

Water, sewer charges increase in 2023

By Mark PavilonsEditor

The cost of municipal water and sewer services are going up again in King this year. Council approved the new higher rates, with a 3.41% hike in the variable rate, but no increase for the fixed component. Therefore, the blended rate will work out to 2.42% or \$40.50 for the average user per year. King's goal for these services is for full cost recovery from residents. The Township of King provides water services by way of four distribution systems: Ansnorveldt, King City, Nobleton and Schomberg. The Township sources its municipal water supply from York Region's water treatment and distribution systems. The Township's wastewater systems (within the villages of King City, Nobleton and Schomberg) are supported as either standalone wastewater systems or in the case of King City an integrated regional wastewater system, commonly known as the York-Durham Sewage System. The Township's water rate consists of fixed and variable components. The intent of a blended fixed/variable water rate structure is to ensure access to adequate financial resources for purposes of supporting scheduled infrastructure maintenance and long-term rehabilitation of the Township's water system assets. The fixed component represents a base charge that is billed quarterly regardless of level of water consumed which is to support the repair and replacement of infrastructure. The variable element of the Township water rate structure is directly linked to actual consumption of water per cubic metre. For billing purposes, staff will be consolidating the water and wastewater variable rate. This will reduce the number of inquiries and make the billing easier to understand for the property owners. Properties that have water servicing only will not be affected. The current rate structure provides a cost distribution based on actual consumption and the size of infrastructure connected to their homes. This methodology, staff noted, proves to be the most cost-effective approach for the water use and the most cost-effective approach that continues to be recommended. The Township's fixed rate is dependent on linear infrastructure size connected to a property. This approach aims to proportionately align infrastructure replacement and maintenance costs. As part of the 2023 Water and Wastewater rate review staff examined the costing of the fixed rate for all pipe sizes and are not recommending any increase to rates. This fixed rate will bring the Township more in line with area municipalities. King Treasurer Peggy Tollett noted roughly 5,500 of King's 7,000 properties are on municipal water. The majority are in tier one, but she said the more you use, the more you pay. Major culprits in water consumption are sprinklers and swimming pools. York Region gets the lion's share of the fees charged, roughly 72%. King keeps the remaining 28%. Staff pointed out the Township's current system is intended to promote conservation and incentivize residents to use water services in an efficient and effective manner. Also of great significance the tiered system ensures the lowest rate or costs are assigned to meeting basic human needs such as drinking, cooking, bathing, and washing. The Region sets a blended rate for water and wastewater that is charged to local municipalities. On Sept. 23, 2021, Regional Council approved a combined water and wastewater rate by 3.3% each year from April 1, 2022, to March 31, 2028. This would assist in creating a rate that will stabilize reserves to cover short-term fluctuations and allowed rates to be adjusted if longer-term trends appear different than forecasts. The proposed rates would then allow York Region to maintain full cost recovery while promoting intergenerational equity and reducing reliance on debt. It is important to note the increase cost from the Region represents 72% of the overall variable rate for the Township. The proposed 2023 water and wastewater rates were developed to ensure that rates support operational requirements of the Township's water and wastewater systems. As part of updating the Township's long-term Water and Wastewater Financial Plan, the terms of reference will be clearly aligned with long-term infrastructure needs, as well as ensuring that Township water and wastewater reserve balances are planned and projected to support the long-term sustainability of the associated systems.