

2024 Water / Wastewater Rates Update

November 2023



Purpose of the Water/Wastewater Review and Update

2

- The Water/Wastewater system is financially self-sustaining
 - Funds generated are used to maintain the system and help pay for future replacement/maintenance of the assets
- The review helps determine how much is required for future asset management and to ensure the system remains financially sustainable
- The water and wastewater update is the basis for any rate changes.



Financial Sustainability

- No surplus generated based on the Water & Wastewater rates can be used by the Municipality for non-water/wastewater activity
- All funds are held in a reserve in accordance with the Safe Drinking Water Act (SDWA) mandated by the Province.
- An adequate rate structure that provides for:
 - building of reserves to meet the future replacement requirements,
 - conducting maintenance on the existing infrastructure when needed,
 - covering annual operational costs,
 - leads to a financially sustainable system.



Factors that Impact the Review Results

- Number of system users – largest influence
- Wages and benefits – based on Salary Grid & Union Contracts
- Ontario Clean Water Agency (OCWA) Contract
- Utility costs
- Asset Replacement requirements
- Inflation rates



Steps Taken in the Review Process

- Detailed review of current system users
 - Forecast for new users
 - Total users are predicted to continue to increase over the next 10 years
- Analyze consumption patterns
 - Average consumption levels calculated
 - Average for a Single-Family Home – 170 cubic meters for 2023
- Review of Revenues and Operational Costs
 - Revenues from Base Charge and Consumption Charge
 - Operational costs of operating the two systems



Steps Taken (continued)

- Understand the needs of the system in terms of asset replacement
 - Review the inventory of assets in the system
 - Replacement is based on the “normal” number of years an asset will last
 - Ontario Clean Water Agency’s 2023 draft review of the asset inventory – largest replacement/upgrades anticipated in the next 10 years focused mostly on the wastewater system
 - This is the replacement, repair and/or the rehabilitation of the current infrastructure in the ground



Steps Taken (continued)

- Forecast the reserves required
 - Using the rates calculated and the asset replacement requirements
- 2024 Proposed Rates
 - For 2024, the following increases are proposed:
 - the base rate and consumption rate for water services increase by 4%
 - the base rate and consumption rate for wastewater services increase by 8.25%
 - It is proposed that the new rate take effect on January 1, 2024.



Proposed 2024 Increase

- The proposed increase:
 - Provides for increases in the existing system operating and maintenance costs
 - Compensates for the increasing costs anticipated in the 10 year forecast
 - Provides for the changes related to Bill 23, More Homes Build Faster Act, 2022 that affect the timing and amount of development charges received on new building projects with the possibility of some new project funding coming from water and wastewater User Fees rather than development charges
 - Will assist in maintaining contributions to the Water/Wastewater Reserves
 - Will help with future sustainability



Water and Wastewater Comparison

Municipality	2023 Rates	Wasaga Beach 2024 Rate	Difference
Collingwood	1,013.18	621.14	392.04
Clearview Township	1,034.57	621.14	413.43
Penetanguishene	1,109.80	621.14	488.66

- *Based on an average consumption of 170m³ for Wasaga Beach

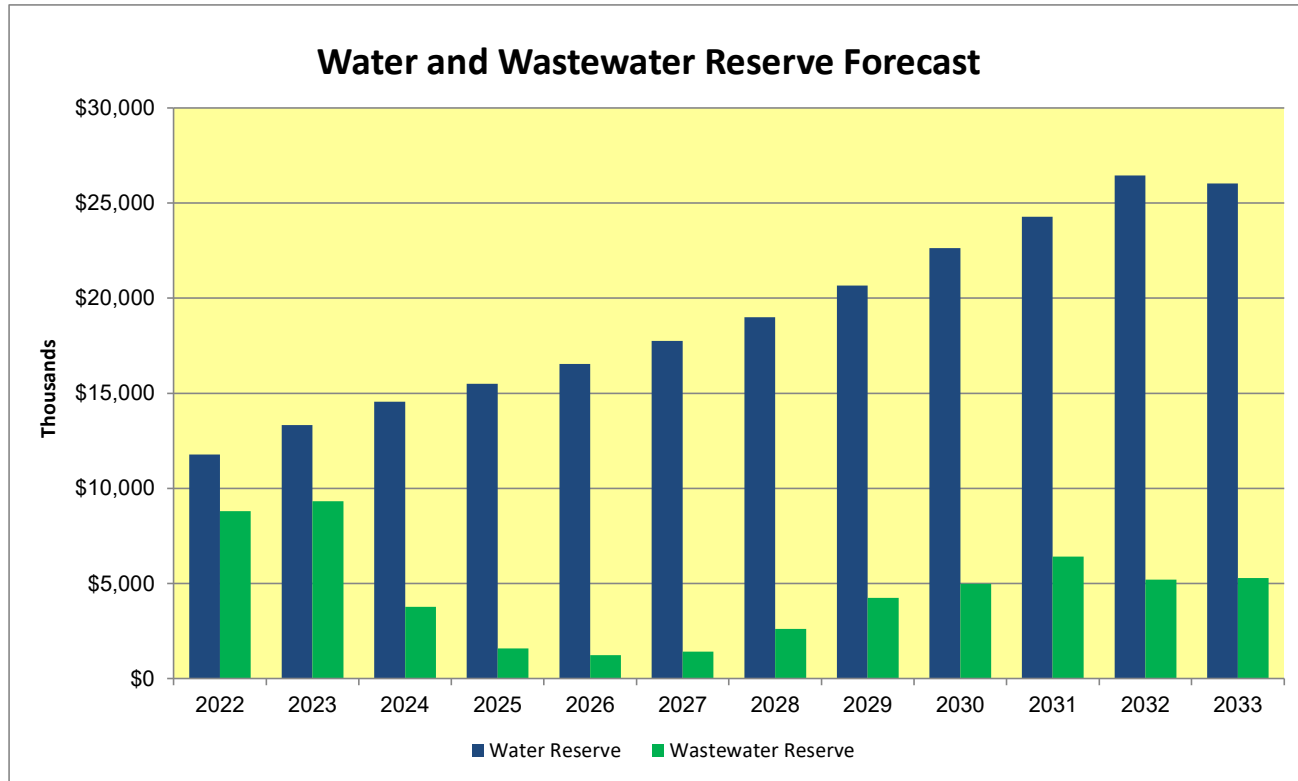


Water and Wastewater Impact to Average Resident

	2023	Proposed 2024	Annual Difference
Annual Base	390.84	415.44	24.60
Annual Consumption	192.10	205.70	13.60
Total	582.94	621.14	38.20

- *Based on an average consumption of 170m³ for Wasaga Beach





2024 Water & Wastewater Proposed Residential Rates

RESIDENTIAL RATES

MONTHLY BASE CHARGES:

WATER	3/4" (19mm)	1" (25mm)	1.5" (40mm)	2" (50mm)	2.5" (63mm)	3" (75mm)	4" (100mm)	6" (150mm)
Mthly Base Charge	15.54	15.54	15.54	45.10	108.35	166.95	217.76	326.64
Annual Base Charge	186.48	186.48	186.48	541.20	1,300.20	2,003.40	2,613.12	3,919.68

WASTEWATER	3/4" (19mm)	1" (25mm)	1.5" (40mm)	2" (50mm)	2.5" (63mm)	3" (75mm)	4" (100mm)	6" (150mm)
Mthly Base Charge	19.08	19.08	19.08	55.29	132.86	205.22	267.02	400.51
Annual Base Charge	228.96	228.96	228.96	663.48	1,594.34	2,462.66	3,204.24	4,806.12

CONSUMPTION RATES:

Water (Per m ³)	\$	0.46
Wastewater (Per m ³)	\$	0.75



2024 Water & Wastewater Proposed Non-Residential Rates

NON-RESIDENTIAL RATES

MONTHLY BASE CHARGES:

WATER	3/4" (19mm)	1" (25mm)	1.5" (40mm)	2" (50mm)	2.5" (63mm)	3" (75mm)	4" (100mm)	6" (150mm)
Mthly Base Charge	15.54	21.76	27.99	45.10	108.35	166.95	217.76	326.64
Annual Base Charge	186.48	261.12	335.88	541.20	1,300.20	2,003.40	2,613.12	3,919.68

WASTEWATER	3/4" (19mm)	1" (25mm)	1.5" (40mm)	2" (50mm)	2.5" (63mm)	3" (75mm)	4" (100mm)	6" (150mm)
Mthly Base Charge	19.08	26.67	34.33	55.29	132.86	205.22	267.02	400.51
Annual Base Charge	228.96	320.04	411.96	663.48	1,594.34	2,462.66	3,204.24	4,806.12

CONSUMPTION RATES:

Water (Per m ³)	\$	0.46
Wastewater (Per m ³)	\$	0.75



2024 Water & Wastewater Proposed Lifestyle/Condominium and Flat Rates

LIFESTYLE / CONDOMINIUM CORPORATIONS:

MONTHLY BASE CHARGES Per Unit:

WATER	
Mthly Base Charge	11.67
Annual Base Charge	140.04

WASTEWATER	
Mthly Base Charge	14.30
Annual Base Charge	171.60

CONSUMPTION RATES:

Water (Per m ³)	\$ 0.46
Wastewater (Per m ³)	\$ 0.75

BULK WATER

Water (Per m ³)	\$ 1.91
-----------------------------	---------

FLAT RATE / CONSTRUCTION RATE

MONTHLY BASE CHARGES:

WATER	
Mthly Base Charge	19.90
Annual Base Charge	238.80

WASTEWATER	
Mthly Base Charge	24.67
Annual Base Charge	296.04

CONSUMPTION RATES:

Water (Per m ³)	NA
Wastewater (Per m ³)	NA



THANK YOU



This document is proprietary and confidential. No part of this document may be disclosed to a third party without the prior written consent of the Town of Wasaga Beach.
