge.

Below provides the planned water and sewer rate increases over the next 3 years. To demonstrate the impact, below are estimated monthly charges that reflect the rate increases on the base residential and business rates:

<u>Date</u>	<u>Quarterly Rate</u>
January 1, 2017	\$124.00
January 1, 2018	\$130.00
January 1, 2019	\$136.00

The objective of the water and sewer rate policy is to work towards water and sewer that are self-financing, where the users pay for the cost of the service. To accomplish this, the water and sewer rates need to increase over time so that the revenues cover the operating costs, to the extent possible. At the end of every year of the planned increase, Council will review its water and sewer policy to determine if revenues are covering costs. At that time, Council will also need to consider increasing rates to build the water and sewer reserves in order to cover future infrastructure maintenance and replacement costs

This water and sewer rate policy will work towards financially independent water and sewer that do not have to compete with the other key municipal financial demands under the municipal general revenue fund. This will ensure our waterworks can provide safe drinking water. Also, rates that cover costs will influence consumer demand and water conservation, and self-financing water and sewer works will reduce pressures on property taxes.

Bylaw #5-2013 is repealed.

Waterworks Capital Investment Strategy:

The objective of the water and sewer works capital investment strategy is to address anticipated water and sewer works infrastructure maintenance, the immediate drinking water infrastructure problems and future infrastructure replacements in a timely fashion so as to ensure the municipal waterworks provides safe drinking water to residents and businesses. The strategy uses the 2007 Waterworks System Assessment that was required by Saskatchewan Environment for infrastructure planning.

To cover the costs of future water and sewer works infrastructure maintenance and replacements, Council will need to undertake in the future a combination of increasing water and sewer rates to build the water and sewer works reserves, once the water and sewer rates cover the water and sewer works operating costs.

This capital investment strategy will ensure that safe drinking water can be provided to the residents and businesses in the community in the present and future.

Capital plans are being formulated to address the recommended improvements as listed in the Waterworks System Assessment which was completed by Pinter and Associates. The thorough review of our waterworks system will help form the basis of the Town's future capital waterworks plan.

Deputy Mayor

S E A L

Administrator

Sections 50-55, *The Municipal Regulations*

Read a third time and adopted
This 13th day of April, 2016.

Administrator