

## ANNUAL WATERWORKS INFORMATION AVAILABLE AT THE MUNICIPAL OFFICE BY SEPTEMBER 1 OF EACH YEAR

(as required under *The Cities Regulations*)

Municipality: City of Meadow Lake

Date: July 20, 2016

### WATERWORKS RATE POLICY

Council has indicated that they intend Water & Sewer be a self sufficient, user pay, Utility. In the future, they would like to see the depreciation included as an expense and expect it will take 5 to 7 years of rate increases to get there. Any future major capital projects will be covered by debenture or long-term loans and infrastructure grants. Any additional debt load will be covered by future rate increases

January 1, 2015, Bylaw 10/2014 came into effect that increased the Quarterly Minimum Charge to \$104.19 as well as the Over Mimimun Charge to \$ .94 /m<sup>3</sup>.

In 2015 Council passed Bylaw 10/2015 which will come into effect January 1, of 2016 and will change the billing system from a **Minimum** Quarterly Charge plus Usage to a **Base** Quarterly Charge plus Usage and states that the Sewer consumption will be charged at a rate of 40% of the water consumption. Both Water and Sewer rates are set out below:

Bylaw Date	Bylaw Number	Effective Date	Water			Sewer		
			Quarterly Minimum Charge	Quarterly Minimum Usage	Rate per m <sup>3</sup> over Minimum	Quarterly Minimum Charge	Quarterly Minimum Usage	Rate per m <sup>3</sup> over Minimum
Feb 24, 2014	3/2014	Apr 1, 2014	\$99.23	34m <sup>3</sup>	\$0.88	\$53.55	102m <sup>3</sup>	\$0.54
Dec 8, 2014	10/2014	Jan 1, 2015	\$104.19	34m <sup>3</sup>	\$0.94	\$56.22	102m <sup>3</sup>	\$0.61

Bylaw Date	Bylaw Number	Effective Date	Water		Sewer	
			Quarterly Base Charge	Charge Per m <sup>3</sup>	Quarterly Base Charge	Charge Per m <sup>3</sup>
July 27, 2015	10/2015	Jan 1, 2016	\$60.00	\$1.25	\$40.00	\$0.50

## ANNUAL WATERWORKS FINANCIAL OVERVIEW

The following is information on the waterworks, as required under The Cities Regulations:

2015 Waterworks Overview:

Total waterworks revenues: \$1,975,661

Total waterworks expenditures: \$2,058,923

Total debt payments on waterworks infrastructure loans: \$276,294

Comparison of waterworks revenues to expenditures plus debt payments, expressed as a ratio:

$$\frac{\$1,975,661}{\$2,058,923 + \$276,294} = .85$$

\*The above financial figures include both water and sewer revenue and expenses.

## ADDITIONAL INFORMATION

Reserves available for waterworks capital infrastructure - \$ 0

- The Water Treatment Plant has been upgraded to 10,000 population
- A Watermain Valve Repair program has been started that, when complete, will ensure that all watermain valves are in working order. In 2015 33 valves were repaired.
- KGS Engineering continues to work with the City to bring the disinfection by-products (DBP) to acceptable concentrations within the municipal waterworks.
- The City was approved for \$4,670,000 to bring the disinfection by-products (DBP) to acceptable concentrations through the New Building Canada Fund.
- In January 2015 construction was started for the Reservoir #1 upgrades and the addition of generators at the Water Treatment Plant and Reservoir #2 to Ritchie Construction Ltd. for \$1,670,000.
- In 2014 the replacement of the 9<sup>th</sup> Avenue Sewer Lift Station was completed at a total cost of \$4,112,790 over 4 years.
- We issued a \$3,000,000 15 yr Debenture to the Municipal Finance Corporation to cover a portion of the costs of the 9<sup>th</sup> Avenue Sewer Lift Station. Thirteen years of existing long-term debenture debt left.
- One month of existing long-term loan debt left.