

On August 10, 2015, Council passed a resolution for the initial Waterworks Rate Policy.

## **Rates and Fees as per Bylaw 04-2023**

- Adopted by resolution of Council of the Town of Pilot Butte on June 12, 2023.
- Approved by the Saskatchewan Municipal Board, Local Government Committee on July 12, 2023

## **Rates and Fees as per Bylaw 15-2024**

- Adopted by resolution of Council of the Town of Pilot Butte on December 23, 2024.
- Approved by the Saskatchewan Municipal Board, Local Government Committee on February 13, 2025.
- Under the waterworks rate policy resolution, the following schedule from the Water Bylaw set the water rates as follows:

### **Town of Pilot Butte Bylaw No. 04-2023 & Bylaw 15-2024 Schedule "A" Monthly Water Rates**

## **MONTHLY WATER UTILITY RATES – IN TOWN**

### **WATER CONSUMPTION METERED RATE**

#### Base Rate:

Up to 14.00 cubic meters	\$	52.00
Mobile Home Land Owner Base Rate		
Up to 1022.00 cubic meters	\$	3,778.00

#### Overage Rate:

14.01 to XX.00 cubic meters	\$	1.00	per cubic meter or part thereof
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#### Mobile Home Land Owner Overage Rate:

Over 1022.01. cubic meters	\$	1.00	per cubic meter or part thereof
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For Dwellings, Mobile Home, the water rates will be charged to the Mobile Home Land Owner. The base rate of \$52.00 is charged per mobile home dwelling and multiplied by the number of mobile home dwellings plus the water meter service rate for the water meter installed at the entrance of the parcel of land, plus additional monthly overage rates.

### **WATER CONSUMPTION NON-METERED RATE**

Flat Rate:       \$       114.65 per unmetered property

The monthly water utility rates for Dwelling, Duplex, Dwelling, Multiple Unit, Dwelling and Dwelling, Townhouse and Commercial Business Premise, if more than one unit shall be charged:

- i. If individual water meters are installed for each unit - on an individual basis

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- ii. If one entrance water meter is installed - as one billing for the multiple number of single units within the dwelling or premise.

## OUT OF TOWN MONTHLY WATER RATES

### Base rate plus consumption per cubic metre

Base Rate per month \$16,906.75  
Plus consumption rate per cubic metre or part thereof \$ 1.5208 For a combined monthly charge

## METER RATE

New Construction – Flat Rate: (based on size of meter installed)

5/8 inch meter	\$ 450.00 Maximum
1 inch meter	\$ 600.00 Maximum
2 inch meter	\$ 1,700.00 Maximum
3 inch meter	\$ 1,800.00 Maximum
4 inch meter	\$ 2,000.00 Maximum

New construction invoiced actual cost but not to exceed Bylaw Maximum

Waterworks rates were established based on the estimated operating costs, loan repayments and operating revenues to cover the annual costs. Developer fees are also used as a source of revenue, as well as the SIGI interest subsidy for the years 2011 to 2016. Reserves have been established to be used for the payment of future debt repayments from surplus from the utility and the receipt of developer fees.

The water rates were established by using a base rate which includes a minimum amount of water and pays for the fixed costs for the water utility. The rate over the minimum is at a rate to encourage conservation and generate more revenue.

Council will continue to review the rates and consider a greater increase as investment in the utility reserve account for capital projects and replacement.

The water rate established was chosen to be an acceptable rate for residents and businesses.

- The rate covers the waterworks operating costs for plant operator salaries, maintenance, energy, chemicals, power, as well as setting aside funds membrane replacement fund, capital replacement fund and the annual loan debt repayments for water meters.
- The table below shows the estimated monthly minimum charges that reflect the rate to demonstrate the impact on residents and businesses with metered premises:

Using the average consumption of 95 gallons per person per day (as per Bullee Consulting Survey of 114 Saskatchewan communities) the average household of 3 persons would use 285 gallons per day

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(8550 gallons per month) (**38.86** c. meters), the waters meters will read in cubic meters, with the typical billing shown as follows:

Base Rate	0-3080 gal (0-14.00 c. m.)	Over 3080 gal. (15 -38.86 + c. m.) \$1.00 per c.m.	Billing per Month
\$52.00	\$0.00	\$24.86	\$76.86

## **Objectives**

- The objective of the water works rate policy is to maintain waterworks that are self-financing, where the users pay for the service. To accomplish this, the water works rates need to be reviewed and increased as necessary to cover the annual operating costs in addition to generating a surplus. The newly constructed wells/pipeline, water treatment plant, reservoirs and distribution system have a service life of 10-40 years. Future infrastructure maintenance and replacement costs will be covered in part by the development fees.
- Financially independent waterworks do not have to compete with other municipal demands under the municipal general revenue fund. Achieving and maintaining a self-financing water works system ensures that our waterworks can provide safe drinking water. Rates that cover costs will influence consumer demand and water conservation.

## **Waterworks Capital Investment Strategy**

On June 23, 2014, Council passed a resolution on the Capital Investment Strategy.

## **Objectives**

- The objective of the waterworks capital investment strategy is to address anticipated waterworks maintenance, the immediate drinking water infrastructure problems and future infrastructure replacements in a timely manner so as to ensure the municipal waterworks provides safe drinking water to residents and businesses, as we grow.
- To cover the costs of future waterworks infrastructure maintenance, replacements and additions, Council will need to adjust the development fees, increase water rates for water reserves and long term borrowing as required.
- This capital investment strategy will ensure that safe drinking water can be provided to the residents and businesses in the community in the present and future.

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## **Capital Projects –Identified and Prioritized**

- Capital plans have been established to address the waterworks requirements, to ensure safe drinking water, for the future. The current water works capital plans and planned sources of funding is as follows:

<b>Project</b>	<b><u>Completion</u> Year</b>	<b>2024 Cost</b>	<b><u>5% rate of inflation annually</u> Future Cost</b>	<b>Source of Funding</b>
WTP Loan	2025	\$421,400		Water Utility Rate
Water Meters	2025	\$30,000		Water Utility Reserves
3 <sup>rd</sup> Ave Swale	2024	\$21,000		Water Utility Rates & Reserves
Portico Drive	2024	\$96,000		Water Utility Rates & Reserves

## **2024 Water Reserves –Identified as per the 2024 Audited Financial Statement**

**Water Meter install Reserve \$113,420.00**

**Water Meter Reserve \$88,668.00**

**Water Reserve \$334,492.00**