

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 3, 2019

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, 2018, Bylaw 10/2017 came into effect, where water is billed using a Quarterly Water Base Rate plus a charge per cubic meter based on consumption. Sewer is billed using a Sewer Quarterly Base Rate and charged per cubic meter based on 40% of the water consumption. Both Water and Sewer rates are as follows:

| Bylaw Date | Bylaw Number | Effective Date | Water | | Sewer | |
|--------------|--------------|----------------|-----------------------|---------------------------|-----------------------|---------------------------|
| | | | Quarterly Base Charge | Charge Per m ³ | Quarterly Base Charge | Charge Per m ³ |
| Sep 26, 2016 | 24/2016 | Jan 1, 2017 | \$66.00 | \$1.50 | \$44.00 | \$0.60 |
| Sep 25, 2017 | 10/2017 | Jan 1, 2018 | \$69.30 | \$1.64 | \$46.20 | \$0.65 |

ANNUAL WATERWORKS FINANCIAL OVERVIEW

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

2018 Waterworks Overview:

Total waterworks revenues: \$4,885,323

Total waterworks expenditures: \$2,691,991

Total debt payments on waterworks infrastructure loans: \$174,644

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

$$\frac{\$4,885,323}{\$2,691,991 + \$174,644} = 1.7$$

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

ADDITIONAL INFORMATION

Reserves available for waterworks capital infrastructure - \$ 0

- A 3-year water main valve repair program was completed in 2017. Approximately 99 valves were repaired, 6 valves were replaced and 7 valves were newly installed under this program. This will allow us to isolate any water main breaks within a 1 to 3 block radius. In 2018 we replace 5 leaking fire hydrants.
- 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. The expansion, which included two membrane skids and UV disinfection was completed in 2018.
- We issued a \$3,000,000 15 yr Debenture to the Municipal Finance Corporation to cover a portion of the costs of the 9th Avenue Sewer Lift Station. Ten years of existing long-term debenture debt left.