

Water price hike flushed in response to COVID-19

Planned increases to local water bills have been delayed by the Region in response to the COVID-19 emergency.

Regional Council formally voted to keep water and wastewater rates at their 2019 levels at a remote Council meeting held last Thursday.

In 2015, Council approved a User Rate Study that included six years of rate increases, including a nine per cent increase that was scheduled to take effect on April 1, 2020, said York staff in a report before Regional Council last week. A bylaw to enact the April 1, 2020 increase is tracking to Council at the end of April. Several local Councils have approved the deferral of their planned 2020 Water and Wastewater Rate increases and others are waiting for a decision from the Region before deciding on their own course of action. To align with local action and to provide fiscal relief that could be passed on to residents and businesses, staff recommend that the Region defer their scheduled nine per cent tax increase.

Staff would report back to Council to provide detailed implications of deferring the planned rate increase. Preliminary analysis suggests that the rate deferral would result in lost revenue of about \$25 million. It could also jeopardize the planned timeline for achieving full cost recovery. The 2015 User Rate Study called for a 2.9 per cent increase in 2021, the final increase in the study period, at which point the Region was expected to have achieved full cost recovery.