

King residents facing increased costs for water, waste water

By Mark Pavilons

Water has never been thought of as a pricey commodity. The cost of water is getting hard to swallow for King residents, who will be faced with some substantial increases over the next few years.

King council approved increases to residents' water and sewer rates in 2016 and homeowners will have to dish out roughly 10% more each year for the next five years. The additional revenue is vital to set aside the needed funds for future infrastructure needs, something that has been traditionally lacking.

It amounts to roughly \$100 per year more per household, or an additional \$8.29 per month. The increase takes effect April 1, 2016. The magnitude of the increase is a cause of concern to councillor Cleve Mortelliti and his constituents. "Our rates are quite high," he observed. As a long-time resident himself, he was brought up on septic and the concept of paying for water and wastewater are relatively new concepts for older residents.

King Treasurer and Director of Finance Allan Evelyn said there are two rate structures "fixed and variable. When King underwent a rate review roughly 10 years ago, a fixed charge was put in place to establish base line source of revenue to help with infrastructure costs and to promote water conservation.

In the last five years, he explained, York Region has increased the wholesale cost of water and wastewater to its municipalities. Previous rates were simply inadequate to cover the long-term costs. This past October, York released its multi-year water and wastewater financial sustainability plan, outlining its requirements. They've had to implement a cost-recovery model and these additional costs are being passed down to municipalities.

Evelyn pointed out in smaller municipalities, with lower densities, the costs will be higher.

These rates have include long-term costs and this is being built in to the new cost structure.

The extra \$100 per year is a relatively small price to pay.

"If we think of the value of water "delivering it and its safety "it's a relatively low cost commodity," Evelyn said.

The Region started the ball rolling and Evelyn admitted that "we don't want an underfunded water/wastewater program that can't support itself in the future. We have to "ensure the system is protected in the long-term."

With such hidden infrastructure, you can't see it until something happens. And when it does, it leads to very noticeable flooding or sewage backups.

One of the main reasons York's costs are higher is they don't have access to Lake Ontario. York has to enter into purchase agreements with other jurisdictions such as Peel for its water.

This move is also mandated by the province, according to Mayor Steve Pellegrini. Queen's Park is telling municipalities to aim for a 100% cost recovery program and no longer subsidize water.

Ontario's acting Environmental Commissioner, Ellen Schwartzel, said the provincial government is recovering only a tiny fraction of its management costs for the water supplied to many industries.

In her Annual Report, "Small Things Matter," Schwartzel noted there's been no progress by the government on recovering the full cost of its water programs from users. "I am frustrated the Ministry of the Environment and Climate Change has yet to act on recommendations of both the Environmental Commissioner and the Drummond Commission," said Schwartzel.

Currently, the government recovers only 1.2% of the \$16.2 million it spends on water quantity management programs. "Not only do most industries get a total free ride, but the few industries that do pay are charged only \$3.71 for every million litres of water they take. This small charge works out to less than \$10 for enough water to fill an Olympic-size swimming pool."

Mayor Pellegrini noted that there is a cost associated with having as much clean water as you want, right at your door. It's an important asset for urban homeowners.

The increase over the coming five years will provide for reserves.

Councillor Bill Cober noted no one's happy about the 9% hike. "It's difficult to swallow," he said.