



MEMORANDUM

TO: General Committee

FROM: Andrea Tang, Manager of Financial Planning

DATE: February 23, 2015

SUBJECT: 2015 Water and Wastewater Rate Increase

At the January 26, 2015 General Committee, Staff brought forward a report entitled “2015 Proposed Water/Wastewater Rate Increase” proposing a water and wastewater rate increase of \$0.2505/m³, from \$3.0649/m³ to \$3.3154/m³. In addition, Staff obtained approval to hold a public meeting on February 10, 2015.

At the February 10, 2015 public meeting, there was one deputant that questioned why Peel Region's 2014 water rate is lower compared to the other municipalities water rates, as shown on the bar graph in the PowerPoint presentation. Staff explained that there are a number of financial components that contribute to the water rate; 65% of the City's water rate is attributed directly as a cost from the Region. The City uses a two-tier water system, whereas, Peel Region has a one tier water system. Also, Staff highlighted that a municipality's water rate will be dependent upon the condition of its water system, along with the health of its reserve.

The deputant also questioned the correlation in the anticipated growth of high rise units with the forecasted reduction in average household water consumption. Staff explained that typically high rise developments consume less water as there is a lower need for water, unlike other types of dwellings, where there may be a need to water lawns and fill swimming pools.

Further discussions at the public meeting are outlined in the minutes (Appendix A).