

THE MUNICIPALITY OF LAMBTON SHORES

Report TR 24-2020

Council Meeting Date: December 1, 2020

TO: Mayor Weber and Members of Council

FROM: Janet Ferguson, Treasurer

RE: 2021 Water and Wastewater Rates

RECOMMENDATION:

THAT Report TR-24-2020 regarding the 2021 water and wastewater rates be received; and

THAT By-Law 68 of 2020 establishing the 2021 water and wastewater rates be approved.

SUMMARY

This report is presented to bring forward the water and wastewater rate by-law for 2021.

BACKGROUND

In December 2017 Council received and approved the Water and Wastewater Systems Financial Plan memo's as prepared by B.M. Ross and Associates Ltd. The memo's form the basis for the Financial Plan Report and rates and the rates are projected out for 10 years.

Following the approved financial plan, an adjustment to the rates for 2021 is proposed and therefore a new by-law is required. Staff has prepared the pertinent by-law for council's approval.

ALTERNATIVES TO CONSIDER

Council has supported the water and wastewater financial plan and the recommendations within it which is to increase the rates to meet the operating and capital replacement needs of the Lambton Shores systems.

Council may choose to maintain the rates the same as 2020. This is not recommended as status quo does not support the financial plans and meet the funding requirements to operate and maintain the current and future infrastructure.

RECOMMENDED ACTIONS

That Council approves the pertinent by-law setting the proposed 2021 water and wastewater rates as provided in the B.M.Ross and Associates Ltd. Rate study in 2017.

FINANCIAL IMPACT

There is no additional financial impact by Council receiving this report. When preparing the rate study, staff provided the data for the operating and capital projections and are not aware of any items that would positively or negatively affect the projections; therefore, the approved financial plans are still relevant.

The financial impact to the utility customers varies depending on their consumption. The following table shows the impact to an average full time residence receiving the benefit of both services in Lambton Shores.

Utility Rate Impacts			
		Water Charge	Sewer Charge
Rate Change Impact			
Current Base Rate		\$177.72	\$193.68
Current Consumption Rate		\$491.30	\$528.70
Current Rate Annual Total		\$669.02	\$722.38
Proposed Base Rate		\$185.88	\$205.32
Proposed Consumption Rate		\$513.40	\$560.42
Proposed Rate Annual Total		\$699.28	\$765.74
Base Rate Difference		\$ 8.16	\$ 11.64
Consumption Rate Difference		\$ 22.10	\$ 31.72
Total Annual Difference		\$ 30.26	\$ 43.36
Quarterly Change		\$ 7.56	\$ 10.84
Monthly Change		\$ 2.52	\$ 3.61

CONSULTATION

B.M.Ross and Associates Limited
- Water and Wastewater Systems Financial Plan 2017-2028