

Residents face small increase in water rates

By Mark PavilonsEditorLocal JournalismInitiative Reporter

King households will be paying more for water in the coming year.

Council approved staff recommendations for a roughly 3% hike in water and wastewater rates. On the blended total rate for water and wastewater services, it's estimated to cost homeowners \$60 more annually based on the average usage (or 2.99%) over 2025.

This includes the increase from the water and wastewater distribution from the Region of York of 3.30%.

Treasurer Peggy Tollett noted the goal of the Township is to be fully cost recoverable over the full 10-Year Capital Plan to reach financial sustainability in accordance with Council's goal and legislated requirements.

Councillor David Boyd wanted to know whether the municipality can dip into reserves and offset the increase to taxpayers. Tollett noted water is an expensive service and they have to comply with legislation.

Mayor Steve Pellegrini noted residents have 100% clean water and they are pursuing full cost recovery. He also pointed out due to hikes from York Region, residents have had to endure double-digit increases for the past decade.

The Township provides water services by way of four distribution systems in Ansnorveldt, King City, Nobleton and Schomberg. King sources its municipal water supply from York Region's water treatment and trunk 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 variable element of the Township water rate structure is directly linked to actual consumption of water per cubic meter, thereby ensuring access to financial resources directly relating to operating costs such as Township staff, purchase of water supplied by York Region, and contracted services to support emergency repairs (e.g., watermain breaks).

The fixed component represents a base charge, billed bi-monthly, regardless of water consumed, to support lifecycle rehabilitation and replacement of infrastructure.

The Township's fixed rate is dependent on the size of linear infrastructure connected to a property.

This approach aims to proportionately align infrastructure replacement and maintenance costs, staff pointed out.

The Township's variable water rate is tiered. This approach aligns with the Township's Strategic plan and goals of a Green and Sustainable Future by encouraging conservation. 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 increase for the fixed or base charge for water is proposed to be 5% while the wastewater increase is only 1%. This is to accommodate the 10-year capital plan costs for projects based on the reserve forecast. This ensures the Township is collecting enough to cover the cost of future replacement of the larger linear infrastructure.

York Region and its nine local municipalities are responsible for safely providing and delivering drinking water and managing

wastewater for more than one million residents. York Region sets a

blended rate for water and wastewater that is charged to local municipalities. Back in September of 2021, Regional Council approved a combined water and wastewater rate of 3.3% each year from April 1, 2022, to March 31, 2028. This supports a rate that will stabilize reserves to cover short-term fluctuations. The proposed rates York Region to maintain full cost recovery while promoting intergenerational equity and reducing reliance on debt.

Staff stressed that it's important to note, the increased cost from York Region represents 72% of the overall rate for the Township.

The proposed increase in the Township's variable rate represents an increase of 5.75% for water and 1% for wastewater, for a combined average increase for the variable rate of 3.375%. This includes the York Region's blended increase of 3.30% for water (supply) and wastewater (treatment) services.

The municipal water distribution system have shown to be problematic.

In order to maintain a fair and equitable bulk water rate for developers and bulk water delivery suppliers, staff recommends that the Tier 2 water rate apply on the basis of metered consumption as follows with a 5% increase recommended for 2026.

Consumption rates are going up three cents per cubic metre. The combined rate for 2026 will see the average bill go up 16 cents bimonthly. Estimates are that residents will pay roughly \$60 more annually.

For year-end December 31, 2024, the Township's Water reserve reflects a surplus of \$4.1-million and for Wastewater a surplus of \$1.38 million, for a combined balance of \$5,559,519.

Mark PavilonsEditorKing Weekly Sentineleditor@kingsentinel.comwww.kingsentinel.com905-857-662630 Martha Street, Suite 205Bolton, Ont., L7E 5V1