

PUBLIC MEETING

Monday, October 28th 2013

Regarding a New Infrastructure Renewal Fee for
unconnected vacant lots fronting municipal
water and wastewater infrastructure

7:00 p.m.

Town Hall Council Chambers



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Public Meeting – Infrastructure Renewal Fee

Water Asset Management

Asset Cost for Water

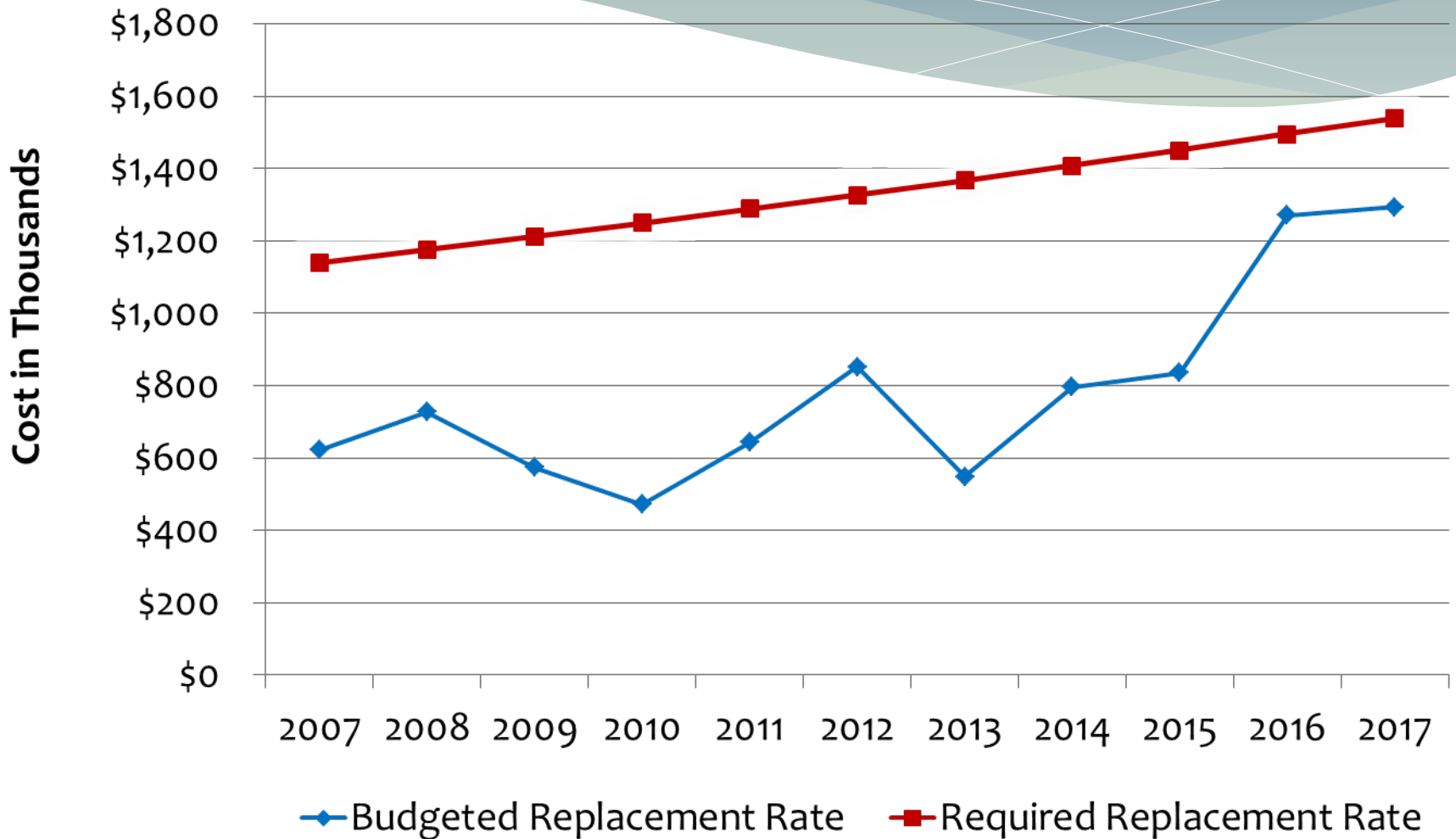
(Water Plant, Pumping Stations, Reservoirs and Distribution)

- Historical Cost \$51.5M – If it lasts 50 years, ~ \$1M/year.
- **With Inflation ~ \$100M or \$2.2M/year**
- Annual Contribution < \$1.2M



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Water Infrastructure Gap



Wastewater Asset Management

Asset Cost for Wastewater

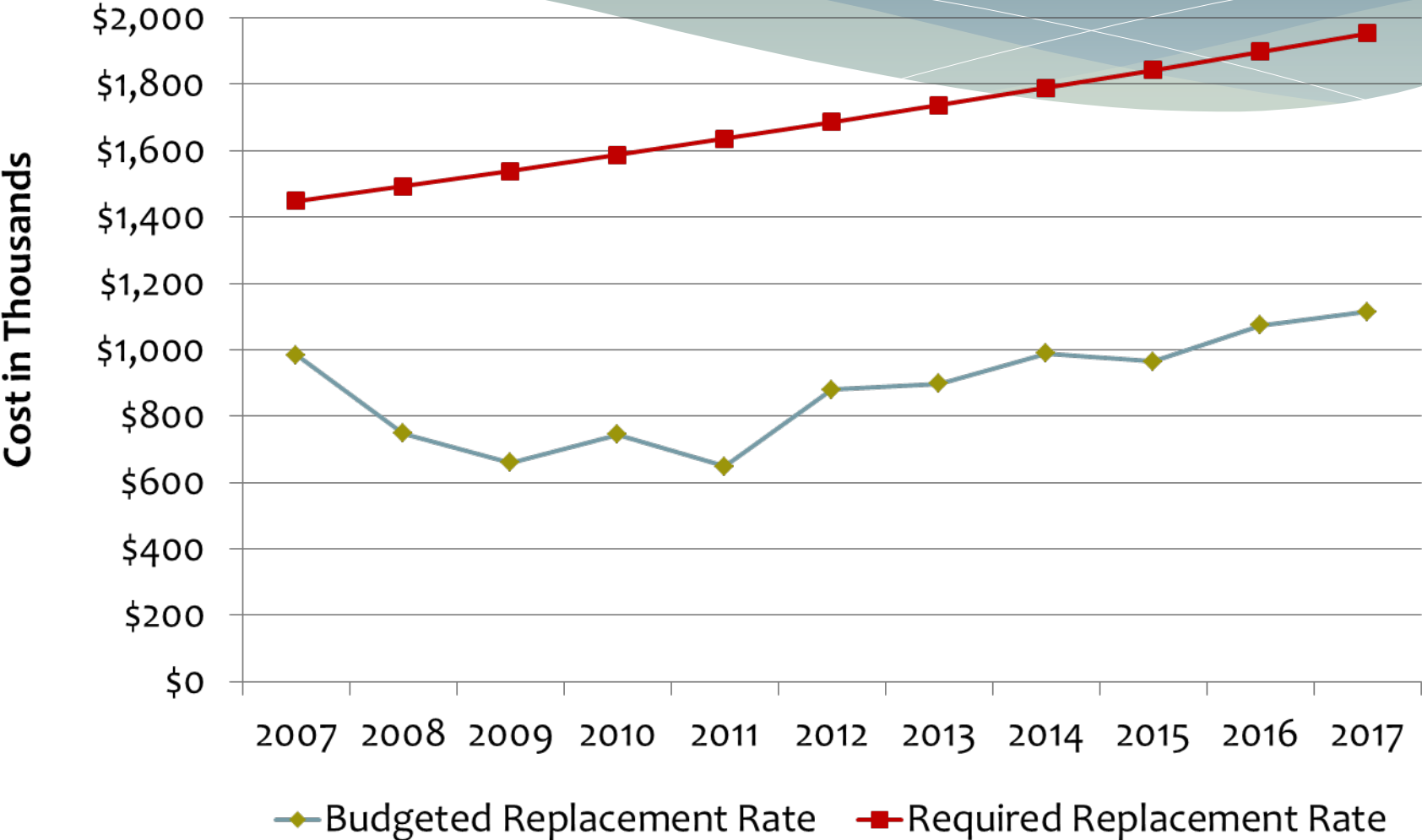
(Treatment Plant, Lift Stations and Collection)

- Historical Cost \$69.4M – If it all lasts 50 years ~ \$1.4M/year
- **With Inflation ~ \$161M or \$3.2/year**
- Current Annual Contribution ~ \$800k



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Wastewater Infrastructure Gap



What is the Infrastructure Renewal Fee?

The 2013 budget included the following costs for the Infrastructure Renewal Fee:

	2013 Water	2013 Wastewater
Annual Costs Related to Infrastructure Replacement	\$1,173,792	\$822,287
Existing Connections	6247	4955
Vacant Lot Connections (four months)	821	650
Infrastructure Renewal Fee per month	\$15.00	\$13.25

All units currently connected to municipal water or wastewater are paying towards the Infrastructure Renewal Fee.

Taxes vs. User Rates

Town raises funds for services in 3 main ways:

- General (Taxes) – Roads, Fire, Police, Parks & Rec
- User Fees (Fees for Service) – Harbour, Building Inspection
- Water and Wastewater (Rates)



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Taxes vs. User Rates

- Operating and capital costs for Municipal water and wastewater is paid for by user rates.
- Property taxes do not fund water and wastewater services



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Water and Wastewater Rates

2013 Water Monthly Fixed Charge:

- Infrastructure Renewal Fee: \$15.00
- Plus 5 m³: \$ 9.53
- **Total Monthly Fixed Charge: \$24.53**

2013 Wastewater Monthly Fixed Charge:

- Infrastructure Renewal Fee: \$13.25
- Plus 5 m³: \$ 7.90
- **Total Monthly Fixed Charge: \$ 21.15**



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Water and Wastewater Rates

- Costs related to Infrastructure Replacement are recovered from the Infrastructure Renewal Fee
- Operating Expenses are recovered from the tiered consumption rates and then 5 m³ included in the fixed charge



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Meeting the criteria

The proposed Infrastructure Renewal Fee will be charged based on the following criteria:

- The Town has assumed the underground works, and
- The vacant land fronts municipal water and/or wastewater services, and;
- The vacant land has the ability to receive a building permit.



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How will the Town ensure the funds will be available in the future?

2 new Reserve Funds will be created to hold the money collected from Vacant lots:

- Water Asset Replacement
- Wastewater Asset Replacement
- earn interest
- Used to replace water & wastewater infrastructure



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Next Steps

Public Meeting – October 28

Report back to Committee of the Whole – November 13



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