PORT COLBORNE

Subject: **2021 Rates Setting - 2021-84.docx**

To: **Committee of the Whole - Budget**

From: **Corporate Services Department**

Report Number: 2021-84

Meeting Date: March 11, 2021

Recommendation:

That Corporate Services Department Report 2021-84 be received; and

That the 2021 Water, Wastewater and Storm Sewer Rates as set out in page 5 and 8 of report 2021-84 be approved.

Purpose:

The purpose of this report is to present the proposed 2021 Water, Wastewater and Storm rates to Council for approval.

A separate Committee of the Whole – Budget report has been prepared titled 2021 Rate Budgets, Report 2021-80, to establish the water, wastewater and storm sewer budgets.

Background:

The City of Port Colborne (the “City”) water and wastewater system is operated under a two-tier municipal governance model. The Niagara Region is responsible for cleaning and providing drinking water and treating all wastewater. The City is responsible for water distribution and wastewater collection. The City is also responsible for billing, retains all collection risk and, except for some shared volume risk with water, is responsible for the risk associated with volume under or over usage from budget.

The Niagara Region bills the municipality for all water that leaves their water plan and for all wastewater that enters the treatment plant. As noted in the report, 2021 Rate Budgets, Report 2021-80, water billed in 2020 was 64% suggesting a 36% water loss rate. Directionally this figure should be closer to 15%. In the same report it can be identified the amount of water that is sent to the Niagara Region treatment plants is

approximately double the amount of clean drinking water purchased. These figures identify the current linear assets (the pipes) transporting water and wastewater are in need of significant investment. These issues, coupled with the capital investment required, are the most significant drivers of the water and wastewater rates within the City.

In 2019, Council approved a Storm Sewer fee that applies to all properties in the Urban Storm Sewer boundary. The City Storm Sewers alleviate storm water from the City. An effective Storm Sewer system can help reduce inflow and infiltration (I&I) in the wastewater system. There have been some questions brought forward regarding properties that are within the storm sewer boundary that do not directly have a City storm sewer or rely on a municipal drainage ditch to provide relief to their property. This report provides Council with options to consider billing options for these properties in an effort to help clarify any confusion. These options are included in Appendix E and discussed below. As a precursor to that discussion, staff identify the recommendation is anyone within the Storm Sewer boundary is benefiting from the system and for this reason recommends anyone within the boundary should pay. To this point, staff have also recommended anyone with a drainage ditch that is in the Storm Sewer boundary should not be charged for the ditch and instead those costs should be borne by the Storm Sewer fee as both systems work together to provide relief from storm water.

Discussion:

Report, 2021 Rate Budgets, Report 2021-80 identified the following budget impacts:

1. Water and Wastewater combined impact of 2.98% (Water reduction of 8.5% and wastewater increase of 12.9%)
2. Storm Sewer budget increase of 10%. The most notable expense in that budget is the 64% borrowing cost for the Nickel Storm Sewer.

Water and Wastewater

When setting the water and wastewater rates there are arguably at least three key decisions after determining the appropriate budget amount. They are as follows:

1. Establishing the appropriate allocation between meter types
2. Establishing the proportion that should be fixed or variable
3. Establishing water and wastewater billing volumes

The following has been provided for Council’s information and consideration when approving the water and wastewater rates:

1. Establishing the appropriate allocation between meter types

Staff are proposing no changes in meter ratios. The ratios can be seen in Appendix A – Water and Wastewater Rates. The average residential property is the 5/8" meter size. In this respect, any ratio change normally results in transferring funding responsibility between the residential and commercial/industrial meters. A consulting report performed for Niagara Region by BMA Management Consulting identified that in 2020 commercial and industrial business in the City paid anywhere from 14% to 21% less than businesses in other local area municipalities. Although, if we excluded the two highest municipalities in the study, the City's commercial and industrial users only paid 2% to 8% less than businesses in other local area municipalities. The range reflects the analysis being performed on different meter sizes and different volumes.

Staff have not recommended any changes in ratios noting the rate options proposed will already result in the amount City commercial and industrial users paying moving towards, and potentially slightly exceeding, the average.

2. Establishing the proportion that should be fixed or variable

   In 2020, the City experienced a 55% fixed billing structure for water and 67% for wastewater. There are many factors to consider when considering if costs should be charged on a fixed basis or variable basis. Some of these include:

   a. The nature of the costs. In the City's system one can view the Niagara Region costs as variable as the more water the City purchases or wastewater it sends to the Niagara Region to treat, the more it is required to pay. In 2021, the proposed budget identifies the Niagara Region costs as 47% for water and 71% for wastewater. The rest of the costs are fixed in terms of spending.
   b. A recognition that the main cost of running the system and need for additional funding are capital and fixed in nature. To this point, water loss and I&I as a result of the current state of the City's linear assets (pipes in the ground) is arguably no more the cost of any one system user despite the amount of water the user might use.
   c. Fluctuations in water volumes that impact water and wastewater billings. A fixed billing system can remove billing risk within the budget model. For example, the 2020 budget was based on:
      i. Water sales of 1,905,034 cubic metres when actual volume experienced was only 1,610,607 cubic metres. This left a variable budget deficit of approximately $400,000.
      ii. Wastewater sales of 1,794,017 cubic metres when actual volume experienced was only 1,254,118 cubic metres. This left a variable budget deficit of approximately $835,000. Reader of this report may ask why the water and wastewater sales volumes are different since wastewater is billed based on water sales. The answer is simply that there are some industrial properties in the City that have their own

wastewater treatment plants and for that reason are not billed for wastewater.

d. The balancing act to avoid some users disproportionally benefit the system vs. providing stability and even enhanced customer service.
    i. The concept of some users disproportionally benefiting from the system refers to the fact that if the whole system was a fixed charge (both water and wastewater) there would be no incentive to conserve. If water usage in the City was to go up then the bill from the Niagara Region would go up for water and potentially wastewater and the City would have to adjust the fixed charge up for everyone even if only a small number of people were benefiting from extra water usage.
    ii. Stability and even enhanced customer service describe a situation where individuals have certainty over their bill. If for example there was a leak or a break in a liner of a pool or something of this nature that individual would not find themselves paying for usage, they arguably never benefited from.

Staff have considered the above and at the present time have noted moving water on residential and water and wastewater on commercial and industrial to an all fixed model has the potential to increase the cost of the total system. To this point, staff have provided in Appendix A and Appendix C an option to move residential wastewater to 100% fixed from the 2020 model of 67% fixed. In the final recommendation staff does recommend this illustrated move to fixed residential (5/8” meter) wastewater while leaving the fixed variable ratio for all other meters the same as experienced in 2020.

3. Establishing water and wastewater billing volumes

As noted above the water and wastewater billing volumes on an actual to budget basis were out 15% for water and 30% for wastewater. The report, Rate Budgets, Report 2020-80 identifies actual water and wastewater billings has missed budget targets year after year. This has resulted in budget shortfalls in the water and wastewater revenue budget ranging from $800,000 to $1.8 million in the past number of years. To offset these revenue deficits, staff have historically curtailed capital spending. This action, while not recommended, appears to have been the only way to balance the budget on an after the fact basis. When reviewing the rates as calculated in Appendix A through Appendix C, Council will notice increases greater than the 2.98% combined water and wastewater budget increase. The reason is the water and wastewater billing volumes have been budgeted based on 2020 actual.

In response to the three considerations above, staff put forward the following rates that would move the residential 5/8” meter rate to 100% fixed for wastewater. There are multiple combinations and permutations that could be considered. Should Council desire to consider other options than those calculated in the report Financial Services

will need time to recalculate as the ratios and dynamic between variable and fixed among the different meter types considering the fact any increase would be taking effect mid-year and does take some time to calculate.

The proposed rates are as follows:

Variable	
Water (all meter types)	1.307
Waste Water (all meter types)	-
Waste Water (all non - 5/8 to 3/4 residential meter types)	1.886
	3.193

Fixed Rate

Meter	Ratio	Water	Waste Water	Combined
N 5/8 to 3/4 - Residential	1	$ 379.72	$ 1,002.38	$ 1,382.09
N 5/8 to 3/4 - Non-Residential	1	$ 379.72	$ 738.03	$ 1,117.74
N 1	1.4	$ 531.60	$ 1,033.24	$ 1,564.84
N 1 1/2	1.8	$ 683.49	$ 1,328.44	$ 2,011.94
N 2	2.9	$ 1,101.18	$ 2,140.28	$ 3,241.46
N 3	11	$ 4,176.88	$ 8,118.29	$ 12,295.17
N 4	14	$ 5,316.03	$ 10,332.36	$ 15,648.40
N 6	21	$ 7,974.05	$ 15,498.55	$ 23,472.59
N 8	29	$ 11,011.78	$ 21,402.75	$ 32,414.53
N 10	40	$ 15,188.66	$ 29,521.04	$ 44,709.70

The residential impact varies based on usage, application status as a Senior on GIS, and application status to Pre-authorized payment (PAP). The Rates Budget, Report 2020-80 laid out funding for the Seniors on Guaranteed Income Supplement (“GIS”) application and PAP program. If approved the requirements/implementation plan of each can be found in Appendix F.

In assessing user impacts, staff identify the average household calculated as usage divided by households equals 150 cubic metres. The following table provides a summary of residential users by volume as a percentage:

Usage	%
< 75	19.2%
75-99	12.2%
100-124	13.3%
125-149	12.7%
150-174	10.2%
175-199	8.3%
>= 200	24.1%
	100.0%

In consideration of user impacts, staff identify, while the proposed water and wastewater fees for an average household using 150 cubic metres might be higher than other municipalities in Niagara, the combined property tax and water and wastewater impact is still less. Notably during the budget presentations last fall, the following was identified which has now been updated to included combined water and wastewater impacts:

	Port Colborne		Local Area Municipalities *
Property Tax	$ 3,434	^	$ 4,099
Water / Wastewater	$ 1,343	~	$ 997
	$ 4,777		$ 5,097
* Calculated as simple average			~ 150 m3
^ Includes storm sewer charge			

The table above is current as of 2020 and illustrates the combined household impact of property taxes and water and wastewater. It identifies the City maintains an occupancy cost that is approximately $320 less then the combined cost in other Local Area Municipalities. This table will be updated for future budget presentations subsequent to Council's decisions regarding the 2021 budget and after the Niagara Region has finalized tax ratios for 2021 and all other Local Area Municipalities budgets are complete.

Readers of this report will find two key appendices to consider when assessing user impacts:

1. Appendix B – Traditional/Historical Rate Model - Residential
2. Appendix C – Traditional/Historical moved to 100% Wastewater Fixed Rate Model – Residential.

Both appendices identify what the rates will be on an annualized basis if the rate was charged for all 12 months of the year and then what they would be on a blended basis which recognizes the rates will only be charged from April 1 to the end of the year and the rate charged from January 1 to March 31 will have been lower.

Appendix B illustrates all users regardless of amount purchased basically would receive the same increase of approximately 14%. If they opted into the PAP program (effectively moving to a blended monthly payment model) that effective rate would be approximately 12% as a result of the one time $25 dollar credit. In Appendix F, staff note it is recommended residents already on this program would receive this credit in 2021 along with any new registrants provided they stay on the program for one year. If they left the program within a year the credit would be reversed. Lastly in this scenario, in the event a resident was a Senior on Guaranteed Income Supplement and applied as such, the recommended credit in Appendix B of $152, would essentially limit that residents increase to 1.2%-1.8% if they used between 75 cubic metres and 100 cubic metres and, in fact, makes the increase negative if they also utilized the PAP program. The $152 credit is equal to the wastewater fixed charged. A credit at this amount has been budgeted for 658 applicants. As noted in the Rate Budgets, Report 2020-80, staff are not able to estimate the potential uptake of this credit. This would represent 11.7% of residential water bills.

Appendix C illustrates users are impacted differently as the variability of wastewater charges moved to fixed. The rationale relating to the comments is provided in this report above. This model would identify the wastewater system as an access fee. This would mean that higher users would experience a smaller increase. As noted in the Appendix, a user with 200 cubic metres of water purchased would experience a 6.6% increase or $98 dollars if they took advantage of PAP while someone with only 75 cubic metres would experience a 20.5% increase or $233 dollars if they took advantage of the same program. Recognizing the potential for socio-economic constraints, staff have recommended the introduction of a Senior GIS credit as noted above. In establishing the credit in this scenario, staff started with Appendix B and looked at the water and wastewater blended payment for a 75 cubic metres residential customer and matched that impact in the scenario in Appendix C. This resulted in a Senior GIS credit of $244 and every Senior on GIS that applied receiving a year over year decrease in their combined water and wastewater bill regardless of consumption if they also applied for the PAP program. These reductions would range from 1% to almost 10%.

While staff have put forward the option in Appendix C, being keeping the fixed and variable ratios the same as those experienced in the 2020 forecasted actual but adjusting to make wastewater charged to residential 5/8” meters fixed, staff look to Council to provide direction.

Storm Sewer

The storm sewer rate calculation is perhaps less complicated in the fact it is a fixed rate charge and budget to forecasted actual experience is in line. In this respect, the 10% increase over forecasted actual experience proposed in Rate Budgets, Report 2021-84 results in a 10% increase in rates. A single-family property will experience a $10.50 increase as a result. The 2021 rates are as follows:

Property Description	Flat Fee per Year 2021
Single Family Properties	$ 115.50
Multi-Residential 2 to 5 Units	$ 202.13
Multi-Residential 6 to 9 Units	$ 259.88
Institutional / Multi Res > 10 Units	$ 317.63
Small Commerical	$ 202.13
Medium Commerical	$ 259.88
Large Commercial	$ 317.63
Light Industrial	$ 433.13
Heavy Industrial	$ 548.63
City Owned	$ 259.88
CNPI Owned	$ 259.88
Hydro One Owned	$ 259.88
Niagara Peninsula Housing	$ 317.63
Niagara Region	$ 259.88
Niagara Regional Housing	$ 317.63
Transport Canada Owned	$ 259.88
MTO Owned	$ 259.88

As noted earlier in the report, staff have reviewed the conditions of the Storm Sewer Charge and recommend the following:

1. All properties within the Storm Sewer boundary are charged the storm sewer rates
2. All properties on municipal drains within the Storm Sewer boundary will have those costs covered by the Storm Sewer fee

These recommendations are made after reviewing how this fee came about and recognizing one of the founding concepts was to try and keep the program simple. Further, it recognized the drains and storm sewers do have connectivity and work together to remove storm water from the City. Whereas, some properties within the boundary may not directly have either touching their property, they A) could at some point and B) benefit within the City for the Storm Sewer and Ditching system.

While staff have recommended the above option, other options for Council to consider are included in Appendix E.

Financial Implications:

Financial Services identifies the proposed 2021 water, wastewater and storm sewer rates are a staff recommendation which Council can adjust, if required.

Conclusion:

That the 2021 water, wastewater and storm sewer rates as recommended in this report be approved.

In making this recommendation staff acknowledge these budgets continue to be underfunded in terms of capital investments. Once staff have completed the planned infrastructure needs assessment further, discussion on capital funding, which may include any available grant programs, will be required.

Staff further highlight the reason the rate increase is higher than the budget is the fact prior budgets were built on water sales assumptions that were 15% higher than actual experience and wastewater sales experience that was 30% higher than actual experience.

Appendices:

a. Water and Wastewater Rates
b. Traditional/Historical Rate Model – Residential
c. Traditional/Historical moved to 100% Wastewater Fixed Rate Model – Residential
d. Storm Sewer Rates
e. Options for Storm Water and Municipal Ditch Rates Charged to Properties
f. Seniors on GIS and PAP Programs

Respectfully submitted,

Bryan Boles, CPA, CA, MBA
Director, Corporate Services
(905) 835-2900 Ext. 105
Bryan.boles@portcolborne.ca

Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final approval is by the Chief Administrative Officer.

Appendix A - Water and Wastewater Rates

2020	2021	
	Traditional	Residential Fixed

Variable

Water (all meter types)	1.365	1.307	1.307
Waste Water (all meter types)	1.382	1.886	-
	2.747	3.193	
Waste Water (all non - 5/8 to 3/4 residential meter types)			1.886
			3.193

Fixed Rate

Meter	Ratio	Water	Waste Water	Combined	Water	Waste Water	Combined	Water	Waste Water	Combined
N 5/8 to 3/4 - Residential	1	$ 395.01	$ 535.64	$ 930.65	$ 379.72	$ 738.03	$ 1,117.74	$ 379.72	$ 1,002.38	$ 1,382.09
N 5/8 to 3/4 - Non-Residential	1	$ 395.01	$ 535.64	$ 930.65	$ 379.72	$ 738.03	$ 1,117.74	$ 379.72	$ 738.03	$ 1,117.74
N 1	1.4	$ 553.01	$ 749.90	$ 1,302.91	$ 531.60	$ 1,033.24	$ 1,564.84	$ 531.60	$ 1,033.24	$ 1,564.84
N 1 1/2	1.8	$ 711.02	$ 964.15	$ 1,675.17	$ 683.49	$ 1,328.44	$ 2,011.94	$ 683.49	$ 1,328.44	$ 2,011.94
N 2	2.9	$ 1,145.53	$ 1,553.36	$ 2,698.89	$ 1,101.18	$ 2,140.28	$ 3,241.46	$ 1,101.18	$ 2,140.28	$ 3,241.46
N 3	11	$ 4,345.11	$ 5,892.04	$ 10,237.15	$ 4,176.88	$ 8,118.29	$ 12,295.17	$ 4,176.88	$ 8,118.29	$ 12,295.17
N 4	14	$ 5,530.14	$ 7,498.96	$ 13,029.10	$ 5,316.03	$ 10,332.36	$ 15,648.40	$ 5,316.03	$ 10,332.36	$ 15,648.40
N 6	21	$ 8,295.21	$ 11,248.44	$ 19,543.65	$ 7,974.05	$ 15,498.55	$ 23,472.59	$ 7,974.05	$ 15,498.55	$ 23,472.59
N 8	29	$ 11,455.29	$ 15,533.56	$ 26,988.85	$ 11,011.78	$ 21,402.75	$ 32,414.53	$ 11,011.78	$ 21,402.75	$ 32,414.53
N 10	40	$ 15,800.40	$ 21,425.60	$ 37,226.00	$ 15,188.66	$ 29,521.04	$ 44,709.70	$ 15,188.66	$ 29,521.04	$ 44,709.70

Appendix B - Traditional / Historical Rate Model - Residential

Traditional / Historical - Model

	2020	Annualized Change 2021	Annualized Change $	Annualized Change %	Blended Change 2021	Blended Change $	Blended Change %
Water	$ 395.01	$ 379.72	-$ 15.29	-3.9%	$ 383.54	-$ 11.47	-2.9%
Wastewater	$ 535.64	$ 738.03	$202.39	37.8%	$ 687.43	$151.79	28.3%
	$ 930.65	$1,117.74	$187.09	20.1%	$1,070.97	$140.32	15.1%
Water - Rate	$ 1.365	$ 1.307	-$ 0.06	-4.2%	$ 1.322	-$ 0.043	-3.2%
Wastewater - Rate	$ 1.382	$ 1.886			$ 1.760	$ 0.378	27.4%
	$ 2.747	$ 3.193	-$ 0.06	-2.1%	$ 3.082	$ 0.335	12.2%

	2020	Annualized Change 2021	Annualized Change $	Annualized Change %	Blended Change 2021	Blended Change $	Blended Change %	Blended Change w/ PAP PAP	Blended Change w/ PAP 2021	Blended Change w/ PAP $	Blended Change w/ PAP %
User 200 m3	$ 1,480	$ 1,756	$ 276	18.7%	$ 1,687	$ 207	14.0%	-$ 25	$ 1,662	$ 182	12.3%
User 175 m3	$ 1,411	$ 1,677	$ 265	18.8%	$ 1,610	$ 199	14.1%	-$ 25	$ 1,585	$ 174	12.3%
User 150 m3	$ 1,343	$ 1,597	$ 254	18.9%	$ 1,533	$ 191	14.2%	-$ 25	$ 1,508	$ 166	12.3%
User 125 m3	$ 1,274	$ 1,517	$ 243	19.1%	$ 1,456	$ 182	14.3%	-$ 25	$ 1,431	$ 157	12.3%
User 100 m3	$ 1,205	$ 1,437	$ 232	19.2%	$ 1,379	$ 174	14.4%	-$ 25	$ 1,354	$ 149	12.3%
User 75 m3	$ 1,137	$ 1,357	$ 221	19.4%	$ 1,302	$ 165	14.6%	-$ 25	$ 1,277	$ 140	12.4%

	2020	Annualized Change 2021	Annualized Change $	Annualized Change %	Blended Change 2021	Blended Change $	Blended Change %	Blended Change w/ Senior GIS Senior GIS	Blended Change w/ Senior GIS 2021	Blended Change w/ Senior GIS $	Blended Change w/ Senior GIS %	Blended Change w/ Senior GIS + PAP PAP	Blended Change w/ Senior GIS + PAP 2021	Blended Change w/ Senior GIS + PAP $	Blended Change w/ Senior GIS + PAP %
User 200 m3	$ 1,480	$ 1,756	$ 276	18.7%	$ 1,687	$ 207	14.0%	-$ 152	$ 1,536	$ 55	3.7%	-$ 25	$ 1,511	$ 30	2.1%
User 175 m3	$ 1,411	$ 1,677	$ 265	18.8%	$ 1,610	$ 199	14.1%	-$ 152	$ 1,458	$ 47	3.3%	-$ 25	$ 1,433	$ 22	1.6%
User 150 m3	$ 1,343	$ 1,597	$ 254	18.9%	$ 1,533	$ 191	14.2%	-$ 152	$ 1,381	$ 39	2.9%	-$ 25	$ 1,356	$ 14	1.0%
User 125 m3	$ 1,274	$ 1,517	$ 243	19.1%	$ 1,456	$ 182	14.3%	-$ 152	$ 1,304	$ 30	2.4%	-$ 25	$ 1,279	$ 5	0.4%
User 100 m3	$ 1,205	$ 1,437	$ 232	19.2%	$ 1,379	$ 174	14.4%	-$ 152	$ 1,227	$ 22	1.8%	-$ 25	$ 1,202	-$ 3	-0.2%
User 75 m3	$ 1,137	$ 1,357	$ 221	19.4%	$ 1,302	$ 165	14.6%	-$ 152	$ 1,150	$ 14	1.2%	-$ 25	$ 1,125	-$ 11	-1.0%

Appendix C - Traditional / Historical moved to 100% Wastewater Fixed Rate Model - Residential

Traditional / Historical moved to 100% Wastewater Residential Fixed Rate

		Annualized Change			Blended Change		
	2020	2021	$	%	2021	$	%
Water	$ 395.01	$ 379.72	- 15.29	-3.9%	$ 383.54	- 11.47	-2.9%
Wastewater	$ 535.64	$1,002.38	466.74	87.1%	$ 885.69	350.05	65.4%
	$ 930.65	$1,382.09	451.44	48.5%	$1,269.23	$338.58	36.4%
Water	1.3650	1.3074	- 0.058	-4.2%	1.3218	- 0.0432	-3.2%
Wastewater	1.3820	-			1.3820	-	0.0%
	2.7470	1.3074	- 0.058	-2.1%	2.7038	- 0.0432	-1.6%

								Blended Change w/ PAP			
								PAP	2021	$	%
User 200 m3	$ 1,480	$ 1,644	$ 164	11.0%	$ 1,603	$ 123	8.3%	-$ 25	$ 1,578	$ 98	6.6%
User 175 m3	$ 1,411	$ 1,611	$ 200	14.1%	$ 1,561	$ 150	10.6%	-$ 25	$ 1,536	$ 125	8.8%
User 150 m3	$ 1,343	$ 1,578	$ 236	17.5%	$ 1,519	$ 177	13.2%	-$ 25	$ 1,494	$ 152	11.3%
User 125 m3	$ 1,274	$ 1,546	$ 271	21.3%	$ 1,478	$ 204	16.0%	-$ 25	$ 1,453	$ 179	14.0%
User 100 m3	$ 1,205	$ 1,513	$ 307	25.5%	$ 1,436	$ 231	19.1%	-$ 25	$ 1,411	$ 206	17.1%
User 75 m3	$ 1,137	$ 1,480	$ 343	30.2%	$ 1,394	$ 258	22.7%	-$ 25	$ 1,369	$ 233	20.5%

								Blended Change w/ Senior GIS				Blended Change w/ Senior GIS + PAP			
								Senior GIS	2021	$	%	PAP	2021	$	%
User 200 m3	$ 1,480	$ 1,644	$ 164	11.0%	$ 1,603	$ 123	8.3%	-$ 244	$ 1,359	-$ 121	-8.2%	-$ 25	$ 1,334	-$ 146	-9.9%
User 175 m3	$ 1,411	$ 1,611	$ 200	14.1%	$ 1,561	$ 150	10.6%	-$ 244	$ 1,317	-$ 94	-6.7%	-$ 25	$ 1,292	-$ 119	-8.5%
User 150 m3	$ 1,343	$ 1,578	$ 236	17.5%	$ 1,519	$ 177	13.2%	-$ 244	$ 1,275	-$ 67	-5.0%	-$ 25	$ 1,250	-$ 92	-6.9%
User 125 m3	$ 1,274	$ 1,546	$ 271	21.3%	$ 1,478	$ 204	16.0%	-$ 244	$ 1,234	-$ 40	-3.2%	-$ 25	$ 1,209	-$ 65	-5.1%
User 100 m3	$ 1,205	$ 1,513	$ 307	25.5%	$ 1,436	$ 231	19.1%	-$ 244	$ 1,192	-$ 13	-1.1%	-$ 25	$ 1,167	-$ 38	-3.2%
User 75 m3	$ 1,137	$ 1,480	$ 343	30.2%	$ 1,394	$ 258	22.7%	-$ 244	$ 1,150	$ 14	1.2%	-$ 25	$ 1,125	-$ 11	-1.0%

Appendix D - Storm Sewer Rates

Property Description	Flat Fee per Year 2020	2021
Single Family Properties	$105.00	$115.50
Multi-Residential 2 to 5 Units	$183.75	$202.13
Multi-Residential 6 to 9 Units	$236.25	$259.88
Institutional / Multi Res > 10 Units	$288.75	$317.63
Small Commerical	$183.75	$202.13
Medium Commerical	$236.25	$259.88
Large Commercial	$288.75	$317.63
Light Industrial	$393.75	$433.13
Heavy Industrial	$498.75	$548.63
City Owned	$236.25	$259.88
CNPI Owned	$236.25	$259.88
Hydro One Owned	$236.25	$259.88
Niagara Peninsula Housing	$288.75	$317.63
Niagara Region	$236.25	$259.88
Niagara Regional Housing	$288.75	$317.63
Transport Canada Owned	$236.25	$259.88
MTO Owned	$236.25	$259.88

Appendix F – Seniors on GIS and PAP Programs

Seniors on Guaranteed Income Supplement ("GIS")

This program is recommended to support Seniors on GIS. The credit would be applied on an application basis at the rate approved by Council in this report. The credit would be non-refundable meaning if for any reason the credit would result in the City credit being larger then actual charges a payment for the difference would not be awarded. Further, in the event an applicant becomes ineligible part way through the year, the credit will be prorated. As this credit is being introduced for the first time in 2021, starting April 1 the credit would be prorated for 9 months. In all future years it will be prorated for 12 months.

To qualify the following conditions are recommended to be required:

1. Applicant (or spouse) is a water and wastewater rate payer and considered responsible for the account; and
2. Applicant (or spouse) is 65 years of age or older; and
3. Applicant (or spouse) uses the property for which the application is being made for the purpose of their personal residence; and
4. Applicant (or spouse) is in receipt of a monthly GIS pursuant to Part II of the Old Age Security Act (Canada)

The City will introduce an application process. For the purposes of simplifying the process once in the program the Applicant will remain in the program until they are no longer eligible. The applicant will be required to sign as part of the application process that they agree to notify the City should the they no longer be eligible and agree they are subject to a verification request in future years. Staff will perform verification checks on a test basis. For greater clarity every applicant will not be tested every year.

Pre-authorized Payment Plan ("PAP")

The City has maintained a PAP plan for years. The benefit of the plan is residents can pay a consistent amount monthly to manage their payments and the City work with residents to manage those payments.

From the City's perspective this also helps manage cashflow for the water and wastewater program.

This report recommended a one-time $25 dollar credit for any residents that sign up for the PAP program. As illustrated in Appendix B and Appendix C this is effectively a 2% reduction in a resident's water and wastewater bill.