



CITY COUNCIL BYLAW REPORT

Title Bylaw 6415, 2024 Water Rates

Meeting Date October 3, 2023

Submitted By Doug Kaupp, General Manager - Water, Wastewater Services

Presented By Doug Kaupp, General Manager - Water, Wastewater Services

Summary

Amend the Water Services Bylaw effective January 1, 2024 as follows:

Replace specified pricing in Schedule "A" and all of Schedules "B" and "C" as they relate to utility rates. These updated schedules reflect a 2.0% increase in water revenues in accordance with the 2023-2026 Water Utility Operating Budget, and the approved Water CIP. Amendment of the water rate bylaw is needed to support a 2.0% increase in utility revenues.

Recommendation(s)

1. That City Council provide first reading to Bylaw 6415, a Bylaw to amend Bylaw 3999 – Water Services Bylaw.

Financial

Bylaw 6415 will increase water utility revenues by 2.0%, through changes to the retail water rates within Bylaw 3999. Rates will increase by 2.0% for all customers.

Background and Prior Decisions

The Water Utility is funded through utility rates. The rates are set to provide the revenue required to balance the expenses detailed in the operating budget.

These expenses include the costs associated with:

- water treatment,
- pumping and storage,
- maintenance and life-cycle renewal of underground infrastructure,
- payments on debt that funds approved CIP projects.

The 2023 to 2026 Operating Budget was approved by City Council in late 2022. The 2024 water rates will come into effect January 1, 2024.

Engagement

- The water utility will participate in the Community Conversation event on October 23rd
- » Annual presentation of rates to the IASA (Industrial Association of Southern Alberta)
- » Utility bill stuffers are being considered.

Recommendation and Option(s) Analysis

An increase in water rates is required to achieve the 2.0% increase in water utility revenue as per the approved Operating Budget. Bylaw amendment applies 2.0% increase to both daily and consumption rate components uniformly to all customer classes. This results in 2.0% increase to residential and commercial monthly bills.

Residential (monthly)	2020/2021/2022	2023	2024
Water 20m3	\$ 36.20	\$ 36.92	\$ 37.67
		2.0%	2.0%
Commercial (monthly)			
Water 50m3	\$ 66.89	\$ 68.22	\$ 69.58
Water 500m3	\$ 584.65	\$ 596.34	\$ 608.28
Water 5000m3	\$ 4,287.32	\$ 4,373.06	\$ 4,460.52
Water 50,000m3	\$ 37,406.15	\$ 38,154.29	\$ 38,917.38
		2.0%	2.0%

Attachment(s)

1. 2024 Water Rates Bylaw 6415
2. 2024 Red-Line of 3999 Rate Schedules

Link(s)

None

Approvals

Department Director: Joel Sanchez

City Manager: Lloyd Brierley

BYLAW 6415

A BYLAW OF THE CITY OF LETHBRIDGE TO
AMEND BYLAW 3999 – THE WATER SERVICE BYLAW

THE COUNCIL OF THE CITY OF LETHBRIDGE, IN THE PROVINCE OF
ALBERTA, DULY ASSEMBLED, HEREBY ENACTS AS FOLLOWS:

1. Bylaw 3999 – Water Service Bylaw is amended by this bylaw as follows:
 - (a) in Schedule “A”, after “Hydrant water consumptive charge”, by deleting “\$ 1.352 per cubic metre” and replacing with “\$ 1.384 per cubic metre”;
 - (b) in Schedule “B”, by deleting the “Water Service Charge” table and text, and replacing it with the following table and text:

“WATER SERVICE CHARGE
Based on Water Meter Size

<u>Meter Size (mm)</u>	<u>Meter Size (inches)</u>	<u>Service Charge \$ per Day</u>
15	5/8	\$ 0.37
20	3/4	0.49
25	1	0.79
40	1½	1.53
50	2	2.19
75	3	3.97
100	4	6.09
150	6	12.19
200	8	24.38
250	10	42.65
300	12	67.03

The above charges are applicable to all consumers whether or not any
consumption of water is metered during the billing period”;

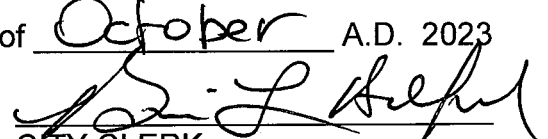
- (c) by deleting Schedule “C” and replacing it with the Schedule “C”
attached to this Bylaw as Schedule “A”.

2. This Bylaw shall come into force and effect on the 1st day of January, 2024.

READ A FIRST TIME this 3 day of October A.D. 2023



MAYOR



CITY CLERK

READ A SECOND TIME this _____ day of _____, A.D. 2023

MAYOR

CITY CLERK

READ A THIRD TIME this _____ day of _____, A.D. 2023

MAYOR

CITY CLERK

Schedule "A" to Bylaw 6415 Amending Bylaw 3999

Water Service Bylaw SCHEDULE "C"

WATER CONSUMPTION CHARGES

Domestic Water Consumption Charge

All domestic consumption of water shall be charged at a rate of **\$1.352** per cubic metre.

Commercial Water Consumption Charge

<u>Monthly Consumption</u> <u>(Cubic Metres)</u>		<u>Rate per Cubic Metre</u> <u>(Cumulative)</u>
From 0	to 750	\$1.169
From 751	to 25,000	\$0.815
From 25,001	to 50,000	\$0.702
From 50,001	and upwards	\$0.532

Irrigation Water Consumption Charge

All consumption of water registered on a lawn service meter (Section 36) shall be charged at a rate of **\$1.384** per cubic metre.

Regional Water Consumption Charges

All consumers located outside the legal boundaries of the City shall pay Commercial Water Consumption Charge and are subject to an additional Water Transmission Capital Surcharge of **\$ 0.026** per cubic metre.

Where specified in the associated water supply agreement, consumers located outside the legal boundaries of the City are further subject to an additional Water Transmission Operating Surcharge of **\$ 0.063** per cubic metre.