



Report to Council

Department: Corporate Services

Division: Finance and Business Services

Date: January 20, 2020

Prepared by: Jeffrey R. Morrison, CPA, CGA
Director, Corporate Services

Report Number: Finance and Business Services-2020-01

Subject: 2020 Water and Sanitary Sewer Rates

Number of Pages: 7, Including By-Law

Recommendation(s)

That "Finance and Business Services Report 2020-06" entitled "2020 Water and Sanitary Sewer Rates" prepared by "Jeffrey R. Morrison" dated "January 20, 2020" be received, and

That "By-Law Number 1876 being a By-Law to establish Water and Sanitary Sewer Rates and Charges receive a first, second and third reading".

Purpose

A By-Law to establish or change rates and charges must be adopted by Council.

Background and Discussion

In October, 2015, Watson & Associates Economists Ltd. completed a water and wastewater study that determined the rates for 2016 to 2025. The by-law which set the rates for 2019 expires on December 31, 2019, therefore a new by-law to establish the 2020 rates is required.

Schedule “A” to this report provides a comparison by ward, of the impacts of the 2020 rates compared to the 2019 rates. As noted in this schedule water rates will result in an increase in annual water charges of 1% in all wards in 2020, while increases in annual sanitary sewer charges will vary by ward—2% for Ward 1, 3% for Ward 3 and 2% for Ward 4. Combined water and sanitary sewer charges will increase 2% in Ward 1 or \$16.07 per annum, and 2% in Wards 3 and 4 for an annual increase of \$21.96 in Ward 3 and \$16.32 in Ward 4. Sanitary sewer charges are not applicable to Ward 2.

By-Law Number 1876, being a by-law to establish water and sanitary sewer rates and charges is attached for purposes of receiving first, second and third reading. The schedules attached to this by-law include the rates as determined in the Watson & Associates study. The Water Turn on and Turn-off Charge as well as the Deposit for new water and sanitary sewer accounts has been adjusted by the Consumer Price Index – All Items – Ontario as in prior years.

Financial Impact

Increases in water and sanitary sewer rates have the effect of offsetting increases in expenses resulting from increases in the Consumer Price Index and providing for the required lifecycle reserves.

Consultations

Link to Strategic Priorities

- ☒ Manage, invest and plan for sustainable municipal infrastructure which meets current and future needs of the municipality and its citizens.
- ☐ Create a safe, friendly and inclusive community which encourages healthy, active living for people of all ages and abilities.
- ☒ Provide a fiscal stewardship and value for tax dollars to ensure long-term financial health to the municipality.
- ☐ Manage responsible and viable growth while preserving and enhancing the unique rural and small town character of the community.
- ☐ Improve the experiences of individuals, as both citizens and customers, in their interactions with the Town of Essex.

Report Approval Details

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|----------------------|---|
| Document Title: | 2020 Water and Sanitary Sewer Rates - Finance and Business Services-2020-06.docx |
| Attachments: | <ul style="list-style-type: none">- Schedule A to Report Water and Sewer Rate Comparison 2020 to 2019.pdf- By-Law No 1876.pdf- Schedules A and B to By-Law 1876.pdf |
| Final Approval Date: | Jan 8, 2020 |

This report and all of its attachments were approved and signed as outlined below:

A handwritten signature in black ink, appearing to read "Chris Nepszy".

Chris Nepszy, Chief Administrative Officer - Jan 8, 2020 - 11:28 AM