Agenda – Council – November 19, 2008

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – November 4, 2008

Item No. 2 2009 Water and Sewer Utility Rates
File WW-2.3

STANDING COMMITTEE RECOMMENDATION:

On November 12, 2008, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submits the following to Council:

1. That effective January 1, 2009 the water rates, based on water used, be increased as follows:

   A. To $3.55 from $3.45 per 100 cubic feet from 0 - 9,600 cubic feet./quarter (Block 1);
   B. To $3.07 from $2.97 per 100 cubic feet from 9,601 - 96,000 cubic feet/quarter (Block 2);
   C. To $2.59 from $2.49 per 100 cubic feet over 96,001 cubic feet/quarter (Block 3).

2. That effective January 1, 2009 the sewer rates, based on water used, be increased to $5.26 from $5.12 per 100 cubic feet, which includes 45.3 cents per 100 cubic feet for the Environmental Projects Reserve (31.3 cents in 2007).

3. That effective January 1, 2009 the Watermain Renewal Reserve be funded by a transfer from the Waterworks System Fund.

4. That effective January 1, 2009 the Sewer System Rehabilitation Reserve be funded by a transfer from the Sewage Disposal System Fund.

5. That the fees and deposit outlined in Appendix G, as contained in the report of the Director of Water and Waste dated October 29, 2008, be approved, effective January 1, 2009.

6. That the by-laws outlined in Appendix H, as contained in the report of the Director of Water and Waste dated October 29, 2008, amending the Water Works By-law No. 504/73 and the Sewer By-law No. 7070/97, be enacted.

7. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda – Council – November 19, 2008

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – November 4, 2008

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On November 12, 2008, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On November 4, 2008, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

Re: 2009 WATER AND SEWER UTILITY RATES

FOR SUBMISSION TO: Standing Policy Committee on Infrastructure Renewal and Public Works

ORIGINAL REPORT SIGNED BY: Barry MacBride, P. Eng.
Director of Water and Waste Department

REPORT DATE: October 29, 2008

RECOMMENDATION(S):

It is recommended that

1. Effective January 1, 2009 the water rates, based on water used, be increased as follows:

   to $3.55 from $3.45 per 100 cu. ft. from 0 - 9,600 cu. ft./quarter (Block 1)
   to $3.07 from $2.97 per 100 cu. ft. from 9,601 - 96,000 cu. ft./quarter (Block 2)
   to $2.59 from $2.49 per 100 cu. ft. over 96,001 cu. ft./quarter (Block 3)

2. Effective January 1, 2009 the sewer rates, based on water used, be increased to $5.26 from $5.12 per 100 cubic feet, which includes 45.3 cents per 100 cubic feet for the Environmental Projects Reserve (31.3 cents in 2007).

3. Effective January 1, 2009 the Watermain Renewal Reserve be funded by a transfer from the Waterworks System Fund.

4. Effective January 1, 2009 the Sewer System Rehabilitation Reserve be funded by a transfer from the Sewage Disposal System Fund.

5. The fees and deposit outlined on Appendix G be approved effective January 1, 2009.

6. The attached By-laws (Appendix H) which amend the Water Works By-law and the Sewer By-law be enacted.

Report Summary

KEY ISSUES:

- The Department is recommending an increase to the water and sewer rates for 2009. A typical residential customer's annual increase to their utility bill of $20.50, from $774.88 to $795.38 in 2009 (an impact of 2.65%).

- The funding source for the Watermain and Sewer System Rehabilitation reserves are recommended to change from Frontage Levy to transfers from the Utility Funds. Council authority is required to amend the purpose or conditions applicable to any City Reserve.

IMPLICATIONS OF THE RECOMMENDATION(S):

General Implications

	None
X	For the organization overall and/or for other departments
X	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment(s): Costs for the wastewater program could be higher as detailed cost estimates have not yet been prepared for the SEWPCC or NEWPCC Biological Nutrient Removal, Biosolids, or Combined Sewer Overflow Mitigation programs.

Nine new fees and increases in some existing fees are proposed as part of a longer term plan to have full cost of service recovery for all miscellaneous services provided by the Water and Sewer utilities.

Policy Implications

X	No
	Yes

Comment(s):

Regulatory Implications

	None
	Eliminates or reduces regulatory impact
X	Proposes regulatory impact

Comment(s): Nine new fees are being proposed in this Report.

Environmental Implications

	No
X	Yes

Comment(s): Includes improvement in the City's water and wastewater systems.

Human Resources Implications

X	No
	Yes

Comment(s):

Financial Implications

X	Within approved current and/or capital budget
	Current and/or capital budget adjustment required

Comment(s):

REPORT

REASON:

- Changes to the fees and charges require Council approval in the form of a by-law amendment.

- Council authority is required to amend the purpose or conditions applicable to any City Reserve

HISTORY:

See Appendix A for the history of Water and Sewer rates for the past ten years.

2005 On November 23, City Council approved an increase in the sewer rate, over-strength wastewater surcharge rates for Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS), and additional fees and charges for 2006.

2006 On November 21, Standing Policy Committee on Infrastructure Renewal and Public Works received as information a report detailing the 2006 Update on Wastewater Treatment Systems Improvements – Status and Costs Estimates.

2006 December 6, City Council approved an increase in the water rate and additional fees and charges for 2007. Council recommended the sewer rate increase be laid over.

2007 February 21, City Council approved an increase in the sewer rate effective April 1, 2007.

2007 November 21, City Council approved an increase in the water and sewer rates and additional fees and charges for 2007.

2007 November 21, City Council approved the motion: *"That Council commit to end net general revenue transfers from the Water and Sewer Utilities no later than the adoption of the 2009 Operating Budget and do so in a manner that improves the transparency of revenues and expenditures within these utilities."*

DISCUSSION:

A 2.65% increase for combined sewer and water rates is recommended for 2009. The Department's recommended increases in the utility rates over the next ten years are to support capital projects and operating costs for new facilities mandated by the Province of Manitoba under the Environmental Act licenses, based on existing operations.

The Future of the Utility

There are developments pending that could significantly impact the future of the Utility.

The City is looking at the best practices in municipalities across Canada, and considering the merits of the Municipal Corporate Utility model. Application for rate increases might be reviewed by the Public Utility Board (PUB). It is difficult to anticipate the full impact a Municipal Corporate Utility model and PUB review would have on the future of the Utility.

In the November 2007 throne speech, the Province announced additional funding of $206 million for Wastewater projects. To date no agreement has been signed, beyond the $50 million received under the Canada Strategic Infrastructure Fund. For the purposes of this forecast, we have estimated receiving the new funds over four years, 2011 to 2014. There is a possibility of a federal contribution as well, but without confirmation numbers cannot be incorporated into the forecast.

Council has mandated that the Water and Waste Department develop a cost of service rate plan. Cost of Service Analysis is a methodology for rate setting that is generally accepted in the industry and recommended by industry associations such as the American Waterworks Association (AWWA), Water Environment Federation and the U.S. Environmental Protection Agency. It is also accepted by Public Utility Boards and

Commissions. Implementation of a cost of service rates philosophy will align rates with the actual cost of delivering the service, by class of customer. The objective being that each group pays its "proportionate share" of the costs. This will require a detailed review and possible restructuring of how Water and Sewer rates are applied by customer class. The Department plans to begin this project in 2009.

The City is also in discussions with neighbouring municipalities regarding the feasibility of capital region serving. Agreements with other municipalities would require analyzing rates and developing potential system impact charges applicable for capital region servicing.

Water Rate

Water rates are proposed to increase effective January 1, 2009:

- $3.55 per 100 cu. ft. from 0 - 9,600 cu. ft./quarter (Block 1)
- $3.07 per 100 cu. ft. from 9,601 - 96,000 cu. ft./quarter (Block 2)
- $2.59 per 100 cu. ft. over 96,001 cu. ft./quarter (Block 3)

Contributions to the Water Treatment Reserve ended December 31, 2007.

Sewer Rate

For 2009, the Department is proposing that the sewer rate increase from $5.12 to $5.26 per 100 cubic feet. As with previous years' forecasts, the ten year projection continues to forecast the need for rate increases into the future. This includes 45.3 cents per 100 cubic feet for the Environmental Projects Reserve (31.3 cents in 2008).

Market volatility continues to make it difficult to anticipate future capital costs. Two major projects, Combined Sewer Overflow Control (CSO) and Biosolids Management are still in the conceptual engineering stages creating uncertainty in the budget numbers. Until costs have been scoped and budgets refined the risk of capital costs escalating remains high.

Federal/Provincial Funding: $50 million in funding under a federal-provincial infrastructure program is being provided to the City of Winnipeg for wastewater system improvements. The agreement was finalized in 2007. This funding is being distributed as eligible costs are incurred, over a five year period (2007 - 2011). No agreement is in place for the additional $206 million for Wastewater projects.

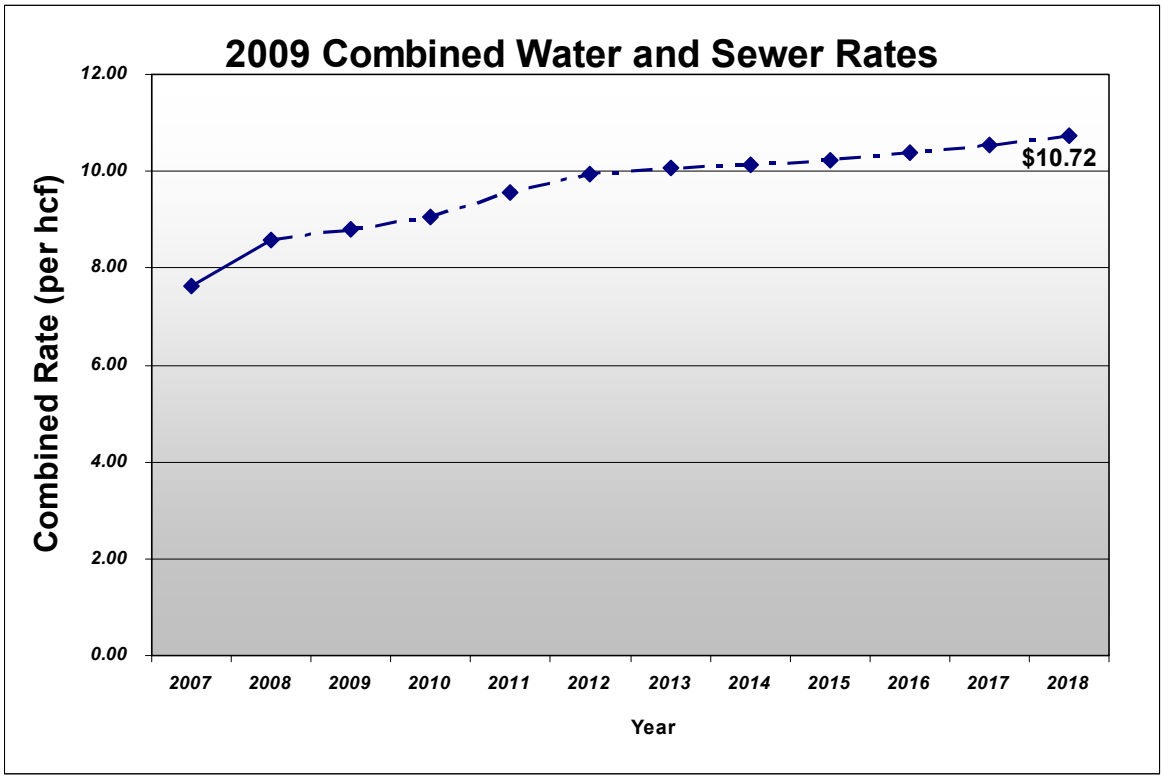
Working Capital

Typically the Water and Sewer Utilities maintain a minimum working capital reserve of 11% of the combined Water and Sewer sales. This is to protect the Utilities' financial position, prevent significant rate fluctuations, provide medium-term stability and absorb

losses in any given year that may otherwise result from a decline in consumption or major unforeseen expenditures.

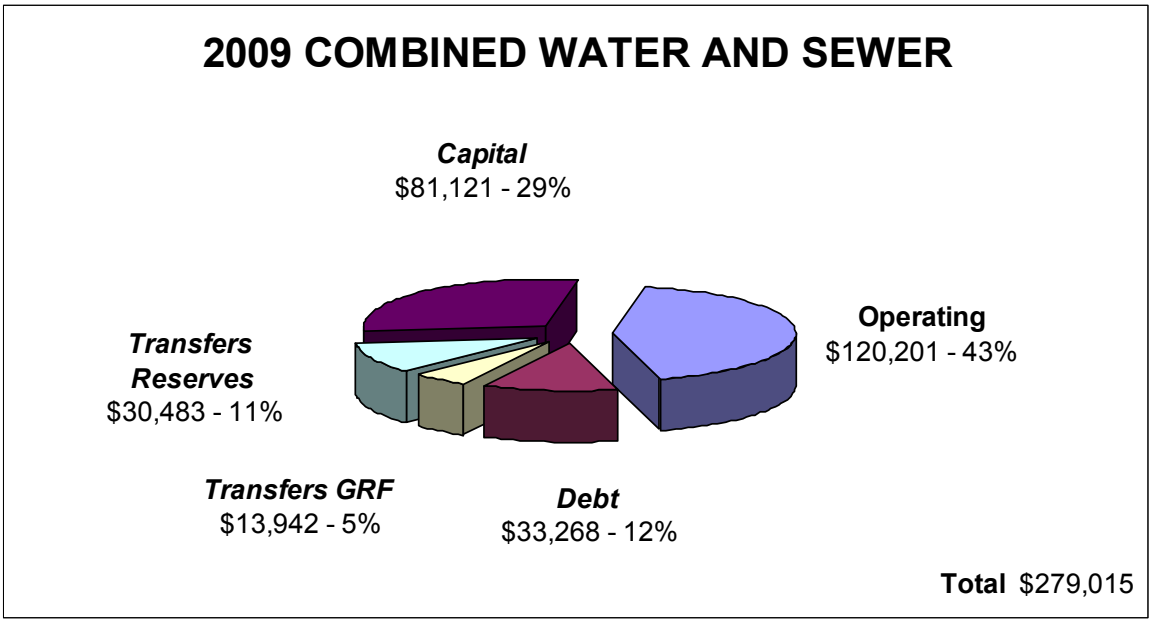
Combined Water and Sewer Rates

The 2009 water and sewer rate model projects an increase to the combined water and sewer rate of 2.65% for 2009.



A typical residential customer's annual utility bill will increase by $20.50 to $795.38 in 2009.

For 2009, the following represents the major cost categories contributing to the water and sewer rates. Total costs are forecast at $279 million, including $81 million for cash funded capital projects.



Fixed Quarterly Charge (FQC)

The FQC recovers the cost of meter reading, customer billing, accounts administration, and customer service centre support. Costs associated with the meter installation and maintenance are also recovered from the quarterly charge. No change is recommended for 2009 in FQC.

Reserves

The Department has established reserves to fund and plan for large and complex capital projects.

Water Treatment Plant Reserve: This reserve was established to fund a portion of the cost of a Water Treatment program. Total cost of the water treatment plant is estimated at $300.1 million. The plant is to be completed in 2009. Contributions to the reserve ended December 31, 2007 and the reserve was depleted as of December 31, 2007. The reserve funded $133M of total project costs. Debt financing requirements are $160 million. The following table summarizes the timing of capital expenditures and financing plans.

Water Treatment Plant Financing Schedule $000s
(actual to year ending December 31, 2007)

Year	Capital Expenditure	Project Funding				Balance	
		Volume Rate [1]	Retained Earnings	Debt	Total	Debt	Reserve
to 2003	4,179	82,126		-	82,126	-	77,947
2004	7,346	14,204		-	14,204	-	84,805
2005	23,936	12,810		-	12,810	-	73,679
2006	61,528	13,065		60,000	73,065	60,000	85,216
2007	91,194	11,121	2,800	-	13,921	60,000	5,143
2008	86,095	-		100,000	100,000	160,000	-
2009	26,220	-	4,016	-	4,016	160,000	-
Total	**300,498**	**133,326**	**6,816**	**160,000**	**300,142**		

[1] Includes Interest

Water Treatment Plant, August 2008



Environmental Projects Reserve: The Environmental Projects Reserve will support the wastewater treatment improvement program as directed by Manitoba Conservation. Federal/Provincial funding of $256 million over eight years has been incorporated into the financing plan. In addition, under this rate plan, the Department will require borrowing authority for up to $329.2 million in order to fully fund the improvements over the next 10 years.

Contributions to the reserve will increase in 2009 from 31.3 to 50.0 cents per 100 cubic feet an increase of 18.7 cents per 100 cubic. The increased contribution to the reserve reduces the amount of debt funding that is required to complete the wastewater treatment improvement program therefore reducing the amount of interest and service charges being paid.

Sewer Utility
Environmental Projects and Financing Schedule $000s

Year	Annual Capital	Project Financing					Balance	
	Expenditure [2]	Volume Rate [1]	Fed/Prov	Debt	Retained Earnings	Total	Debt	Reserve
to 2005	**27,948**	**80,284**				**80,284**		**52,336**
2006	**15,943**	**10,549**	**-**	**-**		**10,549**	**-**	**46,942**
2007	**23,109**	**9,959**	**8,200**	**-**	**3,679**	**21,838**	**-**	**33,792**
2008	**28,069**	**8,881**	**12,205**	**-**	**9,647**	**30,733**	**-**	**14,604**
2009	**60,226**	**12,410**	**15,383**	**-**	**26,896**	**54,689**	**-**	**-**
2010	**77,656**	**12,219**	**14,212**	**9,000**		**35,431**	**9,000**	**-**
2011	**118,774**	**20,003**	**51,000**	**48,000**		**119,003**	**57,000**	**-**
2012	**162,393**	**21,391**	**51,000**	**90,000**		**162,391**	**147,000**	**-**
2013	**137,005**	**21,425**	**52,000**	**63,000**		**136,425**	**210,000**	**-**
2014	**192,005**	**21,414**	**52,000**	**118,370**		**191,784**	**328,370**	**-**
2015	**13,010**	**21,736**		**-**		**21,736**	**328,370**	**8,726**
2016	**11,060**	**22,112**		**-**		**22,112**	**328,370**	**19,779**
2017	**32,040**	**21,891**		**-**		**21,891**	**328,370**	**9,630**
2018	**32,010**	**21,559**		**821**		**22,380**	**329,191**	**-**
2019	31,249	23,000		8,249		31,249	**337,440**	**-**
2020	30,060	23,500		6,560		30,060	**344,000**	**-**
2021	27,000	24,000		3,000		27,000	**347,000**	**-**
2022	26,150	24,000		2,150		26,150	**349,150**	**-**
2023	21,090	25,500		-		25,500	**349,150**	**4,410**
2024	21,000	25,500		-		25,500	**349,150**	**8,910**
2025	22,200	25,000		-		25,000	**349,150**	**11,710**
2026	22,120	25,000		-		25,000	**349,150**	**14,590**
2027	22,000	25,500		-		25,500	**349,150**	**18,090**
2028	22,250	26,500		-		26,500	**349,150**	**22,340**
2029	22,150	26,000		-		26,000	**349,150**	**26,190**
2030	22,000	26,000		-		26,000	**349,150**	**30,190**
Total to 2018	**931,248**	**305,835**	**256,000**	**329,191**	**40,222**	**931,248**	**329,191**	**-**
Total to 2030	**1,220,517**	**605,335**	**256,000**	**349,150**	**40,222**	**1,250,707**	**349,150**	**30,190**

[1] Includes Interest
[2] Future costs are in 2006 dollars plus inflation

Capital Projects Funded by the Environmental Projects

(in $000,000)

Component	Total Capital Project Cost
Disinfection	
NEWPCC Disinfection	$ 19
WEWPCC Disinfection (Shown below with BNR)	
Subtotal Disinfection	$ 19
Effluent Nutrient Control	
Effluent NH3/Nutrient Related Studies	$ 1
* NEWPCC BNR	$ 401
Centrate Treatment at NEWPCC	$ 34
SEWPCC	$ 203
WEWPCC Disinfection & BNR	$ 47
Subtotal Nutrient Control	$ 686
*** CSO Control Program**	
Subtotal CSO Control	$ 450
*** Biosolids Program**	
Subtotal Biosolids	$ 63
TOTAL Environmental Projects	**$ 1,218**
CEC Additional Recommendations	
Licensing, Public Notification, Public/Aboriginal Consultation, EMS, SOP & ERP	$ 3
GRAND TOTAL	**$ 1,221**

***** Costs could be higher as detailed cost estimates have not yet been prepared.

Note: Does not include cost for CEC recommendation on discontinuing acceptance of Landfill Leachate at WPCCs

Transfers to the General Revenue Fund and Infrastructure Renewal Reserves

In 2009, the sewer utility will transfer an estimated $13.9 million to fully support the tax-supported land drainage and flood control program, (total sewer GRF transfers for 2008 $22.3 million). There will be no transfers from the water utility, (total water GRF transfers for 2008 $14.7 million).

In addition, frontage levy revenue formerly transferred to the Watermain Renewal and Sewer System Rehabilitation reserves will be dedicated General Revenue Fund. This is consistent with Council's direction to end net transfers.

In 2009 these reserves will be funded from water and sewer rates. Maintaining the reserves will ensure the Department has a consistent funding approach and dedicated resources for infrastructure renewal. Having renewal funding segregated will allow the department to monitor funds and manage contributions to ensure availability of long term funding. The reserves also allow the department to develop an investment management strategy for any surpluses that become available. This is consistent with Council's direction to end net transfers.

Reserve contributions will be based on an asset management strategy developed by the Department and approved through the capital and operating budget processes.

Transfers to Capital Program

The utilities continue to employ a pay-as-you-go policy for ongoing infrastructure renewal programs. In 2009, the water utility will cash finance an estimated capital program of $25.4 million, not including the Water Treatment Plant Reserve. The cash financed sewer capital program in 2009 is estimated at $55.7 million, not including the Environmental Projects Reserve.

Schedule of Fees & Charges (Appendix G):

The Sewer By-law and the Water Works By-law contain a number of fees and charges which have not been reviewed for several years. In 2005 the Department began a review of these fees and charges, implementing graduated increases toward cost of service recovery. The proposed increases are part of a longer term plan to have full cost of service recovery for all miscellaneous services provided by the Water and Sewer utilities. These fees are listed in Appendix G.

New Fees

Appendix G also contains nine new fees.

- *Quarterly Charge for Private Meters*: A quarterly charge is to be implemented for private meters used for well or wastewater metering. This charge will cover the cost of meter reading and administration for private meters. The charge is based on the quarterly charge for City owned water meters, excluding the cost of meter installation and maintenance.

  The recommended fee: Per unit - per quarter $9.20

The following two services were previously costed by creating work orders for each individual service request, costs were accumulated and invoices were prepared for each work order. The Department undertook a detailed review and is proposing a flat fee because costs do not significantly vary and the higher administration cost of the invoice method is eliminated:

- *Install and Monitor Temporary Water Service:* A request is usually made by schools, restaurants or business when they are experiencing a temporary disruption in water supply. Water is supplied through a temporary hose line.

  Recommended Fees: Per installation and removal $410.00

- *Leak Testing:* A request to test is usually made by a property owner or contractor to locate a leak on a watermain or private service. Clearance must be obtained from all utilities before the drilling required for testing can begin.

Recommended Fees:	Leak test only	$545.00
	Obtain clearances and leak test	$650.00

Deposit and Fees New to the Water By-Law

- *Abandonment of Water Service Deposit*: To be added to Schedule B and Section 30 of the Water Works By-law 504/73. In the Sewer By-law in the case of demolition of premises, the owner shall pay the abandonment deposit specified in the by-law. The deposit shall be returned to the owner when the connection is subsequently re-used or abandoned by the owner to the satisfaction of the Utility. If the owner fails to comply with this requirement, the Utility shall have the right to undertake the work and the cost shall be deducted from this deposit.

  The Water Works By-law does not provide for such a deposit. In cases where the water service is not satisfactorily abandoned by the owner, any work undertaken by the Utility is currently done at the expense of the Utility. The deposit should be added to Schedule B of the Water Works By-law, as is done in the Sewer by-law. As with the Sewer By-law, the deposit would be returned to the owner if the work is done.

  Recommended Deposit: Per location $1,250.00

- *After Hours Fee:* To be added to Schedule B of the Water Works By-law 504/73. Section 25 of By-law 504/73 states "*Inspections will be made only on regular working days unless special arrangements are made by the contractor who shall be liable for all extra expense arising out of such special arrangements*". Although the Water Works By-law allows for an extra charge for after hours, to date the fee has not been listed in Schedule B of the by-law.

  Recommended Fee: Per after hours inspection $167.00

- *Re-inspection Fee:* To be added to Schedule B of Water Works By-law 504/73. There is a reduced fee for re-inspection during regular working hours, which is currently listed in Schedule A of the Sewer by-law. This fee should also be disclosed in Schedule B of the Water Works By-law.

Recommended Fee:	Per re-inspection	$31.00

- *Application for New or Re-use of a Water Service Connection Fees:* To be added to Schedule B of the Water Works By-law 504/73. Section 18 of By-law 504/73 states "*At the time of making application for a water service connection or disconnection when a service is no longer required, the applicant shall pay a permit fee for each application in the amount authorized in Schedule "B" attached to and forming part of this By-law".* Although referred to in the Water Works By-law, to date the fee has not been charged.

Recommended Fee:	Per application	
	Single family residential	$31.00
	Other than single family residential	$150.00

Other Fee Schedule Revisions

- *Appeals Fee:* The other by-laws within the City that quote a specific appeal fee, currently identify the fee as $250.00. The appeals fee quoted in the Schedule "A" of the Sewer by-law is $63.00. To maintain consistency across City Departments and by-laws, we propose increasing the appeals fee in the Sewer by-law 7070/97.

Recommended Fee:	Per appeal	$250.00

Financial Projection Risks

The detailed financial projections and rate plans are contained in Appendices B (Water) and C (Sewer). There are several variables that can affect the financial projection and resulting water and sewer rates.

1. Consumption. Consumption is forecast to remain relatively constant over the next ten years. Consumption projections are based on a five year historical average and incorporate, to mitigate risks, the assumptions found in the 2003 Water Treatment Plant Capacity Assessment report including marginal population growth offset by increased conservation and efficiencies for water usage. If actual consumption is less than plan, this could cause a rate increase (conversely, actual consumption greater than plan could effect a rate decrease). See Appendix D for six year history.

2. Capital Investment. Capital investment is based upon the Department's best estimate of improvements that are required. Many items can influence the capital program expenditures, including escalation in market price, the introduction of new technology and availability of consultant and contractor resources. Recent tenders confirm these risks as the latest estimates reflect increasing costs.

3. Economic development. The City's economic climate can have significant impact on the utilities' financial plan. The addition or deletion of a major customer could effect a change in rates due to the consumption and sales revenue associated with the utilities' large volume users.

4. New legislation. Environmental and public health concerns are driving more stringent standards in the water and wastewater industry. The Environment Act Licenses for the three water pollution control centers have required huge increases in capital and operating costs. The further introduction of new legislation could cause increased rates through the operating and capital costs associated with compliance.

The utilities target to maintain a minimum combined working capital position of 11% of combined water and sewer sales on an annual basis. The purpose of the working capital reserve is to provide medium-term stability and the ability to absorb losses in any given year when consumption falls short of anticipated levels and/or unforeseen emergency funds are required. The working capital reserve is comprised of current assets (cash and accounts receivable) net of current liabilities (current accounts payable), cash or near cash items that can readily absorb unexpected fluctuations. It is prudent to have a larger shock absorber under these conditions, where change is significant, costs are rapidly increasing and consumption sales will remain flat due to increasing utility costs for the customers.

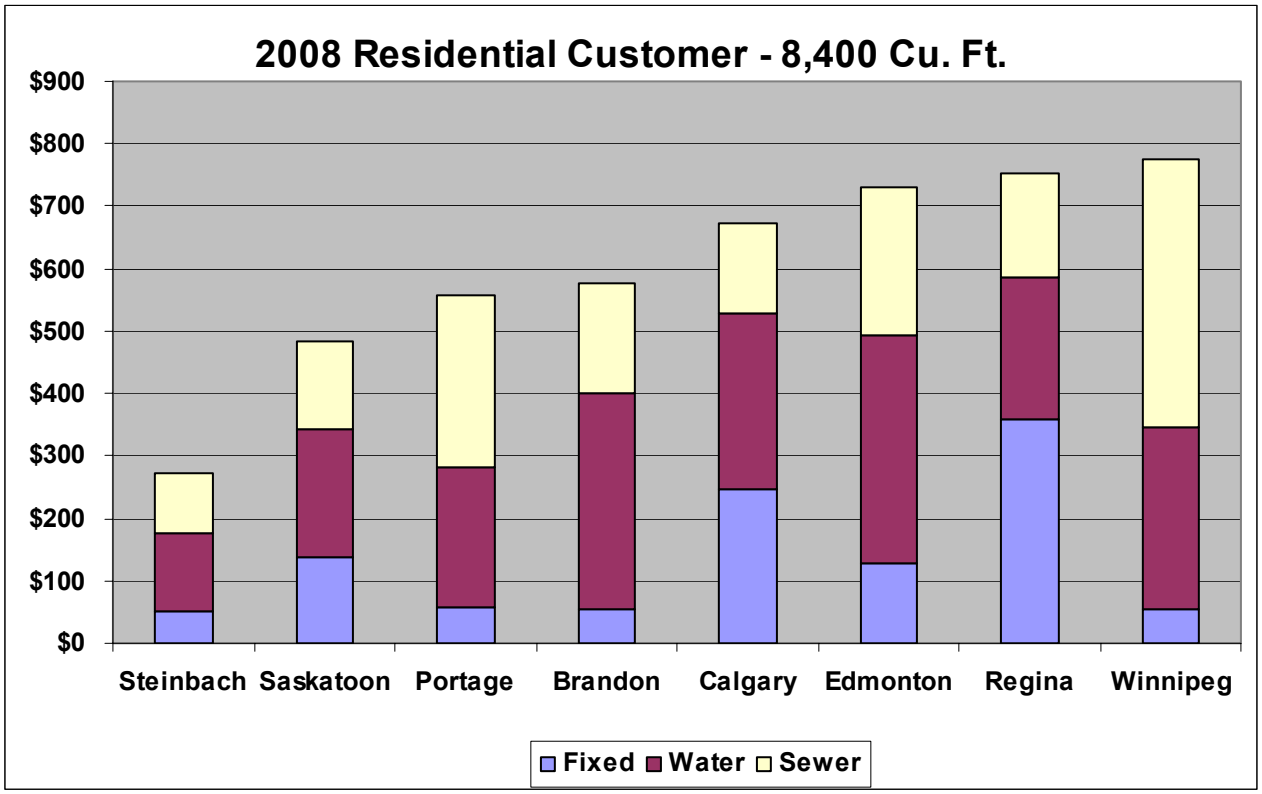
The Water and Sewer Utilities adhere to a set of operating principles that can be found in Appendix E. Appendix F illustrates the impact of the rate strategy on various sample customers.

Competitiveness

In 2008 (after the last rate increase) Winnipeg's combined water and sewer rate, although high, remains competitive to other cities of similar size. Rates have increased across all but one other city surveyed. The following tables illustrate costs for residential customers (Block 1 rates, consumption of 8,400 cubic feet), commercial customers (Block 1 and 2 rates, consumption of 56,000 cubic feet) and large users (Block 1, 2 and 3 rates, consumption of 8,987,000 cubic feet) each in 2008 rates.

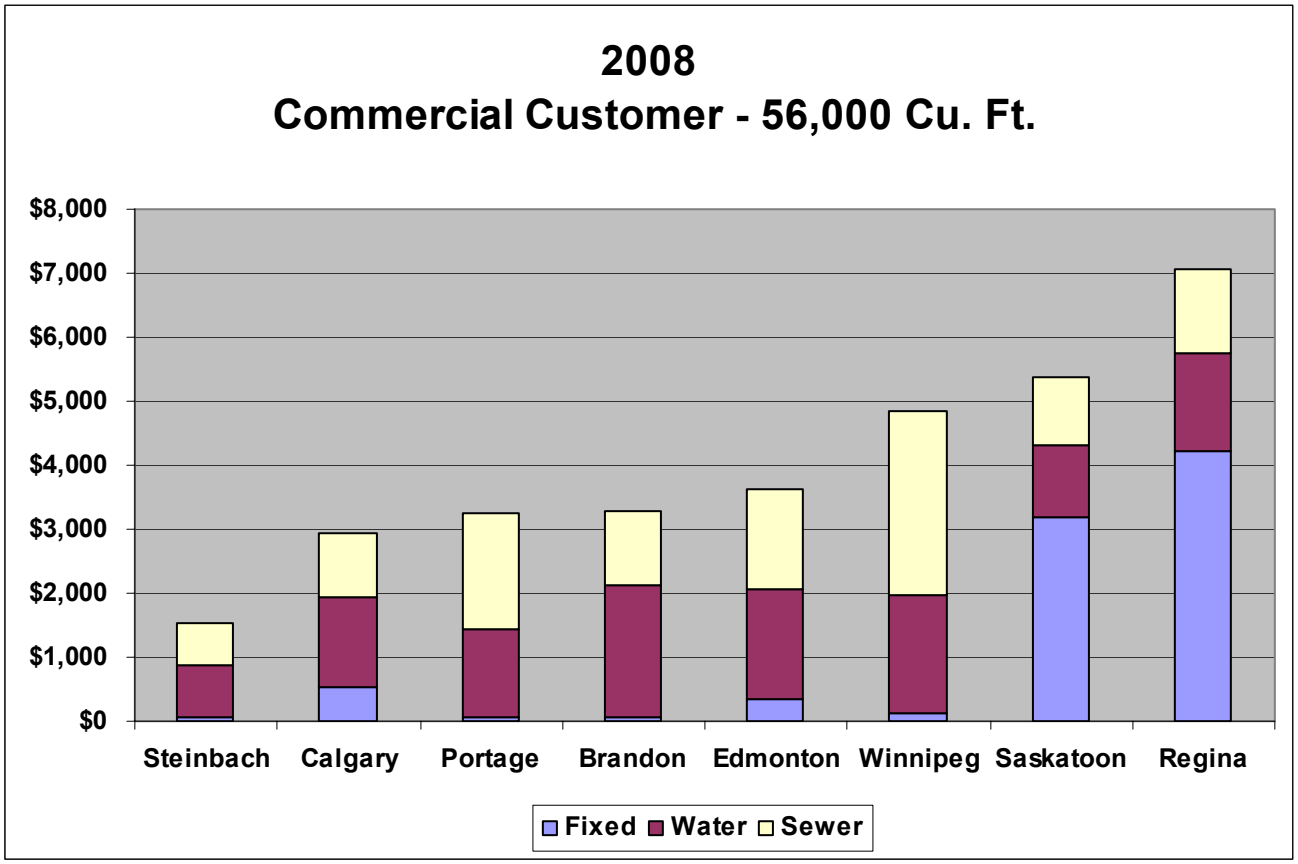
Residential Customers

	Winnipeg	Regina	Saskatoon	Calgary	Edmonton	PLAP	Brandon	Steinbach
Fixed	55.00	357.74	136.80	246.12	127.68	58.84	54.00	50.00
Water	289.80	228.35	204.84	281.94	365.40	223.42	347.28	125.05
Sewer	430.08	165.79	141.64	143.36	237.12	274.17	173.64	97.84
Total 2008	$774.88	$751.88	$483.28	$671.42	$730.21	$556.42	$574.92	$272.89
Total 2007	694.24	690.00	449.31	636.62	675.49	520.14	554.27	272.89
Variance	$80.64	$61.88	$33.97	$34.80	$54.72	$36.28	$ 20.65	$ -
Percent	11.6%	9.0%	7.6%	5.5%	8.1%	7.0%	3.7%	0.0%



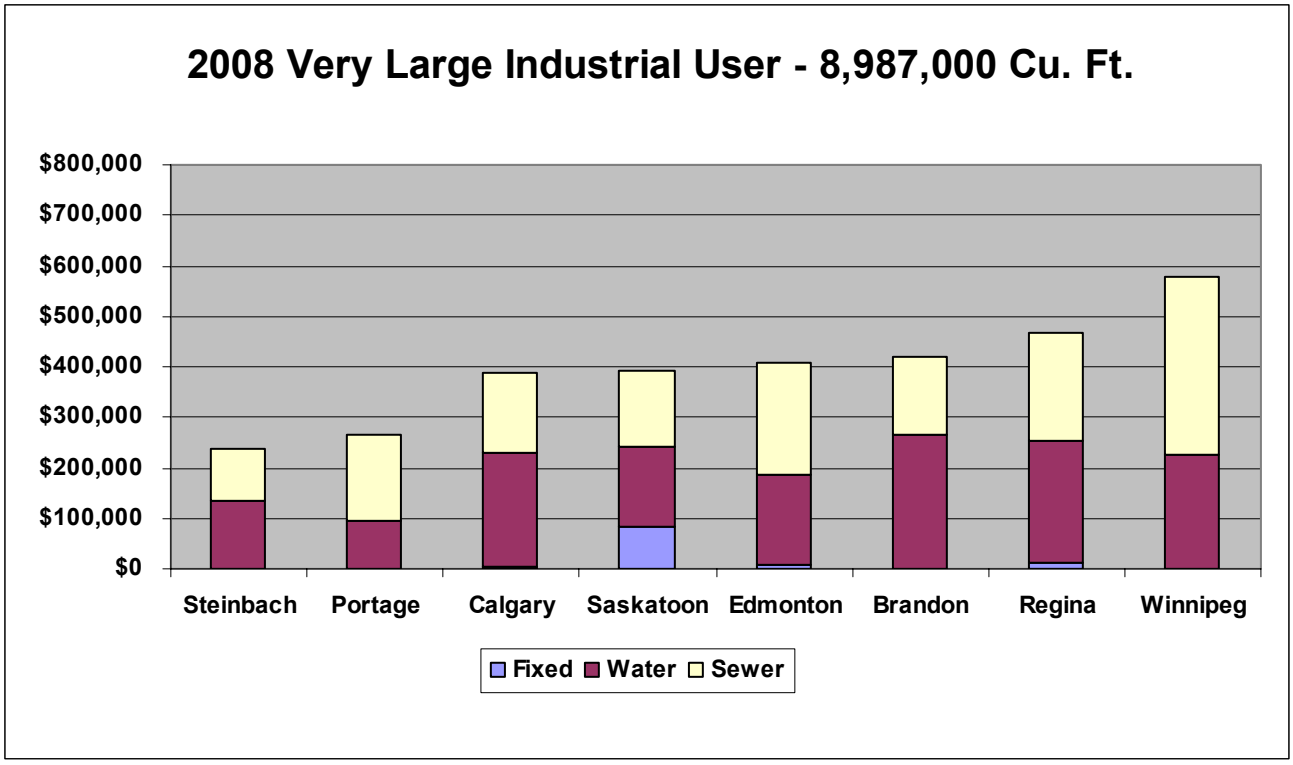
Commercial Customers

	Winnipeg	Regina	Saskatoon	Calgary	Edmonton	PLAP	Brandon	Steinbach
Fixed	127.20	4,230.81	3,192.00	524.40	341.28	58.84	54.00	50.00
Water	1,847.52	1,522.31	1,134.68	1,412.90	1,711.02	1,367.41	2,058.89	833.67
Sewer	2,867.20	1,320.92	1,047.47	1,000.13	1,580.83	1,827.79	1,157.59	652.28
Total 2008	$4,841.92	$7,074.05	$5,374.15	$2,937.43	$3,633.13	$3,254.04	$3,270.48	$1,535.95
Total 2007	4,304.32	6,498.92	4,957.34	3,235.99	3,366.86	3,036.92	3,135.77	1,535.95
Variance	$537.60	$575.13	$416.81	($298.56)	$266.27	$217.12	$134.72	$0.00
Percent	12.5%	8.8%	8.4%	-9.2%	7.9%	7.1%	4.3%	0.0%



Very Large Industrial Users

	Winnipeg	Regina	Saskatoon	Calgary	Edmonton	PLAP	Brandon	Steinbach
Fixed	1,142.80	10,670.12	81,720.00	2,065.08	6,937.44	58.84	54.00	50.00
Water	225,803.82	244,304.16	160,231.40	226,744.79	178,816.88	95,378.47	266,726.83	133,788.72
Sewer	352,094.08	211,984.75	152,066.30	160,502.74	223,382.02	168,097.35	154,250.10	104,679.88
Total 2008	$579,040.70	$466,959.03	$394,017.70	$389,312.61	$409,136.34	$263,534.65	$421,030.93	$238,518.59
Total 2007	510,559.76	428,295.89	365,330.50	298,351.39	380,145.10	245,141.06	388,448.08	238,518.59
Variance	$68,480.94	$38,663.14	$28,687.20	$90,961.22	$28,991.24	$18,393.60	$32,582.85	$0.00
Percent	13.4%	9.0%	7.9%	30.5%	7.6%	7.5%	8.4%	0.0%



COMMUNICATION:

The Water and Waste Department will communicate the water and sewer rates to utility customers as follows:

Strategy	Timeline
Briefing session for Customer Service Centre Representatives	First week of December 2008
Ads in the business section of both daily newspapers	First week of December
Post information on the Web site	First week of December 2008
Presentation on water and sewer rates at the annual Customer Seminar	Early December
Bill insert with water/sewer bills	January – March 2009

The Water and Waste Department will use notices to inform customers affected by the rate increases outlined in Appendix G.

FINANCIAL IMPACT:

The 2009 rates and financial plans for water and sewer and utilities are contained in Appendices B and C. These plans are reflected in the utilities' current and capital estimates and as such, a financial impact statement has not been prepared.

"Original signed by M. L. Geer, C.A."
Moira L. Geer, C.A.
Manager of Finance and Administration

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:
Internal Services, Legal Services Division

External Consultation With:

THIS REPORT SUBMITTED BY:

Water and Waste Department
Finance and Administration Division
Prepared by: Moira Geer, Darlene Capp
Fax. No. 986-3745
File No. 010-08-20-01-00
010-08-20-01-01

APPENDICES:

The following appendices are attached as additional information:

APPENDIX A	Water and Sewer Rates - Ten Year History
APPENDIX B	Waterworks System Fund - Ten year financial projection of revenue, expenditures and working capital based on the recommendations contained in this report
APPENDIX C	Sewage Disposal System Fund - Ten year financial projection of revenue, expenditures and working capital based on the recommendations contained in this report
APPENDIX D	Water Consumption Five Year Historical Summary 2003 - 2007
APPENDIX E	Water and Sewer Utility - Principles of Operation
APPENDIX F	Impact of the Water and Sewer recommendations on sample customers January 1st, 2009
APPENDIX G	Schedule of Fees and Charges

Appendix A

History of Water and Sewer Utility Rates
1999 – 2008

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Water Rates (per 100 cu ft)										
Block 1 (< 9,600 cu ft)	**$2.54**	**$2.70**	**$2.75**	**$2.75**	**$2.75**	**$2.75**	**$2.75**	**$2.75**	**$3.15**	**$3.45**
Block 2 (9,600 - 96,000 cu ft)	**$2.10**	**$2.22**	**$2.27**	**$2.27**	**$2.27**	**$2.27**	**$2.27**	**$2.27**	**$2.67**	**$2.97**
Block 3 (> 96,000 cu ft)	**$1.65**	**$1.74**	**$1.79**	**$1.79**	**$1.79**	**$1.79**	**$1.79**	**$1.79**	**$2.19**	**$2.49**
Sewer Rates (per 100 cu ft)										
Volume Rate	**$2.80**	**$2.78**	**$2.73**	**$2.73**	**$2.73**	**$3.11**	**$3.39**	**$3.87**	**$4.46**	**$5.12**
Total Water and Sewer Rate (Block 1)	**$5.34**	**$5.48**	**$5.48**	**$5.48**	**$5.48**	**$5.86**	**$6.14**	**$6.62**	**$7.61**	**$8.57**

Appendix B

WATERWORKS SYSTEM FUND
Financial Projection 2009-2018 ($000s)

O:\Fa\DCAPP\Rate Model W&S\2009\[09RTS_01_NO EPR Inc 09 Only V2.xls]WATER_REPORT Values

Waterworks System	2008 Budget	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenue											
Sales Revenue	85,326	89,282	88,699	91,266	92,771	93,156	93,169	93,343	93,413	93,972	94,010
Non Rate Revenue	8,295	6,981	7,193	7,473	7,820	7,961	7,677	7,166	6,983	7,226	7,478
Water Treatment Reserve	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	**93,621**	**96,263**	**95,892**	**98,739**	**100,591**	**101,117**	**100,846**	**100,509**	**100,396**	**101,198**	**101,488**
Expenditures											
Operating	49,692	60,705	61,200	62,424	63,672	64,946	66,245	67,570	68,921	70,300	71,706
Debt Service	16,167	17,967	17,979	18,259	18,551	18,220	16,690	14,230	12,400	12,585	12,780
Transfer to Water Treatment Reserve	0	0	0	0	0	0	0	0	0	0	0
Transfer to Watermain Renewal Reserve	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Fire Hydrants	3,708	0	0	0	0	0	0	0	0	0	0
Transfer to General Revenue Fund	10,955	0	0	0	0	0	0	0	0	0	0
Total Expenditures	**80,522**	**88,672**	**89,179**	**90,683**	**92,223**	**93,166**	**92,935**	**91,800**	**91,321**	**92,885**	**94,486**
Surplus(Deficit) for the year	13,099	7,591	6,714	8,056	8,369	7,951	7,911	8,709	9,074	8,312	7,002
Opening Working Capital	59,168	54,239	31,969	22,504	18,345	13,648	12,599	13,662	15,764	18,594	19,907
Appropriated to Capital	(8,183)	(25,465)	(16,225)	(12,215)	(13,065)	(9,000)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
Other Changes in Working Capital	(9,845)	(4,396)	45	0	0	0	151	393	756	0	0
Ending Working Capital	54,239	31,969	22,504	18,345	13,648	12,599	13,662	15,764	18,594	19,907	19,908
Working Capital as a % of Sales	**64%**	**36%**	**25%**	**20%**	**15%**	**14%**	**15%**	**17%**	**20%**	**21%**	**21%**
Water Rate Block 1 ($dollars)	**3.45**	**3.55**	**3.66**	**3.77**	**3.82**	**3.82**	**3.82**	**3.82**	**3.82**	**3.82**	**3.82**
Rate Change Block 1	**9.5%**	**2.9%**	**3.1%**	**3.0%**	**1.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Long-Term Debt Summary											
New debt, Water Treatment Plant	**100,000**	**0**									
Debt outstanding, closing year end balance	**178,744**	**173,029**	**167,158**	**161,005**	**154,558**	**148,022**	**141,973**	**136,880**	**132,778**	**128,543**	**124,112**

Appendix C

SEWAGE DISPOSAL SYSTEM FUND
Financial Projection 2009-2018 ($000s)

O:\Fa\DCAPP\Rate Model W&S\2009\[09RTS_01_NO EPR Inc 09 Only V2.xls]SEWAGE_REPORT Values

Sewage Disposal System	2008 Budget	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenue											
Sales Revenue	117,454	119,051	125,008	125,463	132,663	136,373	138,415	140,638	144,454	149,484	153,810
Non Rate Revenue	6,744	6,722	6,383	6,654	7,044	5,800	4,421	5,461	5,376	5,936	6,521
Environmental Projects Reserve	7,659	10,514	12,219	20,003	21,391	21,425	21,413	21,441	21,443	21,565	21,559
Total Revenue	**131,857**	**136,287**	**143,610**	**152,120**	**161,098**	**163,598**	**164,249**	**167,540**	**171,273**	**176,985**	**181,890**
Expenditures											
Operating	54,826	59,496	60,554	63,767	68,042	71,423	79,872	84,990	91,881	99,014	101,395
Debt Service	15,103	15,301	14,218	16,076	20,976	22,417	21,951	26,785	26,657	27,174	27,740
Transfer to Environmental Projects Reserve	7,659	11,483	12,219	20,003	21,391	21,425	21,414	21,441	21,443	21,565	21,559
Land Drainage	13,462	13,942	13,929	13,929	14,068	14,209	14,351	14,495	14,640	14,786	14,934
Transfer to Sewer System Rehabilitation Reserve	0	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Transfer to General Revenue Fund	8,815	0	0	0	0	0	0	0	0	0	0
Total Expenditures	**99,865**	**109,222**	**109,920**	**122,775**	**133,477**	**138,474**	**146,588**	**156,711**	**163,621**	**171,539**	**174,628**
Surplus(Deficit) for the year	31,992	27,065	33,690	29,345	27,621	25,124	17,661	10,829	7,652	5,446	7,262
Opening Working Capital	51,084	45,501	16,836	31,340	20,773	14,393	24,011	30,061	28,458	25,110	19,556
Appropriated to Capital	(38,516)	(55,656)	(19,172)	(40,017)	(33,227)	(13,950)	(13,000)	(12,000)	(11,000)	(11,000)	(11,000)
Other Changes in Working Capital	941	(73)	(15)	106	(774)	(1,555)	1,388	(432)	1	(0)	(0)
Ending Working Capital	45,501	16,836	31,340	20,773	14,393	24,011	30,061	28,458	25,110	19,556	15,817
Working Capital as a % of Sales	**39%**	**14%**	**25%**	**17%**	**11%**	**18%**	**22%**	**20%**	**17%**	**13%**	**10%**
Sewer Rate	**$5.12**	**$5.26**	**$5.41**	**$5.78**	**$6.13**	**$6.23**	**$6.31**	**$6.39**	**$6.56**	**$6.73**	**$6.90**
Rate Change	**14.8%**	**2.7%**	**2.9%**	**6.8%**	**6.1%**	**1.6%**	**1.3%**	**1.3%**	**2.7%**	**2.6%**	**2.5%**
Long-Term Debt Summary											
New debt, Environmental Projects		**0**	**9,000**	**48,000**	**90,000**	**63,000**	**118,370**	**0**	**0**	**0**	**821**
Debt outstanding, closing year end balance	**42,075**	**34,929**	**37,273**	**78,006**	**158,492**	**210,270**	**319,166**	**306,707**	**294,060**	**280,814**	**270,113**

Appendix D

WATER CONSUMPTION HISTORICAL SUMMARY - 000s GALLONS

Consumption for volume sales (excludes standpipe)

	2002	2003	2004	2005	2006	2007
B-1 Sales	**01/02**	**02/03**	**03/04**	**04/05**	**05/06**	**06/07**
October	965,309	933,722	795,325	748,041	973,440	887,918
November	738,590	724,901	619,909	636,342	691,216	694,145
December	821,073	817,935	751,683	818,248	836,972	832,624
January	876,961	837,821	852,006	889,805	804,628	839,640
February	620,700	630,317	651,738	697,814	637,864	661,839
March	768,535	759,140	785,707	792,068	765,669	775,371
April	803,207	830,781	808,006	808,199	785,771	785,117
May	665,609	677,894	632,943	639,414	654,924	674,490
June	790,454	858,112	872,663	823,206	779,361	799,518
July	960,142	943,887	853,732	882,399	869,352	762,184
August	761,990	777,798	725,259	732,120	817,499	656,461
September	856,568	869,904	828,967	792,439	959,712	835,216
Total	**9,629,138**	**9,662,212**	**9,177,938**	**9,260,095**	**9,576,408**	**9,204,523**
B-2 Sales	**01/02**	**02/03**	**03/04**	**04/05**	**05/06**	**06/07**
October	443,628	388,686	295,871	251,095	381,990	362,909
November	365,758	318,955	331,895	329,023	329,107	353,499
December	254,680	280,674	198,561	283,404	252,855	245,111
January	342,561	360,932	328,743	345,648	306,923	310,440
February	293,732	315,362	313,277	361,954	311,953	350,170
March	276,281	230,457	279,872	251,733	265,571	232,972
April	308,196	316,622	311,378	302,882	279,681	254,507
May	337,517	306,117	324,550	312,426	326,436	349,714
June	224,977	258,537	256,964	240,420	232,292	241,865
July	365,064	313,258	272,493	306,199	318,292	299,424
August	345,719	396,572	364,001	379,852	384,013	329,461
September	300,375	322,785	333,051	325,285	243,354	250,541
Total	**3,858,488**	**3,808,957**	**3,610,656**	**3,689,921**	**3,632,467**	**3,580,613**
B-3 Sales	**01/02**	**02/03**	**03/04**	**04/05**	**05/06**	**06/07**
October	382,924	297,954	192,412	109,742	401,201	228,361
November	289,609	218,225	324,615	274,234	216,884	293,187
December	180,823	167,851	40,529	182,493	102,625	204,484
January	193,635	295,438	211,402	162,014	126,743	432,217
February	199,970	207,787	252,773	291,618	202,629	(10,030)
March	138,922	100,921	148,316	175,227	214,633	252,743
April	235,043	242,005	169,360	162,230	384,492	84,862
May	249,468	201,851	312,176	251,989	(625)	202,916
June	115,750	131,279	92,735	186,213	132,850	416,071
July	341,669	436,628	166,094	192,539	244,020	74,986
August	279,939	205,735	360,388	358,768	540,309	246,834
September	179,995	225,071	184,180	215,619	(189,501)	178,884
Total	**2,787,747**	**2,730,745**	**2,454,980**	**2,562,686**	**2,376,260**	**2,605,515**
TOTAL B1-B3	**16,275,373**	**16,201,914**	**15,243,574**	**15,512,702**	**15,585,135**	**15,390,651**

Appendix E

WATER AND SEWER UTILITY
PRINCIPLES OF OPERATION

1. Self-Supporting Utilities. The Utilities do not receive subsidies from the mill rate.

2. Cost of Service Rates. Customers pay water and sewer rates, which represent the operating and capital costs of providing the utility services.

3. Debt Servicing. The Utilities' revenues are sufficient to service the Utilities' long-term debt.

4. Working Capital Reserves - Water and Sewer Utilities. The Water and Sewer Utilities maintain working capital reserves to protect the Utilities' financial position and prevent significant rate fluctuations that may otherwise result from a decline in consumption or major unforeseen expenditures. On an annual basis, the Utilities strive to maintain a minimum combined working capital position of 11% of the combined Water and Sewer sales.

5. Ten Year Financial Plan - Water and Sewer Utilities. Rates in the Water and Sewer Utilities are planned over a ten-year time frame to mitigate the effects of year over year fluctuations and to coincide with the longer term infrastructure development and renewal planning.

6. Infrastructure Renewal.
   The Watermain Renewal and Sewer System Rehabilitation Reserves were established to provide a consistent approach to financing infrastructure renewal. Maintaining the reserves ensures this approach continues. Reserve contributions by the Utilities are based on an asset management strategy developed by the Utilities and approved through the capital and operating budget processes.

7. Transfers to the General Revenue Fund. The Water and Sewer Utilities transfer funds to the General Revenue Fund in the form of:
   - support to the Land Drainage program which funds 100% of the costs of this program.
   - additional general provisions to meet the City's financial targets

8. Capital Reserve Funds. The Utilities establish reserves to fund major capital projects. The pay-as-you-go capital program is more economical than traditional debt financing, which equates to lower rates for our customers. In addition, for specific and cost intensive projects, the Department has developed a strategy whereby a portion of the project is funded through reserves and a portion through debt financing. This strategy facilitates an equitable approach for short and long term funding support.

CUSTOMER IMPACT ANALYSIS
Annual Basis

O:\Fa\DCAPP\Rate Model W&S\2009\[09RTS_01_NO EPR Inc 09 Only V2.xls]customer impact calculation

		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Residential 5/8" meter												
8,400 cu.ft.	Water	3.45	3.55	3.66	3.77	3.82	3.82	3.82	3.82	3.82	3.82	3.82
	Sewer	5.12	5.26	5.41	5.78	6.13	6.23	6.31	6.39	6.56	6.73	6.90
	Total Volume Rate	**8.57**	**8.81**	**9.08**	**9.55**	**9.94**	**10.04**	**10.13**	**10.21**	**10.38**	**10.55**	**10.72**
	FQC	**13.75**	**13.75**	**13.75**	**13.75**	**13.75**	**13.75**	**13.75**	**13.75**	**13.75**	**13.75**	**13.75**
		$774.88	$795.38	$817.55	$857.03	$889.66	$898.91	$906.48	$912.37	$926.67	$940.96	$955.25
Overall $ Change		80.64	20.50	22.17	39.48	32.63	9.25	7.57	5.89	14.29	14.29	14.29
Overall % Change		11.62%	2.65%	2.79%	4.83%	3.81%	1.04%	0.84%	0.65%	1.57%	1.54%	1.52%
Small Restaurant 1" meter												
56,000 cu.ft.	Water	2.97	3.07	3.18	3.29	3.34	3.34	3.34	3.34	3.34	3.34	3.34
	Sewer	5.12	5.26	5.41	5.78	6.13	6.23	6.31	6.39	6.56	6.73	6.90
	Total Volume Rate	**8.09**	**8.33**	**8.59**	**9.06**	**9.46**	**9.57**	**9.65**	**9.73**	**9.89**	**10.06**	**10.24**
	FQC	**17.70**	**17.70**	**17.70**	**17.70**	**17.70**	**17.70**	**17.70**	**17.70**	**17.70**	**17.70**	**17.70**
		$4,785.52	$4,921.45	$5,068.12	$5,331.37	$5,550.73	$5,612.39	$5,661.07	$5,702.08	$5,797.36	$5,892.66	$5,987.96
Large Restaurant 3" meter												
626,000 cu.ft.	Water	2.49	2.59	2.70	2.81	2.86	2.86	2.86	2.86	2.86	2.86	2.86
	Sewer	5.12	5.26	5.41	5.78	6.13	6.23	6.31	6.39	6.56	6.73	6.90
	Total Volume Rate	**7.61**	**7.85**	**8.12**	**8.59**	**8.98**	**9.09**	**9.17**	**9.25**	**9.43**	**9.60**	**9.76**
	FQC	**109.45**	**109.45**	**109.45**	**109.45**	**109.45**	**109.45**	**109.45**	**109.45**	**109.45**	**109.45**	**109.45**
		$50,103.92	$51,619.95	$53,245.30	$56,187.97	$58,680.87	$59,345.90	$59,851.04	$60,348.51	$61,437.91	$62,503.16	$63,568.43
Foundry 4" meter												
8,987,600 cu.ft.	Water	2.49	2.59	2.70	2.81	2.86	2.86	2.86	2.86	2.86	2.86	2.86
	Sewer	5.12	5.26	5.41	5.78	6.13	6.23	6.31	6.39	6.56	6.73	6.90
	Total Volume Rate	**7.61**	**7.85**	**8.12**	**8.59**	**8.98**	**9.09**	**9.17**	**9.25**	**9.43**	**9.60**	**9.76**
	FQC	**139.25**	**139.25**	**139.25**	**139.25**	**139.25**	**139.25**	**139.25**	**139.25**	**139.25**	**139.25**	**139.25**
		$686,540.88	$708,565.82	$732,079.40	$774,327.21	$810,183.84	$819,219.09	$826,420.08	$833,613.50	$849,767.35	$865,061.28	$880,355.66

Description	Proposed 2009	2008 Fee	2007 Fee	Last Increase	Cost of Service	Units	By-Law Authority
WATERWORKS SYSTEM							
Water Sold at Standpipe - per 1,000 gallons	**$9.75**	$9.00	$8.00	**2008**	$9.73		504/73
Service Permit Fee - new/renewed/repaired water services	***$60.00***	*$50.00*	$32.00	**2008**	$108.00	per inspection	504/73
- extra charge for after hours, weekends and holidays	**$167.00**	-	-	**New**	$167.00	per inspection	504/73
- reinspection during regular working hours	***$31.00***	-	-	**New**	$31.00	per inspection	504/73
Application for New Water Service Connection or Re-use of Existing Connection							
- single family residential	***$31.00***	$31.00	$31.00	**New**	$31.00	per application	504/73
- other then single family residential	***$150.00***	$125.00	$125.00	**New**	$175.10	per application	504/73
Abandonment of Water Services Deposit	***$1,250.00***	-	-	**New**		per location	504/73
Multiple Metering Permit	***$95.00***	*$80.00*	$40.00	**2008**	$95.00		504/73
Rental of Meters: Size (Inches) - 5/8 - 3/4	***$60.00***	*$50.00*	$20 - $25	**2008**	$95.00	per month	504/73
Install and Monitor Temporary Water Service							
- hoseline rental, installation and removal	***$410.00***	Actual Cost	Actual Cost	**New**	$410.00		504/73
Water Tank Rental - includes cost of water							
- delivery and first day rental	***$175.00***	$150.00	$150.00	**1999**	$264.19		504/73
- each additional day	***$20.00***	$100.00	$100.00	**1999**	$15.58		504/73
- additional tank refills (includes pick up and drop off)	***$175.00***	$150.00	$150.00	**1999**	$219.45		504/73
Leak Testing - testing only	***$545.00***	Actual Cost	Actual Cost	**New**	$545.36	per test	504/73
- obtain clearance and test	***$650.00***	Actual Cost	Actual Cost	**New**	$650.34	per test	504/73

Description	Proposed 2009	2008 Fee	2007 Fee	Last Increase	Cost of Service	Units	By-Law Authority
SEWAGE DISPOSAL SYSTEM							
Record Search Fee							
- record search account history up to 5 most recent years	***$67.00***	*$60.00*	$50.00	**2008**	$67.00	per account	504/73 & 7070/97
- record search account history each additional year	***$70.00***	*$60.00*	$50.00	**2008**	$169.00	per account	504/73 & 7070/97
Wastewater discharge licence	***$125.00***	*$100.00*	$75.00	**2008**	$125.00	per application	7070/97
Wastewater disposal vehicle licence	***$125.00***	*$100.00*	$75.00	**2008**	$125.00	per application	7070/97
Private wastewater disposal system permit- single family	***$150.00***	*$125.00*	$100.00	**2008**	$150.00	per address	7070/97
Land drainage discharge licence	***$150.00***	*$125.00*	$100.00	**2008**	$225.00	per application	7070/97
Land drainage discharge licence - annual renewal	***$90.00***	*$75.00*	$50.00	**2008**	$115.00	per application	7070/97
Inspection Permit Sewer Connection or Abandonment of Connection - single family residential	**$60.00**	$50.00	$32.00	**2008**	$108.00	per inspection	7070/97
Application for New Sewer Connection or Re-use of Existing Sewer Connection - other then single family residential	**$150.00**	$125.00	$125.00	**1997**	$175.10	per application	7070/97
Quarterly Charge for Private Meters	**$9.20**	-	-	**New**	$9.19	per quarter	7070/97
Appeals Fee	**$250.00**	$63.00	$63.00	**1997**		per appeal	7070/97

Appendix H



Waterworks amend oct30 08.DOC...



sewer by-law ımend oct30 08 .D..

THE CITY OF WINNIPEG

BY-LAW NO.

A By-law of THE CITY OF WINNIPEG to amend the Water Works By-law No. 504/73.

THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

Waterworks By-law amended

1 The Water Works By-law No. 504/73 is amended by this By-law.

Section 25 amended

2 The following is added at the end of section 25:

A service permit fee as set out in section 1 of Schedule "B" is payable in advance for each inspection referred to in that section.

Section 30.1 added

3 The following is added immediately after section 30:

30.1 Before demolishing a building that has a water service or private water service connection, the owner must provide a deposit in an amount set out in section 23 of Schedule "B". The deposit shall be returned to the current owner of the property only when the water service or private water service is reused or disconnected in accordance with this By-law and to the satisfaction of the designated employee. If the water service or private water service is not reused or disconnected in accordance with this By-law and to the satisfaction of the designated employee within 18 months, the Water Utility may use the deposit to pay the costs of disconnecting the water service or private water service. That part of the deposit that is not used to pay these costs must be returned to the person who provided it. Costs in excess of the deposit are a debt due and owing by the current owner of the property.

Section 34 amended

4 Section 34 is amended by adding the following at the end of the section:

Fees as set out in sections 20 and 21 Schedule "B" are payable when a temporary water supply is provided through a hose line rental or a water tank rental.

Schedule A amended

5 Schedule A is amended by

(a) striking out "after January 1, 2001,"*in the preamble and substituting* "after January 1, 2009"*; and*

(b) repealing section 1 and substituting the following:

1. Domestic - $3.55 per 100 cubic feet from 0 to 9,600 cubic feet/quarter

   Intermediate - $3.07 per 100 cubic feet from 9,601 to 96,000 cubic feet/quarter

   Industrial - $2.59 per 100 cubic feet over 96,000 cubic feet/quarter.

Schedule B amended

6 Schedule B is amended by

(a) repealing section 1 and substituting the following:

1. Service Permit Fee (section 25)

   The service permit fee for new, renewed or repaired water services is as follows:

(a)	Single Domestic Service	$60.00
(b)	Combined Domestic Fire Service Industrial, etc.	$127.00
(c)	Sprinkler Service	$127.00
(d)	Extra charge for inspections conducted after regular working hours, including weekends and civic holidays	$167.00
(e)	Re-inspection during regular working hours	$31.00

(b) striking out "$80.00" *in section 3 and substituting* "$95.00"*;*

(c) repealing section 4 and substituting the following:

4. Damaged or Lost Meters (section 45 and 46)

   The following fees apply to replace meters that are damaged or lost:

Meter Size (Inches)	Fee
5/8"	$146.00 + GST
¾"	$184.00 + GST
1" – 2"	Actual cost + $89.00 + GST
3" – 10"	Actual cost + $132.00 + GST"

(d) *repealing section 7 and substituting the following:*

7. Rental of Water Meters

The following rental fees apply to monthly rentals of water meters:

Meter Size (Inches)	Monthly Rental Fee
5/8" – ¾"	$60.00 + GST
1" – 2"	$100.00 + GST
3"	$150.00 + GST

(e) *striking out* "$ 9.00/1000 gallons" *in section 11 and substituting* "$9.75/1000 gallons".

(f) *repealing clause 18(b) and substituting the following:*

(b) Record search account history only (per account)

(i) up to 5 most recent years $67.00 + GST

(ii) every additional year $70.00 + GST

(g) *adding the following immediately after section 18:*

19. Application for New Water Service Connection or Re-use of Existing Connection (section 18)

(a) Single Family Residential $31.00

(b) Other than single family residential $150.00

20. Install and Monitor Temporary Water Service

Hose line rental, for each installation and removal $410.00

21. Water Tank Rental - Including Cost of Water

(a) Delivery and first day rental $175.00

(b) Each additional day $20.00

(c) Additional tank refills including pick up and delivery $175.00

22. Leak Testing (at request of property owner or contractor)

	(a)	Leak testing only	$545.00 + GST
	(b)	Obtaining clearances and leak testing	$650.00 + GST
23.	Deposit for Abandonment of Water Service or Private Water Service (section 30.1)		$1,250.00

Coming into force

7 This By-law comes into force on January 1, 2009.

DONE AND PASSED, this day of , 2008.

_____
Mayor

_____
City Clerk

Approved as to content:

_____
Director of Water and Waste

Approved as to form:

_____
For Acting City Solicitor/Manager of
Legal Services

THE CITY OF WINNIPEG

BY-LAW NO.

A By-law of THE CITY OF WINNIPEG to amend the Sewer By-law No. 7070/97.

THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

Sewer By-law amended

1 The Sewer By-law No. 7070/97 is amended by this By-law.

Section 34 amended

2 Subsection 34(2) is amended by:

(a) striking out "and" *at the end of clause (b);*

(b) striking out the period at the end of clause (c) and substituting "; and"*; and*

(c) adding the following immediately after clause (c):

(d) be subject to a quarterly service charge as set out in Schedule "A".

Schedule "A" amended

3 Schedule "A" is amended by:

(a) repealing subclause (ii) of section 1 and substituting the following:

(ii)	Record search account history only (per account)		
	(a)	up to 6 most recent years	$67.00 + GST
	(b)	every additional year	$70.00 + GST

(b) repealing section 2 and substituting the following:

2. Application for New Sewer Connection or Re-use of Existing Sewer Connection – Section 13

(i)	Single Family Residential	$ 31.00
(ii)	Other than single family residential	$ 150.00

(c) striking out "$50.00" *in subclause (i) of section 3 and substituting* "$60.00";

(d) repealing section 7 and substituting the following:

7. Land Drainage Discharge License – Sections 28 and 64

(i)	License Fee	$	150.00
(ii)	Annual Renewal Fee	$	90.00

(e) *striking out* "$5.12" *in section 8 and substituting* "$5.26"*;*

(f) *striking out* "$125.00"*in subclause (i) of section 13 and substituting* "$150.00"*;*

(g) *striking out* "$63.00 + GST"*in section 14 and substituting* "$250.00"*;*

(h) *striking out* "$100.00" *in subclause (i) of section 15 and substituting* "$125.00"*;*

(i) *striking out* "$100.00" *in subclause (i) of section 16 and substituting* "$125.00"*;*

(j) *adding the following immediately after section 19:*

20. Quarterly Service Charge – Section 34

Privately Owned Meters	$	9.20

Coming into force

4 *This By-law comes into force on January 1, 2009.*

DONE AND PASSED, this day of , 2008.

_____
Mayor

_____
City Clerk

Approved as to content:

_____
Director of Water and Waste

Approved as to form:

_____
For Acting City Solicitor/Manager of
Legal Services

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