



Report to Council

Department: Infrastructure Services
Division: Environmental Services
Date: December 20, 2021
Prepared by: Kevin Girard, P.Eng., MBA
Director, Infrastructure Services
Report Number: Environmental Services-2021-03
Subject: 2022 Water and Wastewater Rates
Number of Pages: 3 (plus 3 attached)

Recommendation(s)

That Environmental Services-2021-03 report entitled 2022 Water and Wastewater Rates prepared by Kevin Girard, Director, Infrastructure Services dated December 20, 2021 be received, and

That By-Law Number 2107 being a by-law to establish Water and Wastewater Rates and Charges to be read a first, a second and a third time and finally passed on December 20, 2021.

Purpose

A By-Law to establish rates and charges must be adopted by Council. This report is presented to Council to set the water and wastewater rates in the Town of Essex.

Background and Discussion

On February 16, 2021, Council received a presentation for the completion of a rate study from Watson & Associates Economists Ltd. that determined the rates required for 2021 to 2030. These rates are identified in the attached.

The proposed 2022 rates include a 2% adjustment to the base rate for all wards in both water and wastewater. Whereas the volume rate for water in Ward 1 & 2 is proposed to be increased by 0.7% and Ward 3 & 4 is proposed to be increased by 1.2%. The volume rate for wastewater also have proposed increases in the individual wards – 2% in Ward 1, 3.1% in Ward 3, and 3.0% in Ward 4. It should be noted that Ward 2 wastewater services and rates are provided directly from the Town of Amherstburg.

The proposed water and wastewater rates shown in the following table:

	2021		2022	
	Base Rate	Volume Rate	Base Rate	Volume Rate
Water Rates				
Ward 1 & 2	\$ 20.08	\$ 1.46	\$ 20.49	\$ 1.47
Ward 3 & 4	\$ 20.08	\$ 1.65	\$ 20.49	\$ 1.67
Wastewater Rates				
Ward 1	\$ 21.09	\$ 1.47	\$ 21.52	\$1.50
Ward 3	\$ 22.14	\$ 2.27	\$ 22.59	\$ 2.34
Ward 4	\$ 21.09	\$ 1.99	\$ 21.52	\$ 2.05

Financial Impact

Increases in water and wastewater rates have the effect of offsetting increases in expenses resulting from increases in the Consumer Price Index (CPI) and providing for the required lifecycle reserves. In addition, the recommended rates appended to this report are calculated

using current and forecasted operational and capital expenses and revenues. Deviation from the recommended rates will impact the Town's ability to provide the current level of service and capital replacement programs in the water and wastewater departments.

Consultations

Kate Giurissevich, Director, Corporate Services/Treasurer

Andy Graf, Manager, Environmental Services

Robert Auger, Town Solicitor, Legal and Legislative Services/Clerk

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.
- ☐ Improve the Town's capacity to meet the ongoing and future service needs of its citizens while ensuring the corporation is resilient in the face of unanticipated changes or disruptions.

Report Approval Details

Document Title:	2022 Water and Wastewater Rates - Environmental Services-2021-03.docx
Attachments:	- New Rates.pdf
Final Approval Date:	Dec 13, 2021

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

A handwritten signature in black ink, appearing to read 'Doug Sweet', with a long horizontal stroke extending to the right.

Doug Sweet, Chief Administrative Officer - Dec 13, 2021 - 12:45 PM