

IMPORTANT NOTICE

TOWN OF ONOWAY PROPERTY OWNERS



Water, Sewer and Waste Costs

February 2019 Notice



As part of the Town's commitment to keeping residents and ratepayers informed, Council has asked that this notice be distributed in conjunction with the setting of the 2019 Utility Rates. The 2019 Utility Rates were presented during the February 5th, 2019 regular council meeting and approved by Council. The approved rates are based on a number of factors (which are detailed below) and are subject to annual fluctuations resulting from both external and internal influences. This report aims to shed light on what factors impact your utility bill and how these factors impact your bill.

Full Cost Recovery Utility Modelling:

It is important to understand that the Town of Onoway has been committed to maintaining a full cost recovery utility budget for the past number of years. Under this arrangement, the expected costs of operating and maintaining utility functions are designed to remain independently self-sufficient; this helps to protect against subsidizing "user-pay" services with municipal taxes. Furthermore, the full cost recovery model used allows the town to set rates for each utility function and subsets of each utility function to address fixed costs (those costs incurred regardless of consumption level) and variable costs (those costs that fluctuate based on consumption level), as well as address capital management plans through savings and debenture repayment. If comparing Town of Onoway utility rates with other municipalities, please keep in mind many municipalities subsidize their utility rates through general taxation. The Town of Onoway does not, so our utility rates may appear higher but in reality our total utility costs may be the same, lower, or higher.

The Utility Bill:

Every month property owners in the Town of Onoway receive a utility bill. The utility bill, in one way or another, outlines the fixed costs, variable costs and shared asset management costs proportionally assigned to each property. The utility bill includes four general categories which we will detail later in the report; these categories are Water Services, Waste Water Services, Solid Waste Services and Administration. The utility bills are typically sent out in the first week of any given month and they always reflect the consumption for the previous billing period (i.e. your February 2019 bill will reflect the water consumption used during January 2019).

Water Services:

Cost related to water services remain central to the greater discussion on utility billing in the Town of Onoway. Having weathered the initial hook-up to the WILD Water Commission in December 2017, the Town continues to advocate for fair water rates through our membership in WILD and works diligently to find efficiencies in our own internal utility department budget.

On your monthly water bill you will see three water service related items:

- A Basic Water Fee (which is \$11.70 for residential sized 5/8" lines and represents a flat fee that goes towards capital asset replacement/savings for the Town's water line infrastructure). This fee is unchanged from 2018.
- A Water Consumption Fee (which is \$5.60 per cubic meter and represents a variable cost which is the combination of the Town's variable rate and WILD Water's variable rate)
- A Regional Water Debenture Fee (which is \$8.50 and represents a fixed cost for each bill and goes to pay the Town's share of the WILD Water construction costs)

In 2019, the Basic Water Meter Rates will remain the same. However, the Water Consumption Fee and Regional Debenture Fee will be seeing a slight increase:

- The Water Consumption Fee will be increasing from \$5.40/cubic meter to \$5.60/cubic meter. The Town has maintained their portion of this rate at the \$2.85 level, however cost increases charged to WILD Water have resulted in an increase in the rate WILD charges its members for consumption from \$2.55/cubic meter to \$2.75/cubic meter. In real terms, this \$0.20 increase will result in an additional cost of \$4.20 on the average bill (note average water consumption is 21 cubic meters/month). Please refer to the last page for tips on how to reduce your water consumption, thereby reducing your actual monthly water cost.
- The Regional Water Debenture Fee will be increasing from \$7.80/month to \$8.50/month. This increase is directly related to additional costs incurred to complete construction of the project; WILD incurred some cost increases and though much of the project is funded through provincial and federal agencies, the 10% portion due by WILD is then requisitioned from its members. This will be an additional cost of \$0.70/bill as of January 2019. WILD Water's total cost for construction of Phase I and Phase II is estimated at \$49 Million, of which 90% was received through Provincial and Federal funding and 10% has to be covered by municipal members. The Town's prorated share of this 10%, based on estimated consumption, is estimated at \$734,000. This debenture fee collected by the Town goes directly to the WILD Water Commission to pay for the Town's share of this debenture payment. Background information: the WILD Water Commission was formed back in 2005, and is comprised of 19 member municipalities from within Lac Ste. Anne and Parkland County boundaries. Phase I seen construction of a waterline from Stony Plain to Wabamun and Paul First Nation, including a truck fill at Kapasiwin and a booster station. Phase II seen construction of a waterline to Onoway, Alberta Beach and around the lake to Alexis Nakota Sioux Nation, and included a truck fill at Alberta Beach and a truck fill/booster station on Twp Rd 540. Phase III and IV will see future construction to communities north of Onoway (Sandy Beach and Nakamun Park

areas) and west of Wabamun (Seba Beach, Entwistle, Lake Isle areas) and applicable truck fills and/or booster stations that may be required.

Waste Water Services:

Costs related to Waste Water Services are assigned into three items; Basic Sewer Meter Fee, Sewer Consumption Fee and the Sewer Forcemain Replacement Fee. These fees will remain the same as those charged in 2018. However, for clarity:

- The Basic Meter Fee is a fixed charge per bill based on service line size. For residential properties this fee is \$7.25/bill and goes towards capital asset replacement for Town sewer infrastructure. This fee is unchanged from 2018.
- The Sewer Consumption Fee will remain at \$1.44/cubic meter, and is based on your water consumption. If you are able to reduce your water consumption you will also reduce what you pay for sewer.
- The Sewer Forcemain Replacement Fee was added in 2018. Similar to the Regional Water Debenture Fee, this charge goes to cover the costs associated with a capital construction project. This sewer Forcemain that was replaced runs from the lift station at Ruth Cust Park east to the Town's lagoon site along Highway 37. The total cost for this project was \$1.7 Million of which 74.06% was covered through Provincial/Federal funding and 25.94% has to be covered by the Town of Onoway. The Town's portion works out to \$417,325 of which the Town used \$200,000 in reserves and is collecting the other \$217,325 via this monthly replacement fee. This \$6.30 monthly placement fee will remain on your utility account for 8 years (2018 to 2025).

For a consumer using 20 cubic meters/month, the above noted increases (\$0.20/cube increase in consumption fee and \$0.70 increase for WILD debenture) would equate to $\$4.00 + \$0.70 = \$4.70/\text{month} \times 12 \text{ months} = \$56.40/\text{year}$. Please note that a 2 cubic meter/month change in your water consumption would equate to a change in your monthly consumption costs of \$14.08/month (\$11.20 in water and \$2.88 in sewer).

Solid Waste Services:

The Town contracts solid waste services from GFL Environmental. This service includes garbage collection, organic collection (seasonal) and recycling collection on a weekly schedule throughout the year. Every residential property in town, and most commercial ones, are issued carts and receive this service. Our contract with GFL provides compensation based on the number of properties. Accordingly, the total annual cost is divided by the number of serviced properties and then added to each monthly bill proportionally. There are three solid waste service charges attached to your bill:

- Garbage and Organics Collection Fee works out to \$23.00 per month per serviced property. This charge is projected to remain the same as in 2018. Garbage collection

is a weekly service on a year round basis, and Organics collection is a weekly service from May to October each year.

- Residential Recycling Fee also remain unchanged from 2018. This charge of \$4.25 per serviced property pays for the weekly blue bag collection services in the community.

Administration/Overhead:

This portion of the utility bill is addressed under the Administration Fee item of the utility bill. The fee of \$5.00/bill will remain unchanged from 2018. This charge goes to offset a portion of the Town's annual administration budget which is associated with the overhead of providing the utility services themselves.

If you have any questions with respect to your Water, Sewer and Waste costs, please call or email the office at 780-967-5338 or info@onoway.ca.

HELPFUL TIPS FOR LOWER WATER CONSUMPTION

- Tighten those taps. Check pipes, taps and toilets for leaks. You can save as much as 50 litres of water a day by fixing a dripping tap!
- Install water-saving devices on faucets and toilets.
- Turn water off while washing dishes instead of letting it run continuously.
- Only run your dishwasher with a full load.
- Take shorter showers and turn the tap off while brushing teeth.
- Adjust lawn mowers to a higher setting. A taller lawn shades roots and holds soil moisture better.
- When cleaning out fish tanks, give the nutrient-rich water to plants.
- For cold drinks, keep a pitcher of water in the refrigerator instead of running the tap.
- Do not thaw frozen foods under running water; Defrost foods in the microwave or refrigerator;
- The sun is at its most intense between 10:00 AM - 4:00 PM. 40% to 60% of water applied to lawns and gardens during that time will evaporate! Water your lawns and gardens in the early morning or evening. It is cooler and there is less wind
- Scrape, do not rinse the food off of dishes.

