



# City of Prince Albert

**RPT 2025-70**

**TITLE:** Water and Sewer Utility Rates and Fees Bylaw No. 2 of 2025 – 2025 Utility Rates and Fees

**DATE:** January 24, 2025

**TO:** Special City Council

**PUBLIC:** X

**INCAMERA:**

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## **RECOMMENDATION:**

That Bylaw No. 2 of 2025, a Bylaw of The City of Prince Albert to govern the 2025 water and sewer utility rates and fees charged to consumers connected to the City's waterworks and sanitary sewer system, be introduced and given three (3) readings.

## **EXECUTIVE SUMMARY:**

The Water and Sewer Utility Rates and Fees Bylaw No. 2 of 2025 includes a 3% increase in the average annual rates and fees paid by an average Prince Albert household for 2025, an approximate increase of \$2.76 per month for an average household. The recommended rate increase is required to ensure that sufficient funds exist to cover annual operating and capital costs for 2025. The rate increases recommended in the Bylaw partially address the need to recover prior Water Utility Fund losses and the need to address the increase in projected operational and capital spending.

## **BACKGROUND:**

On January 22, 2025 the Budget Committee considered the 2025 Water Utility Fund Operating and Capital Budgets and recommended that the 2025 Water Utility Fund Operating and Capital Budget, along with the Resolutions of the Budget Committee, be forwarded to City Council for final approval.

The proposed 2025 Water and Sewer Utility Fund Budget included a 3% increase in the average annual rates and fees paid by an average in-City resident.

The intent of this report is to provide a very detailed breakdown of the proposed 2025 Water and Sewer Utility Rates and Fees as they appear in the attached Bylaw No. 2 of 2025 - **Water and Sewer Utility Rates and Fees Bylaw**.

## **PROPOSED APPROACH AND RATIONALE:**

The utility rate structure is designed to cover the water and wastewater utilities' costs related to operations (treatment, storage, pumpage, and distribution/collection systems) and capital projects related to water quality, city growth, and regulatory requirements.

These are four titles located on water bills related to water & sewer:

- Water Service
- Sewage Treatment
- Water Capital Works
- Sewer Capital Works

### Water Service

This is the water consumption rate or volumetric charge. The amount charged is based on the amount of water consumed. Residents are charged for the amount of water used. Metered Water Consumption Rate is per cubic meter of the water used.

### Sewage Treatment

This charge is based on the amount of water consumed. This is the sewer consumption rate or volumetric charge. Metered Sewer Consumption Rate is per cubic meter of the water used.

### Water Capital Works

The water capital works charge is a fixed meter charge that is a monthly flat charge. The amount charged monthly is reflected of the meter size to reflect the demand placed on the utilities. This charge is for the capital replacement of the water collection system.

### Sewer Capital Works

The sewer capital works charge is a fixed meter charge that is a monthly flat charge. The amount charged monthly is reflected of the meter size to reflect the demand placed on the utilities. This charge is for the capital replacement of the waste water collection system.

This report will provide a detailed breakdown of the increases to In-City Users and Consumers outside of the City's corporate limits.

### In-City Users

The proposed consumption rates for an In-City User for water and sewer are as follows:

Water Consumption Rate – Consumers within the City of Prince Albert Corporate Limits

Water Consumption In-City User	Rate per Cubic Meter
Year 2021	\$1.32
Year 2022	\$1.37
Year 2023	\$1.41
Year 2024	\$1.45
Year 2025	\$1.50

Sewer Consumption Rate – Consumers within the City of Prince Albert Corporate Limits

Sewer Consumption In-City User	Rate per Cubic Meter
Year 2021	\$1.18
Year 2022	\$1.21
Year 2023	\$1.25
Year 2024	\$1.29
Year 2025	\$1.33

The increase in the fixed water and sewer monthly fixed charges are as follows:

Monthly Water Fixed Charge	Year 2024	Year 2025	Monthly Increase	Annual Increase
5/8 inches	\$28.90	\$29.65	\$0.75	\$9.00
3/4 inches	\$28.90	\$29.65	\$0.75	\$9.00
1 inch	\$40.46	\$41.51	\$1.05	\$12.60
1.5 inches	\$52.02	\$53.37	\$1.35	\$16.20
2 inches	\$83.81	\$85.99	\$2.18	\$26.16
3 inches	\$317.90	\$326.15	\$8.25	\$99.00
4 inches	\$404.60	\$415.10	\$10.50	\$126.00

Monthly Sewer Fixed Charge	Year 2024	Year 2025	Monthly Increase	Annual Increase
5/8 inches	\$26.90	\$27.65	\$0.75	\$9.00
3/4 inches	\$26.90	\$27.65	\$0.75	\$9.00
1 inch	\$37.66	\$38.71	\$1.05	\$12.60
1.5 inches	\$48.42	\$49.77	\$1.35	\$16.20
2 inches	\$78.01	\$80.19	\$2.18	\$26.16
3 inches	\$295.90	\$304.15	\$8.25	\$99.00
4 inches	\$376.60	\$387.10	\$10.50	\$126.00

### Impact to In-City Residential Water Users

The proposed 2025 Water and Sewer Utility Rates include an average of 3% increase as follows:

#### Average Residential - Monthly Charges for 14 cubic meters monthly

14 cubic meters 5/8 or 3/4 inch meter	Year 2024		Year 2025	
	Utility Rates	Utility Costs	Utility Rates	Utility Costs
Water Consumption	\$1.45	\$20.30	\$1.50	\$21.00
Sewer Consumption	\$1.29	\$18.06	\$1.33	\$18.62
Water Fixed Charges	\$28.90	\$28.90	\$29.65	\$29.65
Monthly Fixed Charges	\$26.90	\$26.90	\$27.65	\$27.65
<b>TOTAL MONTHLY</b>		<b>\$94.16</b>		<b>\$96.92</b>

Monthly Increase **\$2.76**

Yearly Increase **\$33.12**

Percentage Increase **3%**

#### Average Residential - Monthly Charges for 22.9 cubic meters monthly

22.9 cubic meters 5/8 or 3/4 inch meter	Year 2024		Year 2025	
	Utility Rates	Utility Costs	Utility Rates	Utility Costs
Water Consumption	\$1.45	\$33.21	\$1.50	\$34.35
Sewer Consumption	\$1.29	\$29.54	\$1.33	\$30.46
Water Fixed Charges	\$28.90	\$28.90	\$29.65	\$29.65
Monthly Fixed Charges	\$26.90	\$26.90	\$27.65	\$27.65
<b>TOTAL MONTHLY</b>		<b>\$118.55</b>		<b>\$122.11</b>

Monthly Increase **\$3.56**

Yearly Increase **\$42.73**

Percentage Increase **3%**

**Average Residential - Monthly Charges for 45.8 cubic meters monthly**

45.8 cubic meters 5/8 or 3/4 inch meter	Year 2024		Year 2025	
	Utility Rates	Utility Costs	Utility Rates	Utility Costs
Water Consumption	\$1.45	\$66.41	\$1.50	\$68.70
Sewer Consumption	\$1.29	\$59.08	\$1.33	\$60.91
Water Fixed Charges	\$28.90	\$28.90	\$29.65	\$29.65
Monthly Fixed Charges	\$26.90	\$26.90	\$27.65	\$27.65
<b>TOTAL MONTHLY CHARGES</b>		<b>\$181.29</b>		<b>\$186.91</b>

<b>Monthly Increase</b>	<b>\$5.62</b>
<b>Yearly Increase</b>	<b>\$67.46</b>
<b>Percentage Increase</b>	<b>3%</b>

**Commercial User – Monthly Charges for 250 cubic meters monthly**

Average Commercial 250 cubic meters 1" Meter Size	Year 2024		Year 2025	
	Utility Rates	Utility Costs	Utility Rates	Utility Costs
Water Consumption	\$1.45	\$362.50	\$1.50	\$375.00
Sewer Consumption	\$1.29	\$322.50	\$1.33	\$332.50
Water Fixed Charges	\$40.46	\$40.46	\$41.51	\$41.51
Monthly Fixed Charges	\$37.66	\$37.66	\$38.71	\$38.71
<b>TOTAL MONTHLY CHARGES</b>		<b>\$763.12</b>		<b>\$787.72</b>

<b>Monthly Increase</b>	<b>\$24.60</b>
<b>Yearly Increase</b>	<b>\$295.20</b>
<b>Percentage Increase</b>	<b>3%</b>

### Prince Albert Rural Water

The Prince Albert Rural Water entered into a new Water Supply Agreement for a term of five (5) years effective May 15, 2024 for the supply of water by the City. The new Water Supply Agreement includes a water consumption charge based on the amount of water sold. There is no longer a fixed monthly charge.

The new proposed rate structure is strictly charged on water sold to the Prince Albert Rural Water Utility. The new rate structure is calculated based on water usage by the users of the Prince Albert Rural Water Utility.

The new proposed rate structure is based on a markup over the City's cost per cubic meter for water. Over time, with the expansion of the Prince Albert Rural Water Utility, water consumption will increase which will generate additional revenue for water sold in the years to come.

The new rate structure provides transparency to the Prince Albert Rural Water Utility users and transparent costs for the City to produce water for its consumers.

The new Agreement between the City and Prince Albert Rural Water Utility (PARWU) includes a mark up of \$1.10 per cubic meter above the yearly calculated City water costs. Based on 2025 budgeted expenditures, the rate for Prince Albert Rural Water is \$3.47.

For 2025, you will only see a consumption charge for Prince Albert Rural Water, as the consumption and fixed charges have been combined into one fee with a mark-up cost to the users of PARWU.

### Outside City Users

The water and sewer consumption rates for consumers **outside** of the City of Prince Albert corporate limits include:

Water Consumption Rate (In-City Rate x 175%)	\$2.62
Sewer Consumption Rate (In-City Rate x 175%)	\$2.33

This includes some of the following consumers:

- Trailer Courts (Driftwood and Eastview)
- Saskatchewan Penitentiary
- Western First Nations (Super 8 Motel)
- Heartland Livestock Services.
- Twilite Motel Inc.

The fixed meter charge is the meter charge plus 50%, excluding the Trailer Courts and Sask Penitentiary.

### Provincial Correctional Facilities and Federal Institutions (Penitentiaries)

The water and sewer monthly service charge will be applied to the respective calculated equivalent number of customers using the fixed monthly rates as follows:

- based on the number of inmates divided by 2.5 = Equivalent Customers
  - Equivalent Customers x \$ rate = Monthly Water Service Charge
  - Equivalent Customers x \$ rate = Monthly Sewer Service Charge

	Monthly <b>Water</b> Service Charge	Monthly <b>Sewer</b> Service Charge
2024	\$53.01	\$33.63
2025	\$55.00	\$34.56

**Trailer Courts**

The water and sewer monthly service charge will be applied based on the number of users/households “outside of the City of Prince Albert Corporate Limits” connected to the City's watermain and sanitary sewer system = Equivalent Customers

- Equivalent Customers x \$ rate = Monthly Water Service Charge
- Equivalent Customers x \$ rate = Monthly Sewer Service Charge

	Monthly <b>Water</b> Service Charge	Monthly <b>Sewer</b> Service Charge
2024	\$53.01	\$26.90
2025	\$55.00	\$27.65

**Other Increases in Bylaw**

The attached new Water and Sewer Utility Rates and Fees Bylaw includes other increases for the water crane and septic dumping fees based on a review and research of nearby communities. The new rates will be as follows:

Water Crane	\$6.50 per cubic meter
Septic Dumping Fees	\$8.00 per cubic meter

The flat fee for the replacement of a damaged meter endpoints and replacement of frozen or damaged water meters have been increased to reflect current costs of water meters.

The rates for temporary turn-on and turn-off and re-connection fees are as follows:

From May 16 to November 30, inclusive	\$50.00
From December 1 to May 15, inclusive	\$150.00

**CONSULTATIONS:**

Finance Administration consulted with Senior Management and Public Works relating to the proposed rate increases for 2025.

**COMMUNICATION AND/OR ANNOUNCEMENT PLAN:**

Once City Council approves the proposed Bylaw, Administration will update the City's Website with the new Bylaw. As well, a copy of the approved Bylaw will be forwarded to the Prince Albert Rural Water, the Trailer Courts, and the Provincial Correctional Facilities and the Federal Institutions.

**BUDGET/FINANCIAL IMPLICATIONS:**

Please note that the recommended rate increases are required to ensure that sufficient funds exist to cover annual operating costs and capital costs for 2025.

The new rates will be effective January 1, 2025.

The rates have been incorporated into the revenues for the 2025 Water and Sewer Utility Fund Budget.

**OTHER CONSIDERATIONS/IMPLICATIONS:**

There are no privacy, legal, safety or environmental implications.

**POLICY IMPLICATIONS:**

The attached Bylaw No. 2 of 2025 will repeal Bylaw No. 22 of 2021 – Water and Sewer Utility Rates and Fees Bylaw.

**OPTIONS TO RECOMMENDATION:**

There are no options to the recommendation.

**STRATEGIC PLAN:**

This budget supports the strategic priority of Building a Robust Economy by creating an equitable utility rate structure that promotes community growth, developing and maintaining new and existing amenities and infrastructure, and promoting positive economic development outcomes so new residents will be attracted to Prince Albert.

**OFFICIAL COMMUNITY PLAN:**

Section 14 of the OCP highlights financial Goals and Policies aimed to “maintain effective management, efficiencies and accountability of the City’s fiscal budgets and operations”.

**PUBLIC NOTICE:**

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

**ATTACHMENTS:**

1. Water and Sewer Utility Rates and Fees Bylaw No. 2 of 2025.
2. Water and Sewer Utility Rates and Fees Bylaw No. 22 of 2021.

**Written by:** Melodie Boulet, Finance Manager

**Approved by:** Senior Accounting Manager, Director of Financial Services and City Manager