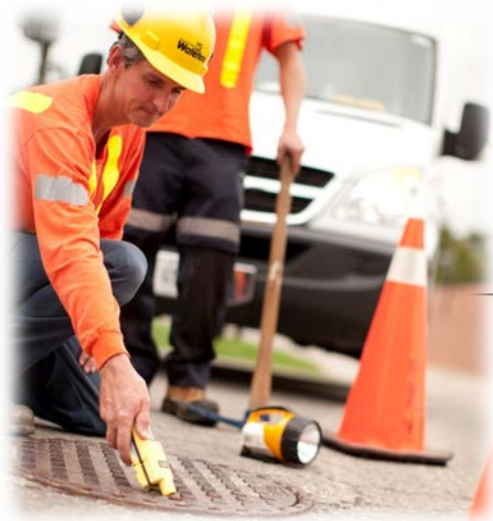




2018 Water Services Utility Rates

Council Meeting

December 11, 2017





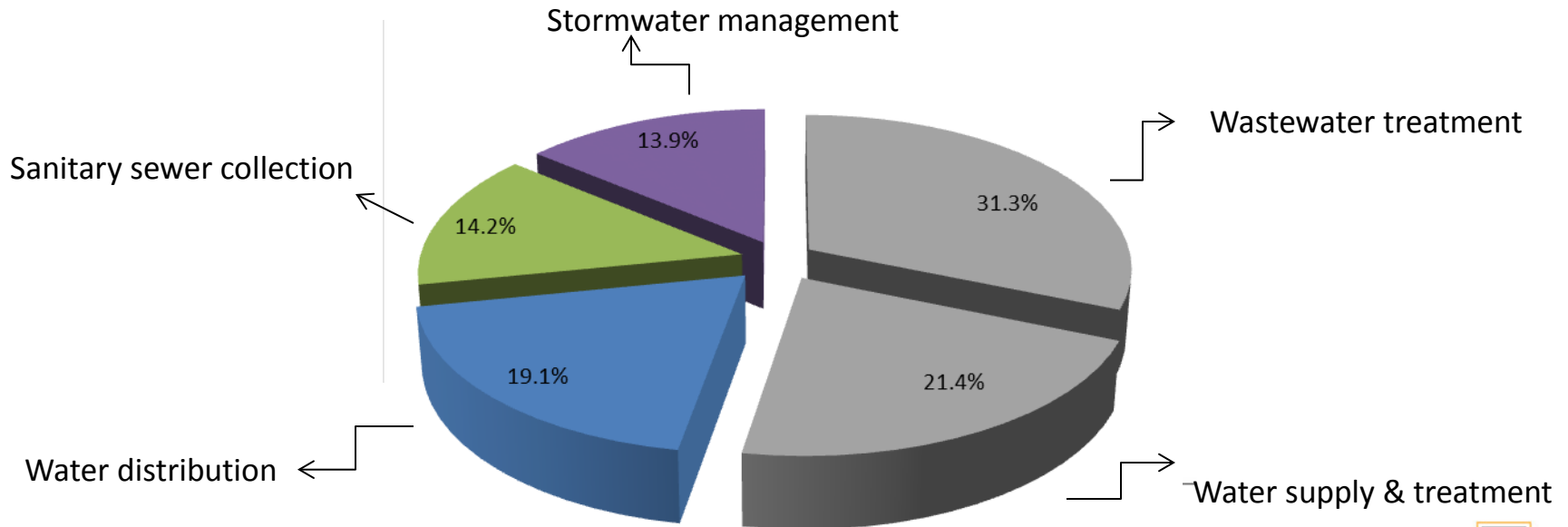
Overview – What do rates fund?

City of Waterloo:

- Water distribution
- Sanitary sewer collection
- Stormwater management

Region of Waterloo:

- Water supply & treatment
- Wastewater treatment





Rate Setting Objectives

- Meet or exceed regulatory & customer requirements
- Provide investment in infrastructure to ensure its continued service and reliability
- Maintain appropriate reserve levels
- Fund water, sanitary sewer, and stormwater at a sustainable level through appropriate, competitive and stable rates



Capital Program - 2018

Maple Hill Creek

Storm Pond Sediment Removal



Pipe Replacements



Silver Lake



Valve Replacements



Road Reconstructions



Recommended Rates - 2018

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Water (\$/m3)	1.74	1.79	1.92	2.07	2.21	2.33	2.42	2.46	2.49	2.55	2.58
Sanitary (\$/m3)	2.24	2.37	2.43	2.51	2.63	2.73	2.85	2.96	3.06	3.14	3.22
Service Charge - 15mm (\$/month)	3.05	3.13	3.21	3.29	3.37	3.45	3.54	3.63	3.72	3.81	3.91
Residential Small (\$/month)	7.10	7.46	7.83	8.22	8.63	9.06	9.51	9.99	10.49	11.01	11.56
Residential Medium (\$/month)	10.66	11.19	11.75	12.34	12.96	13.61	14.29	15.00	15.75	16.54	17.37
Residential Large (\$/month)	18.61	18.61	18.61	18.61	18.61	19.54	20.52	21.55	22.63	23.76	24.95
Multi- Residential Small (\$/month)	20.40	21.42	22.49	23.61	24.79	26.03	27.33	28.70	30.14	31.65	33.23
Multi-Residential Medium (\$/month)	86.32	90.64	95.17	99.93	104.93	110.18	115.69	121.47	127.54	133.92	140.62
Multi-Residential Large (\$/month)	459.97	482.97	507.12	532.48	559.10	587.06	616.41	647.23	679.59	713.57	749.25
Institutional Small (\$/month)	33.07	34.72	36.46	38.28	40.19	42.20	44.31	46.53	48.86	51.30	53.87
Institutional Medium (\$/month)	89.36	93.83	98.52	103.45	108.62	114.05	119.75	125.74	132.03	138.63	145.56
Institutional Large (\$/month)	182.99	192.14	201.75	211.84	222.43	233.55	245.23	257.49	270.36	283.88	298.07
Commercial/Industrial Small (\$/month)	27.36	28.73	30.17	31.68	33.26	34.92	36.67	38.50	40.43	42.45	44.57
Commercial/Industrial Medium (\$/month)	127.78	134.17	140.88	147.92	155.32	163.09	171.24	179.80	188.79	198.23	208.14
Commercial/Industrial Large (\$/month)	411.77	432.36	453.98	476.68	500.51	525.54	551.82	579.41	608.38	638.80	670.74
Commercial/Industrial Largest (\$/month)	1,042.98	1,095.13	1,149.89	1,207.38	1,267.75	1,331.14	1,397.70	1,467.59	1,540.97	1,618.02	1,698.92
**Average Household - Annual Impact (\$)	976.44	1,020.48	1,066.92	1,121.88	1,183.32	1,236.96	1,289.04	1,329.24	1,365.84	1,404.96	1,438.50
Average Household - Annual \$ Increase	53.67	44.04	46.44	54.96	61.44	53.64	52.08	40.20	36.60	39.12	33.54
Average Household - Annual % Increase	5.82%	4.51%	4.55%	5.15%	5.48%	4.53%	4.21%	3.12%	2.75%	2.86%	2.39%
Combined Reserve Ending Balance (\$ '000)	20,335	15,557	14,670	14,544	13,553	15,170	16,712	17,092	18,261	17,655	17,675

Notes:

2017 - 2027 Effective Dates - Jan 1st Annually

** Average Household - Annual Impact: Based on a household consuming 17 m3 of water per month, in the Residential Medium stormwater tier, including the 15mm monthly service charge



Breakdown of City/Region Increase

Average Household annual Impact	2017 (\$)	2018 (\$)	Increase (\$)	Increase (%)	Increase over total rate (%)
Water Services Rate - City Stormwater *	127.92	134.28	6.36	5.0%	0.7%
Water Services Rate - City Water Meter Fee **	36.60	37.56	0.96	2.6%	0.1%
Water Services Rate - City Portion (Water/Sanitary)	380.64	395.82	15.18	4.0%	1.5%
Water Services Rate - Region Portion (Water/Sanitary)	431.28	452.82	21.54	5.0%	2.2%
TOTAL COST	976.44	1,020.48	44.04	4.5%	4.5%

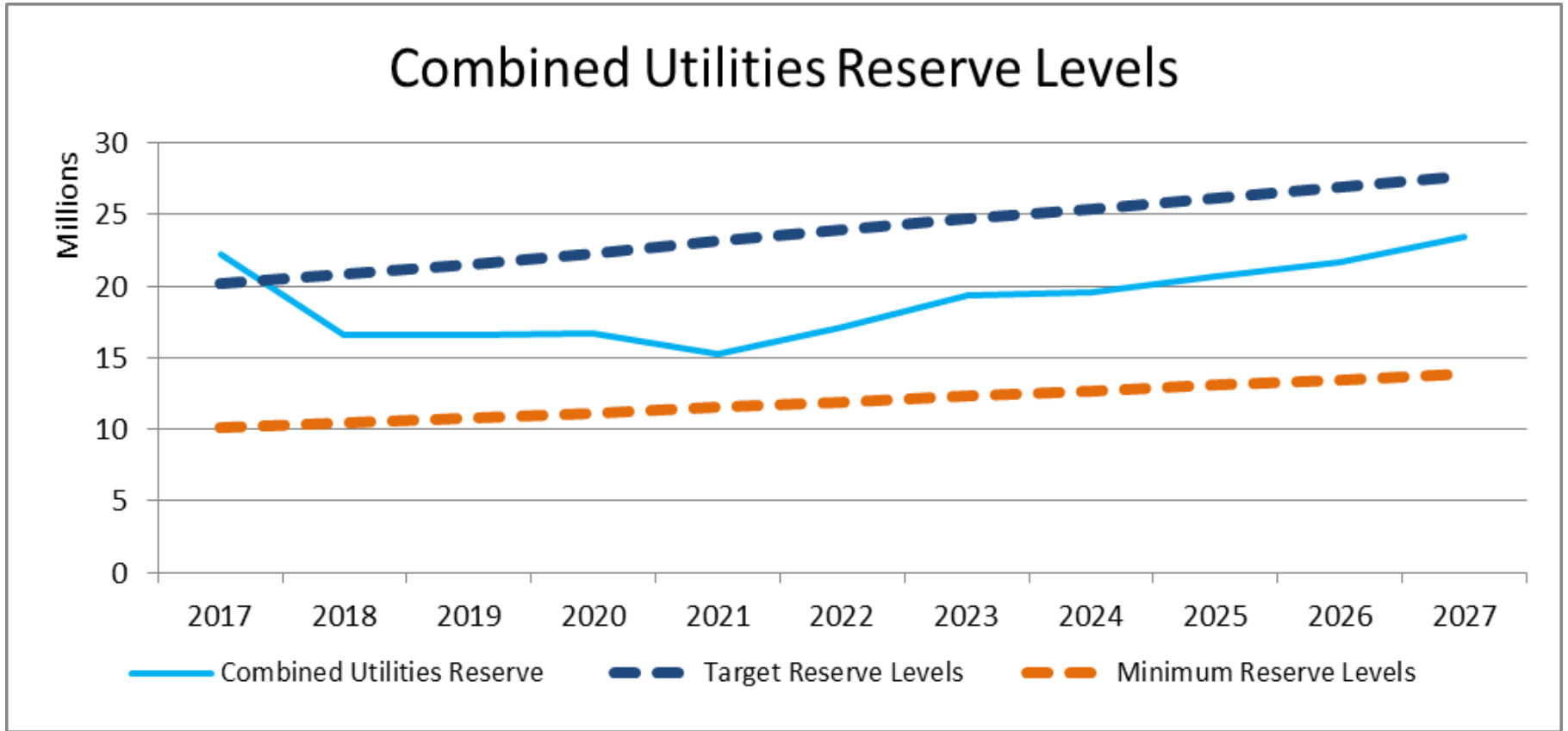
* Residential Medium Tier

** 15mm Single Family Residence Meter

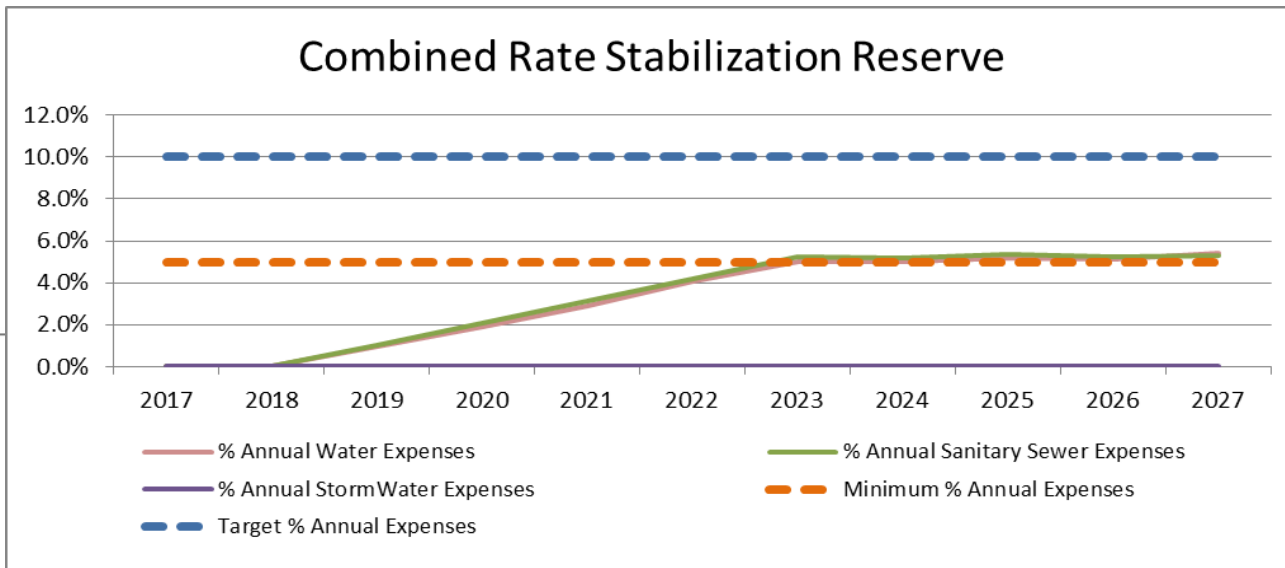
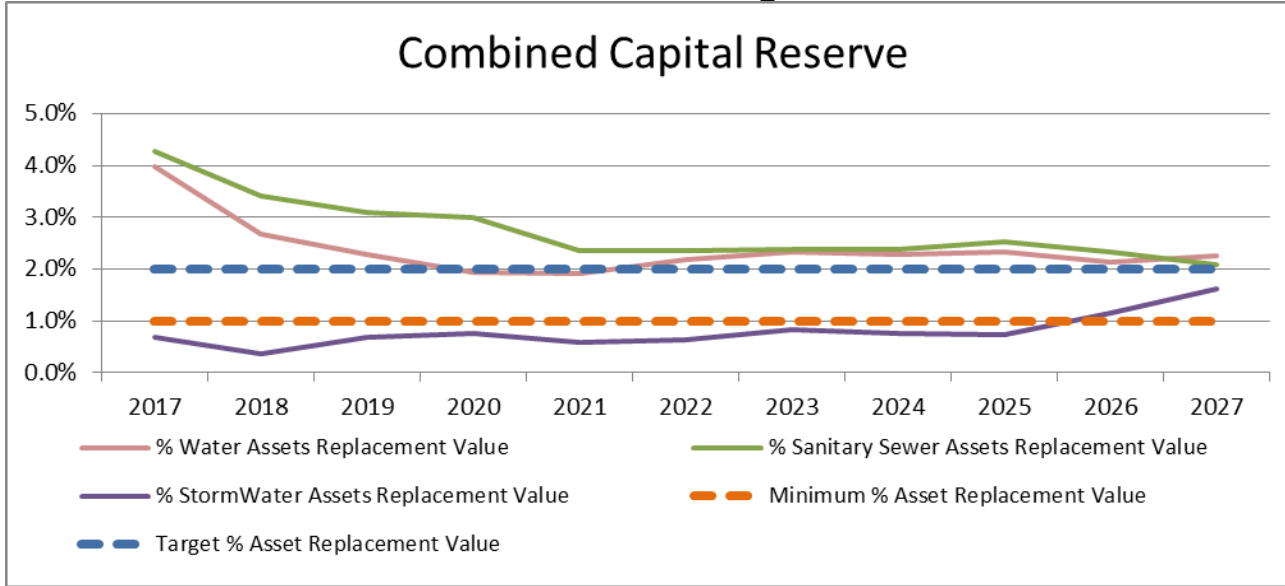
- Region planning to change effective date of wholesale rate increases to Jan. 1 from Mar. 1 starting in 2019
- Proposed date change does not adversely impact the City's Water/Sewer financial situation



Reserve Levels



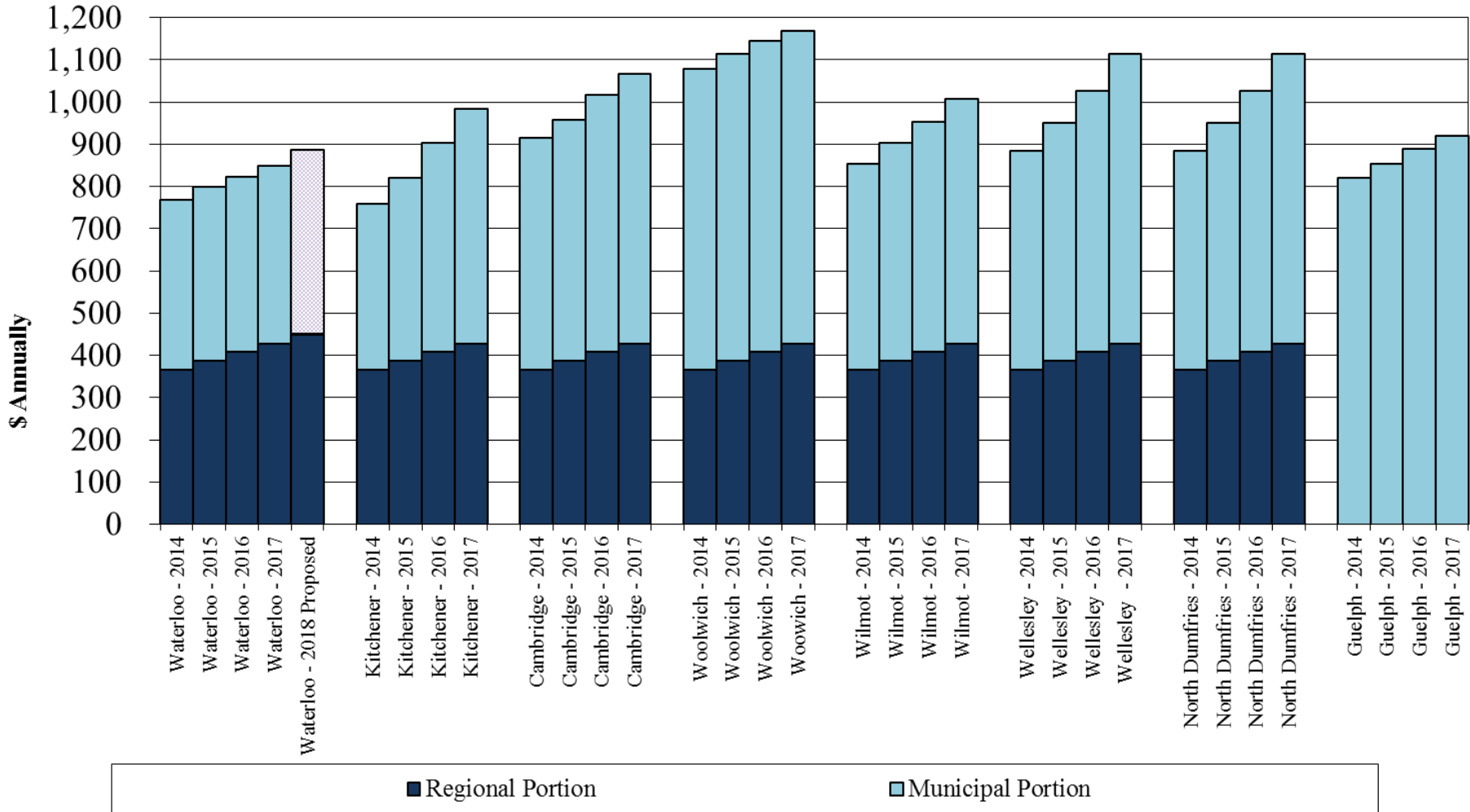
Reserve Levels – Capital & Rate





Municipal Comparators – water/sewer

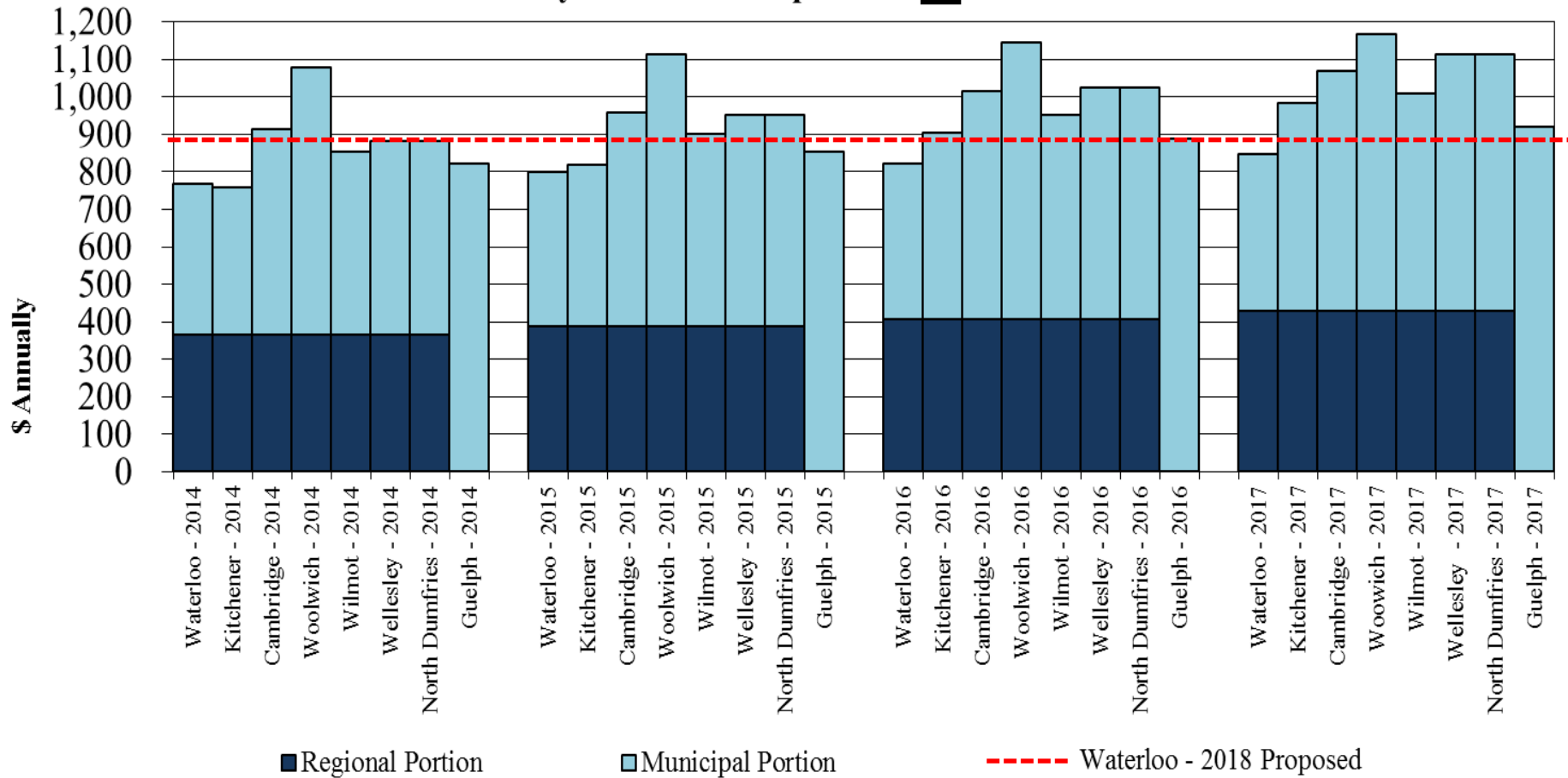
Average Annual Household Water and Sanitary Sewer Costs Based on Monthly Water Consumption of 17 Cubic Metres



Municipal Comparators – water/sewer

Side by Side view

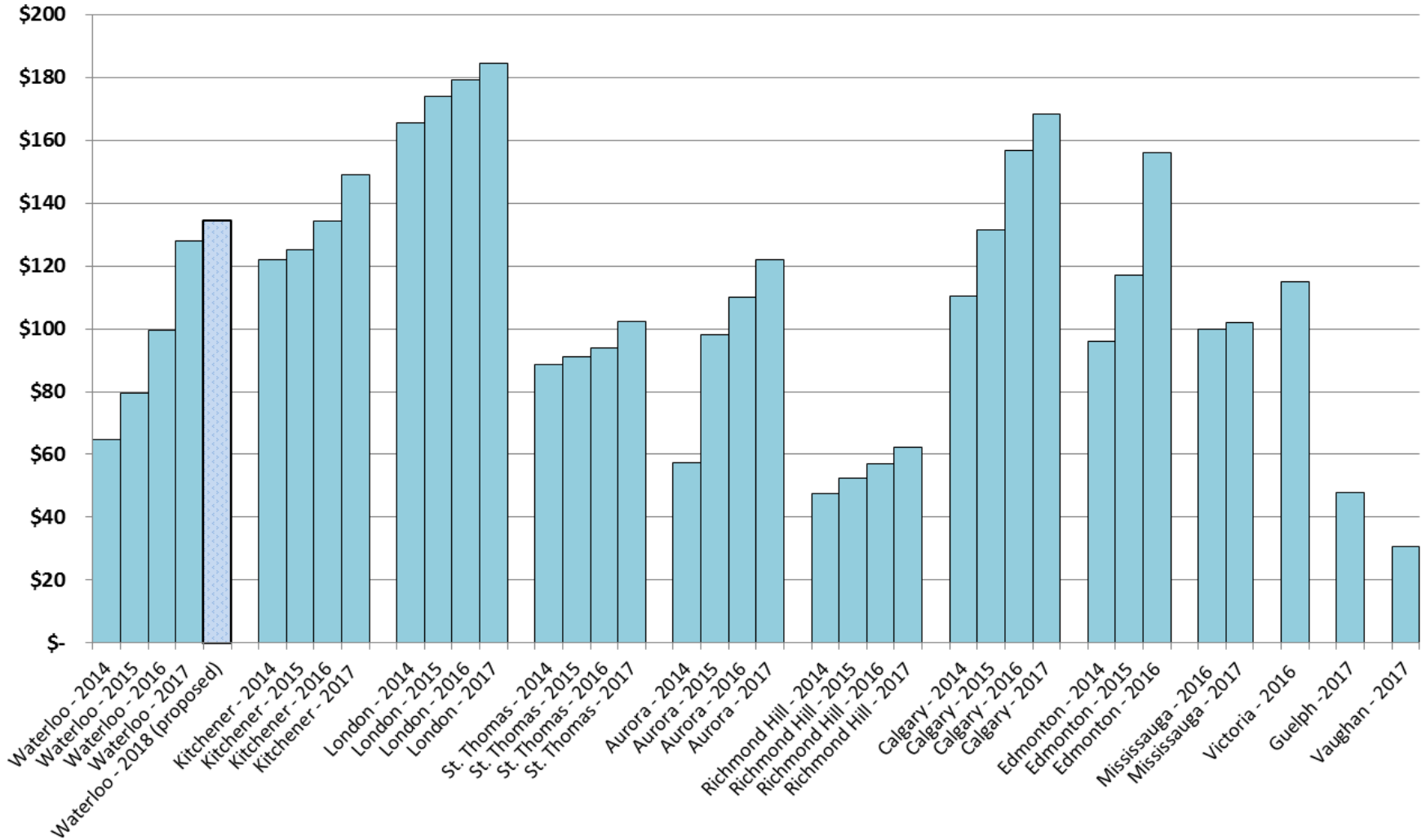
Average Annual Household Water and Sanitary Sewer Costs Based on Monthly Water Consumption of 17 Cubic Metres





Municipal Comparators – stormwater

Stormwater Medium Residential - Annual Cost





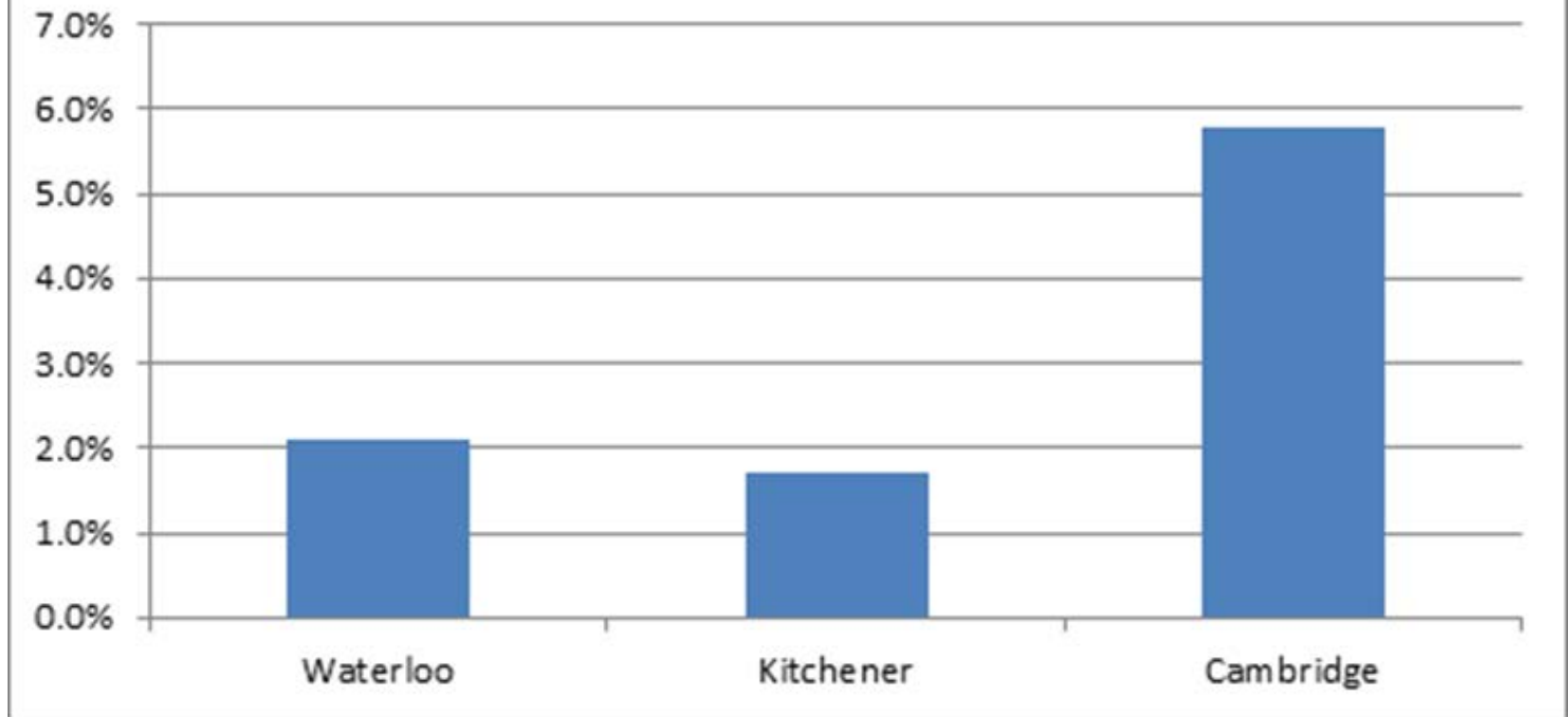
Summary

- 2018 recommended rates align with approved 2016-2018 budget
- The 2018 recommended rates are consistent with what staff had forecasted in last years rate report.
- Rate forecast – outer years (2019-2027) have remained stable from the 2017 rate report forecast. Staff will revisit the 10-year rate forecast model next year as new 2019 capital and operating budgets are prepared by Staff for Council’s approval.



2018 Proposed Property Tax Increases

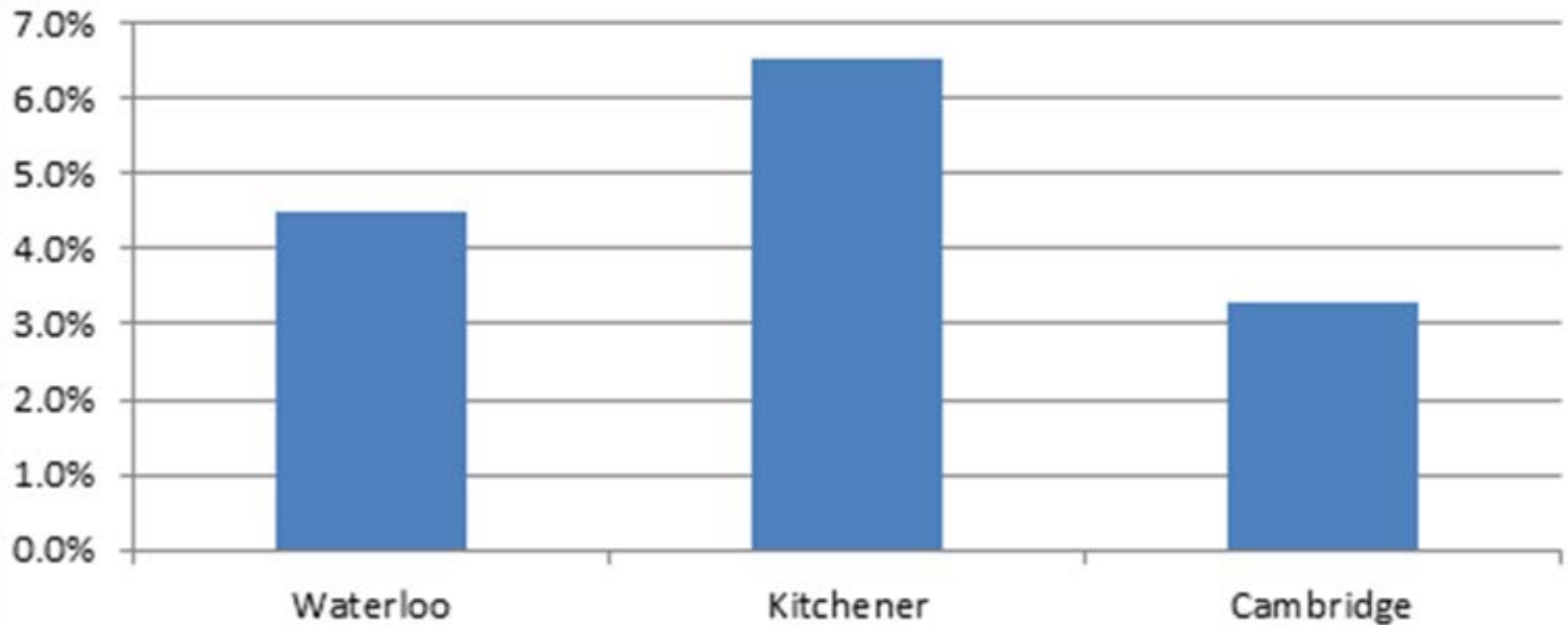
** Waterloo increase approved Nov 20 2016*





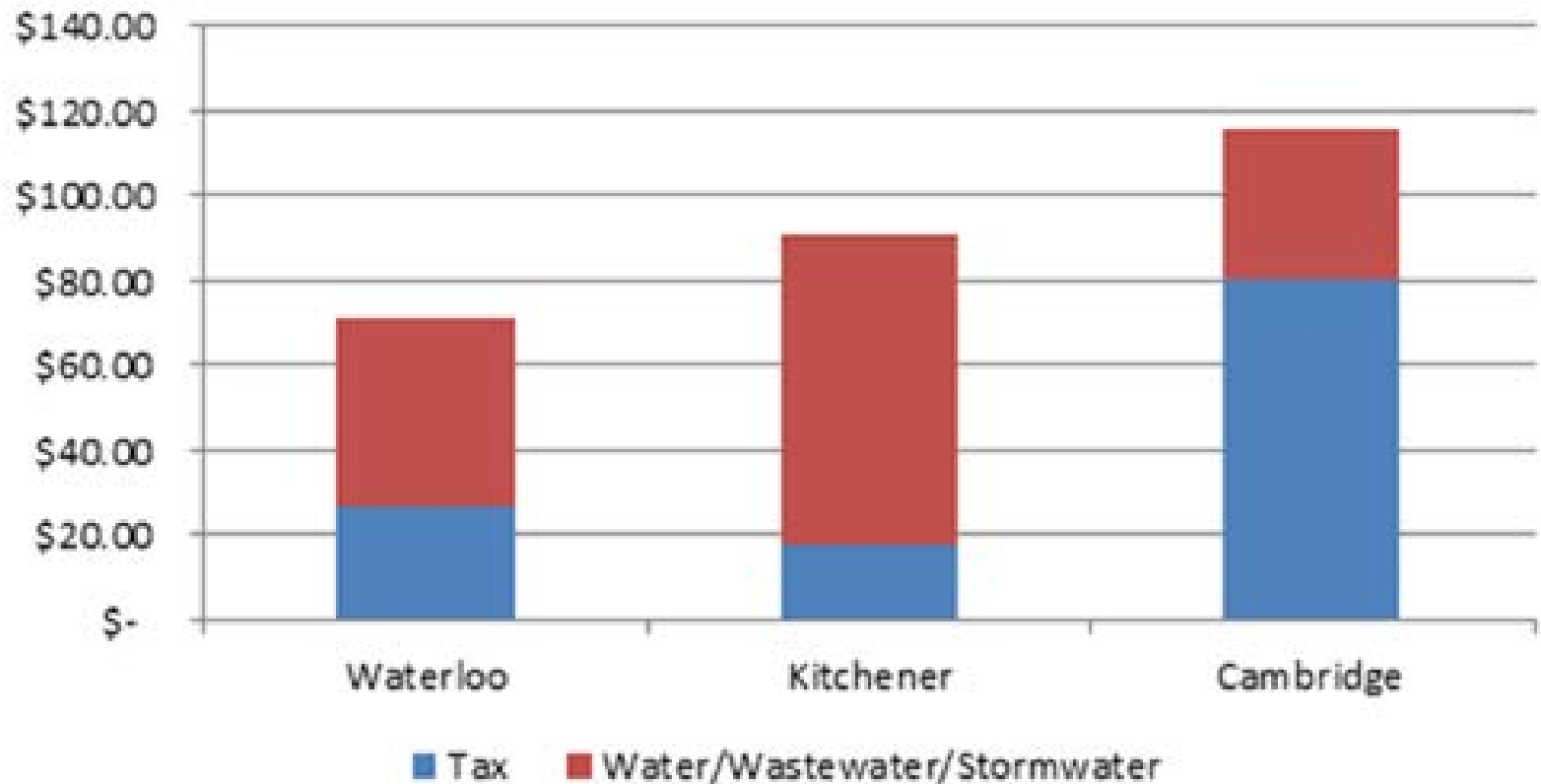
2018 Proposed Water, Waste-Water, Stormwater Rate Increase

(City of Cambridge SWM included in tax base)

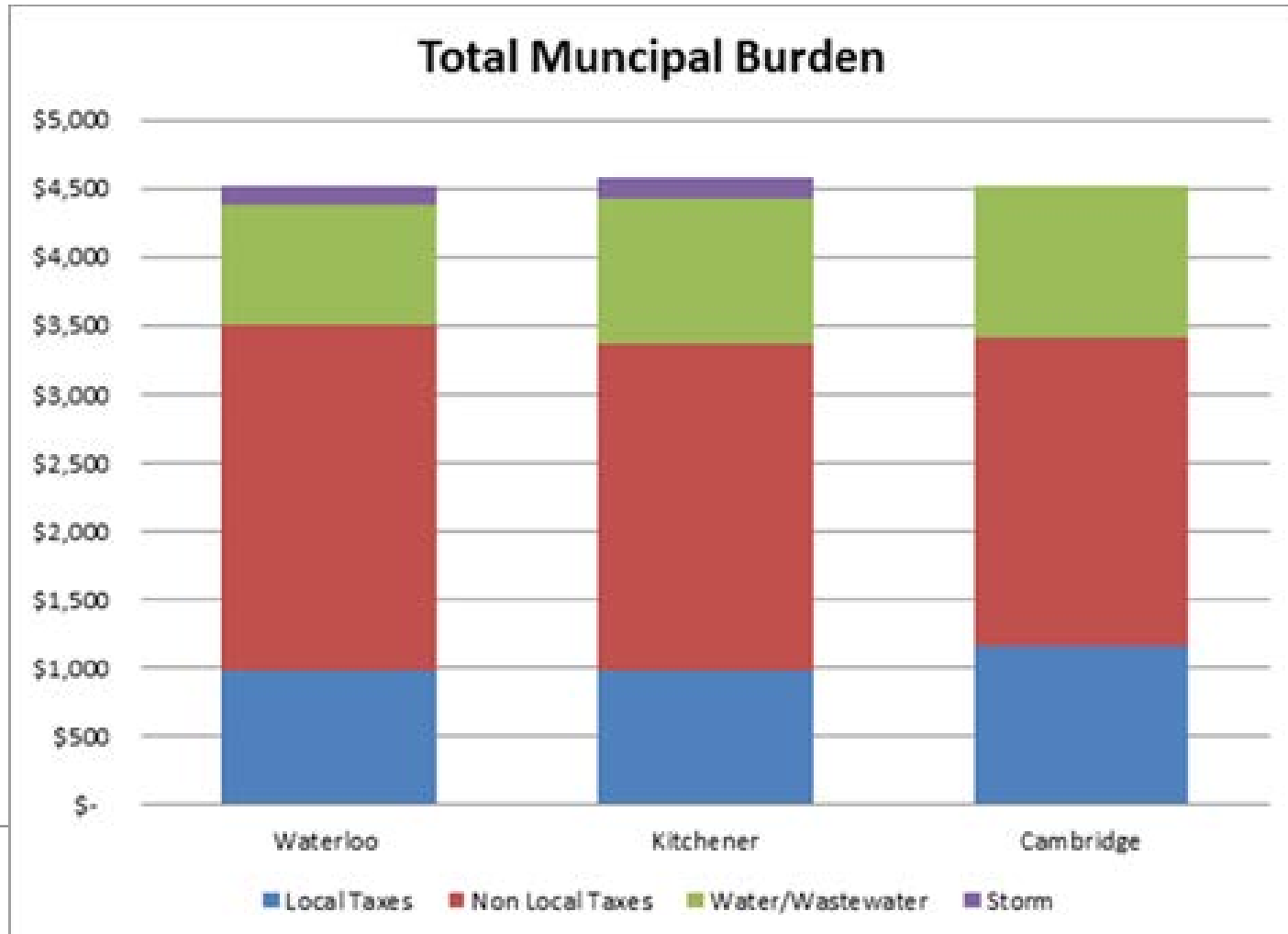




Proposed 2018 Tax & Rate Increase - Annual Impact per Average Household



2018 Total Tax Burden in \$'s for Ave Household



2018 Total Tax Burden in \$'s for Ave Household Split by Local & Non-local

