

WATERWORKS RATE POLICY

The purpose of the Waterworks Rate Policy is to ensure the Town’s water utility remains financially self-sustaining, while also allocating funds for future capital improvements.

To support this goal, Council has approved water and sewer rates for the 2024–2026 period as part of a broader ten-year financial plan. These rates are designed to generate sufficient revenue to maintain the utility’s operations independently and to give users advance notice of any increases. Included in the rates is a dedicated infrastructure levy, which is reserved specifically for capital upgrades and the replacement of aging infrastructure.

Water & Sewer Bylaw No. 2024-03 Effective July 1, 2024

MONTHLY UTILITY BILL RATES		2023	2024	2025	2026
Water Rates	<i>Residential & Commercial</i>				
	Per 1,000 gallons	\$ 28.00	\$ 29.00	\$ 30.00	\$ 31.00
Sewer Rates					
	Single Unit	\$ 33.00	\$ 34.00	\$ 35.00	\$ 36.00
<i>Residential</i>	Multi-unit/per unit	\$ 33.00	\$ 34.00	\$ 35.00	\$ 36.00
	Social/seniors’ complex	\$ 98.00	\$ 104.00	\$ 110.00	\$ 116.00
<i>Commercial</i>	Commercial 1 – low	\$ 33.00	\$ 36.00	\$ 39.00	\$ 42.00
	Commercial 1 – high	\$ 52.00	\$ 58.00	\$ 64.00	\$ 70.00
	Commercial 2 – low	\$ 52.00	\$ 58.00	\$ 64.00	\$ 70.00
	Commercial 2 – high	\$ 76.00	\$ 82.00	\$ 88.00	\$ 94.00
	Institutional	\$ 200.00	\$ 215.00	\$ 230.00	\$ 245.00
	Nonprofit low	\$ 33.00	\$ 36.00	\$ 39.00	\$ 42.00
	Nonprofit high	\$ 52.00	\$ 58.00	\$ 64.00	\$ 70.00
Infrastructure Levy		\$ 28.00	\$ 29.00	\$ 30.00	\$ 31.00

Much of the Town’s original infrastructure dates back to the late 1950s and early 1960s. Over the past two decades, significant upgrades have been completed, including improvements to two of the three sanitary sewage lift stations, the force main, lagoon holding cells with aeration system, and approximately half of the water distribution system. Additional infrastructure has also been developed to support new growth areas. Future infrastructure priorities are determined based on the condition and performance of existing systems, their capacity, and anticipated development needs.

WATERWORKS CAPITAL INVESTMENT STRATEGY

The Waterworks Capital Investment Strategy aims to proactively manage infrastructure risks by addressing routine maintenance, urgent repairs, and long-term replacement needs. This ensures the continued delivery of safe drinking water and reliable services to the community. The strategy is guided by the 2015 Waterworks System Assessment, mandated by the Water Security Agency, and supplemented by recent condition assessments of existing infrastructure.

The 2015 assessment identified the need for significant upgrades, including a new water treatment plant, expanded reservoir storage, additional supply wells, and increased supply line to handle new volumes. In response, the Town has collaborated with its consulting engineers to develop a detailed design plan and initiated this major infrastructure project in 2024.

To date, the following work has been completed on the WTP & Well Supply project:

- commissioned a hydrogeology study on the aquifer system.
- commissioned our consultant engineers with preparing the plans for the project.
- received Federal and Provincial funding to assist with the cost of the project.
- researched and considered other water supply options.
- contracted hydrogeologists to perform exploration test drilling for future supply.
- construction of replacement supply wells.
- construction of three additional supply wells at the 88 site.

To date, the following work is in progress or has been tendered on the WTP & Well Supply project:

- **Water Treatment Plant:** Construction of new WTP with mechanical/electrical systems, 2,100 m³ reservoir storage has started.
- **Wellfield Expansion:** Tendered and awarded; includes five new wells, control building upgrades, and a communication link to the WTP.
- **Supply Line:** Tendered and awarded; 5.3 km of 200 mm raw water pipe to improve flow from wells to the WTP do to expanded capacity.

2024 AUDITED FINANCIAL STATEMENT

Water & Sewer revenues and expenditures as reported in the 2024 Audited Financial Statements:

REVENUE	Fees		
	Water	\$	948,143
	Infrastructure Levy	\$	287,703
	Interest on Reserves	\$	45,360
	Total Utility Revenue	\$	1,281,206
	Less:		
EXPENDITURES	Water	\$	683,964
	Total Utility Expenditures ⁽¹⁾	\$	683,964
	SURPLUS/(DEFICIT)	\$	597,242
	RATIO		1.87%

(1) Amortization \$ 115,596

Comparison of the utility revenues to expenditures expressed as a ratio – 1.87%.

Current Year Capital Grants ⁽²⁾ - \$475,902.

Current Year Capital Projects & Equipment Expenditures - \$820,206.

The amount of utility revenues transferred from the utility reserves was \$826,442. This amount is a total of the current years surplus amount, plus the Infrastructure Levy amount dedicated for capital projects, less Capital costs.

The amount of supplementary revenue needed to cover expenditures was \$0.

⁽²⁾ Does not include CCBF funds which were previously allocated to previous years projects.

UTILITY RESERVES

Amount taken from the reserve account during the year: \$292,267.

End of year balance in reserve account for future waterworks capital infrastructure: ⁽³⁾ \$1,013,292.

⁽³⁾ This reserve amount includes water and sewer transfers.

FUTURE CAPITAL PROJECTS

1. Water Treatment Plant & reservoir storage with additional water wells and supply lines – Estimated at \$19,800,000.00. Currently in process, various phases of total project.
2. Ongoing replacement of cast iron water main – Estimated \$300,000 per block.

DOCUMENTS AVAILABLE UPON REQUEST

1. 2015 Waterworks System Assessment, as required under Section 35 of *The Water Regulations, 2002*, is available on request.
2. Agreements for Water Services available on request:
 - Mennonite Nursing Home
 - Valley Regional Park