



Report to: General Committee

Date of Meeting: 2006-Oct-16

SUBJECT: Public Meeting on the Proposed 2007 Water/Wastewater Rate Increase
PREPARED BY: Fuwing Wong, Manager, Financial Planning

RECOMMENDATION:

THAT the report dated October 17, 2006 entitled "Public Meeting on the Proposed 2007 Water/Wastewater Rate Increase" be received;

AND THAT staff be authorized to hold a public meeting on December 12, 2006 at 6:00 p.m. on the proposed 2007 Water/Wastewater rate increase;

AND FURTHER THAT the proposed 2007 Water/Wastewater rate increase to be presented at the public meeting be equivalent to the latest Regional increase available before the meeting.

EXECUTIVE SUMMARY:

Not applicable.

FINANCIAL CONSIDERATIONS:

Based on preliminary projections by the Region of York ("Region"), the Region's proposed Water/Wastewater increase is currently 6.23%. Should the Town match the Region's 6.23% increase, the Town's water/wastewater rate will increase by \$0.0929 per cubic metre (m³) to \$1.5838 per cubic metre.

Based on an average consumption of 365 m³ per year, the \$0.0929 rate increase would result in a \$33.91 water bill increase per household in Markham.

PURPOSE:

The purpose of this report is to obtain authorization to hold a public meeting on December 12, 2006 at 6:00 pm., to discuss the proposed water/wastewater rate increase. The purpose of this report is to also obtain authorization to present a water/wastewater rate increase equivalent to the latest Regional increase available prior to the public meeting.

BACKGROUND:

A resolution was passed by Council in June 2002 stating "And that all further rate increases by Region of York" be automatically met by the Town of Markham with a percentage equal to that of the Region". Historically, the Town receives projected water rate increases from the Region prior to the end of the year and, at a minimum, matches the Regional water/wastewater rate increases following a public meeting and Council authorization towards the end of the year.

The Municipal Act (O. Reg. 244/02) requires a public meeting be held before passing a by-law imposing a water/wastewater fee or charge. The notice period is for a minimum

of 21 days. Following approval of this report, staff will advertise notice of the public meeting via the "Town Page" in local newspapers, as in previous years.

OPTIONS/ DISCUSSION:

Staff is currently working on reviewing the Waterworks asset inventories, replacement cycles and the adequacy of the Waterworks reserve to determine if the current rates are adequate to meet future capital infrastructure replacement. In addition, regulations following the "Sustainable Water and Sewage Systems Act, 2002" are expected to be finalized by the end of 2006, which may have an impact on future water rates.

Regional Staff have not finalized their 2007 budgets and have stated that the Region's preliminary 2007 water/wastewater increase is a minimum which may change once their budget is finalized. Town staff recommend that Council approve bringing forward the latest Regional water/wastewater increase (available prior to the public meeting) to the public meeting on December 12, 2006.

Staff will bring a report forward in 2007 to quantify the impact of the "Sustainable Water and Sewage Systems Act, 2002", waterworks infrastructure replacement and the final 2007 Regional water/wastewater rate increase (should it be different than the rate that will be presented at the December 12, 2006 public meeting and approved by Council for 2007).

FINANCIAL TEMPLATE:

Not applicable.

ENVIRONMENTAL CONSIDERATIONS:

Not applicable.

ACCESSIBILITY CONSIDERATIONS:



Not applicable.

ENGAGE 21ST CONSIDERATIONS:

Not applicable.

BUSINESS UNITS CONSULTED AND AFFECTED:

Not applicable.

RECOMMENDED**BY:**
Barb Cribbett, Treasurer
Andy Taylor, Commissioner,
Corporate Services**ATTACHMENTS:**

None