



IMPORTANT NOTICE

2021 Water/Wastewater/Stormwater Rates

At the October 21st, 2020 Meeting of Council, Council adopted new rates for 2021. The rates are based on the amount of funding required to operate our water, wastewater and stormwater systems. All costs associated with the operation of our water and wastewater systems must come from users of the systems.

Why does the Municipality need a new water/wastewater/stormwater rate?

The current Water & Wastewater Rate By-Law (By-law #55 of 2015) expired on December 31, 2019. The new rates were determined based on the following considerations:

- Identifying all current and future water, wastewater and stormwater needs;
- Estimating current and future operating and rehabilitation costs (i.e. a 10 yr model has been presented); **and then**
- Recommend a new rate to recover the cost of water, wastewater, and stormwater systems.

A rate study was completed by Watson & Associates Economists Ltd in 2020. The overall objective of the rate study was to review the current storm (not previously collected), water, and wastewater rates in maintaining long-term financial sustainability for the respective systems while complying with current levels of services and legislation.

Why is the proposed rate increase so large?

Previous rates charged to residents only covered the day-to-day operations of the system. This rate study is the first since amalgamation that is based on real tangible asset counts which shows what we own and what we are responsible for.

Why do the rates have to change?

- We must sustain our systems through dedicated user rates (not taxation)
- We need to ensure safe and reliable drinking water, adequate stormwater management (prevent flooding), and the proper collection and treatment of wastewater.
- We have an expansive water distribution network that is going to take decades to rehabilitate.
- Improve level of service and provide preventative maintenance (i.e., leak detection, etc...)

Many specific factors contribute to the sharp increase in rates:

Water	High rate of water loss – approximately 52% or \$290K (+/-) yearly Lifecycle Costs for Water: North Middlesex owns 475km of watermains (more than the City of Sarnia) and has a replacement cost of \$260 million with a customer base of only 2,350 users. To date, less than 2% of the existing watermain(s) have been replaced
Wastewater	Costs for wastewater were <u>previously</u> offset through taxation, the proposed rates correct this.
Stormwater	Urban storm sewers are aging, undersized and have restricted flows The municipality needs to undertake (and fund) a functional Stormwater Master Plan

Why rate is “fixed” and not based on consumption?

The majority of costs to maintain this infrastructure are constant. Therefore, the rates and revenues have been calibrated to also be constant.

The rate structure ensures that the Municipality has the required funds available on a timely basis to cover the costs required to operate, maintain, and rehabilitate our infrastructure properly.

Are residents paying for anticipated growth?

No, residents are not paying for anticipated growth; proposed/anticipated growth has brought some of the issues to the forefront. Growth will help alleviate the rate issues in the future, if we have more users to share the costs of the systems overall. In addition, development charges coming from growth will help carry some of the infrastructure burden.

2021 Rate Schedule

Water Rates:

The following table outlines the fixed water rates. Users will be placed into a category based on a running 3-year average consumption. A typical residential user consumes approximately 180 cubic metres annually.

Annual Cubic Metre Usage	Annual Charge
0 to 250	\$883
250 to 300	\$1,150
300 to 400	\$1,361
400 to 500	\$1,642
500 to 600	\$1,923
600 to 800	\$2,345
800 to 1,000	\$2,907
1,000 to 1,500	\$3,892
1,500 to 2,000	\$5,298
2,000 to 3,000	\$7,407
3,000 to 4,000	\$10,219
4,000 to 5,000	\$13,031
5,000 to 7,500	\$17,952
7,500 to 10,000	\$24,982
10,000 to 12,000	\$31,309
12,000 to 14,161	\$37,159
Variable rate for annual volumes in excess of three-year average: \$1.00/cubic metre	
Only residents that consume water through their water meters will be billed for water	

Wastewater Rates:

The following table outlines the fixed wastewater rates. Users will be placed into a category based on a running 3-year average consumption. The cubic metre usage is based on consumption of water as per the above table:

Annual Cubic Metre Usage	Annual Charge
0 to 250	\$829
250 to 300	\$829
300 to 400	\$829
400 to 500	\$829
500 to 600	\$1,688
600 to 800	\$2,144
800 to 1,000	\$2,752
1,000 to 1,500	\$3,816
1,500 to 2,000	\$5,336
2,000 to 3,000	\$7,616
3,000 to 4,000	\$10,656
4,000 to 5,000	\$13,696
5,000 to 7,500	\$19,016
7,500 to 10,000	\$26,616
10,000 to 12,000	\$33,456
12,000 to 14,161	\$39,781
Variable rate for annual volumes in excess of three-year average: \$1.00/cubic metre	
Only residents that use the sewage systems will be billed for wastewater	

Stormwater Rates:

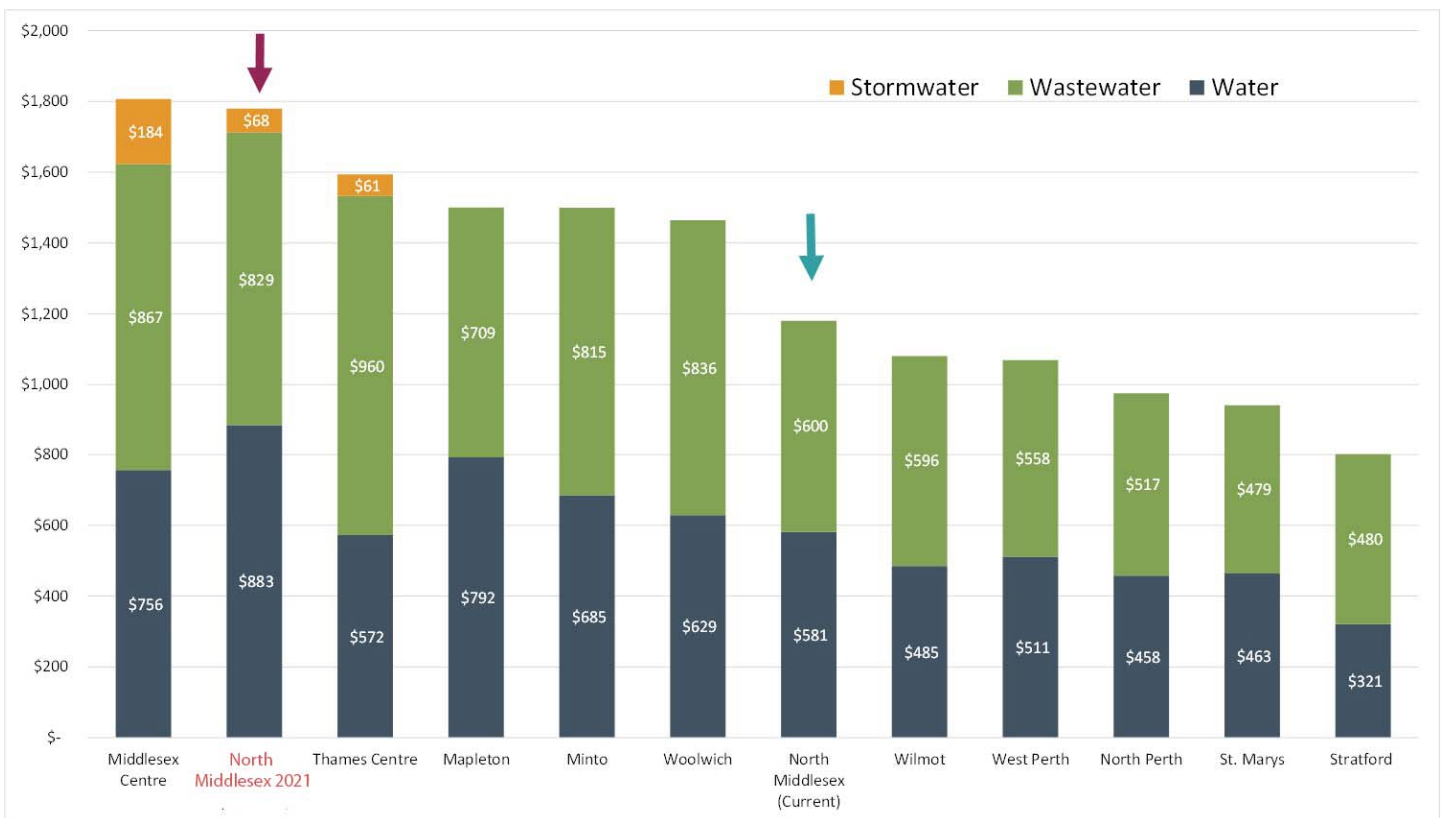
Residents of Parkhill, Ailsa Craig, and Nairn will be charged **\$68** per year for stormwater.

2021 Water & Wastewater Rates



The following chart provides a comparison of typical yearly water, wastewater and stormwater rates from comparable and nearby communities:

Comparison of Residential Yearly Water, Wastewater & Stormwater Bills (Based on 250 m3)



****Only residents that consume water through their water meters will be billed for water****

****Only residents that use the sewage systems will be billed for wastewater****



Rate Feedback



How to provide feedback on the 2021 water/wastewater/stormwater rates

Residents can email their feedback on the 2021 rates to by submitting to feedback@northmiddlesex.on.ca

For a period of 3 weeks residents can also submit feedback through mail to:

Municipality of North Middlesex
ATTN: 2021 RATE FEEDBACK
229 Parkhill Main Street
Parkhill, ON, N0M 2K0

All comments received will be distributed to all members of North Middlesex Council and associated staff.

Residents also have the option of voicing their concerns to Municipal Staff

Jonathon Graham
CAO/Director of Operations
jonathondg@northmiddlesex.on.ca
P: 519-294-6244 ext.233

Jonathan Lampman
Infrastructure Manager
jonathanl@northmiddlesex.on.ca
P: 519-294-6244 ext.223

Tracy Johnson
Treasurer
tracyj@northmiddlesex.on.ca
P: 519-294-6244 ext.223