

Average home water bills set to rise \$100 for the year

By Brock Weir

Average home water bills in Aurora are set to rise \$25 per quarter this year.

Council is expected to sign off this week on the 2018 Water, Wastewater and Stormwater Budgets, which will see rates rise for wastewater and stormwater services, and a slight dip for regular out-of-tap water services.

This year will see the retail water rate go down by just over 12 per cent to \$2.01 per cubic metre, but the wastewater rate will rise 33.3 per cent, for a combined impact of 9.2 per cent on the tax bill.

The average household uses 62 cubic metres of water per year and, using these metrics, the household will see their bills rise by \$25.61 for each quarterly bill.

Part of the pressure is the ever-increasing bulk water rate from the Region of York, from which Aurora's water is purchased. Their bulk water rate is going up by 11.3 per cent, along with a 7.5 per cent increase for wastewater.

This year's water budget will see some juggling in the three different areas to achieve the correct balance. According to the report before Council by Town Treasurer Dan Elliott, last year's water budget included ?errors in forecasting? where wholesale costs for water were overstated by more than \$1 million. On the other hand, wholesale costs for wastewater were understated by more than \$1 million.

In short, Aurora residents consumed less water than purchased by the municipality but the municipal purchase still needs to be paid for.

?People are buying less water. That means there is less contribution to pay for these operational costs, so that puts an upward rate pressure on the budget,? said Mr. Elliott. ?The more customers does the opposite and they almost outweigh each other, but the growth of more customers does put a downward pressure on the water rates, and a downward pressure on storm rates.

?We have wholesale costs continuing to increase, however while the [Region] rates are increasing , household demand per household is actually decreasing and there are a number of factors there. Despite growth, our water consumption is not actually growing all that much as household demand is decreasing. Our fixed costs, I believe, are in good order. The growth has been adding pressures to us from a staffing perspective, so this budget is asking for two new staff, an additional mechanic in fleet maintenance area, our shop is having difficulty maintaining the entire fleet and keeping things operational and ready for the day's activities. We're also requesting a full time status conversion of an existing full time contract in our financial services area to support the water administration. With growth and real estate activity, there are a lot of factors that are driving the need for staffing there.?

Looking at the numbers, Council questioned the long line of bulk water rate increases handed down from the Region of York, including Councillor Michael Thompson who said while this was once said to only be a short-term measure, the finish line keeps getting pushed.

?Since I have been on Council, the wholesale rates have been increasing nine or 10 per cent every year,? said Councillor Thompson to Mr. Elliott. ?Whenever we gave gotten the outlook? It seems every time we get closer to the taper down point, the Region comes back and says we still need to keep it around that nine or 10 per cent. Are you confident the current forecast calling for it to taper down in the next few years will actually happen??

But Mr. Elliott said he was confident that his forecast aligned with the Region's forecast ? and that was as far as he would go.

?With great respect, the Region puts out their forecast and I only convey it to you as factually as I can,? he said. ?It seems that they predict a waning down. In the meantime, they are through their five year update program, they find more costs down the road or the cost escalations are through the roof? and I have experienced the same thing in our own shop.

?The rate is being driven primarily from their own contributions to their reserves and looking after their infrastructure, but also upstream from them is the Region of Peel and the City of Toronto doing the same thing with their wholesale rates. It is a tumbling effect. Fortunately for us, we're pretty much near end of our full cost recovery approach with the exception of stormwater. We have some work there to do, still.?