

Budget Committee

Meeting No. 19	Contact Matthew Green, Committee Administrator
Meeting Date Monday, November 23, 2020	Phone 416-392-4666
Start Time 9:30 AM	E-mail buc@toronto.ca
Location Video Conference	Chair Councillor Gary Crawford

BU19.1	ACTION	Adopted		Ward: All
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2021 Rate Supported Budget - 2021 Water and Wastewater Consumption Rates and Service Fees

Public Notice Given

Committee Decision

The Budget Committee recommends to the Executive Committee that:

Rates and Fees

1. City Council adopt:

a. effective January 1, 2021, a 1.5 percent rate increase to the combined water and wastewater consumption rates (paid on or before the due date) charged to metered consumers as shown below and in Appendix B to the report (October 30, 2020) from the Chief Financial Officer and Treasurer and the General Manager, Toronto Water:

Table 1 - Rate Increase to Combined Water and Wastewater Consumption Rates Charged to Metered Consumers

Annual Consumption	Paid on or before the due date, \$/m3	Paid after the due date, \$/m3
Block 1 - All consumers of water, including the first 5,000 cubic metres per year consumed by Industrial users ("Block 1 rate")	4.1346	4.3522
Block 2 - Industrial process – use water consumption over 5,000 cubic metres per year, representing a 30 percent reduction from the Block 1 Rate ("Block 2 rate")	2.8941	3.0464

b. effective January 1, 2021, an increase of 1.5 percent to the water and wastewater consumption rates (paid on or before the due date) charged to flat rate consumers, as set out in Appendix B to the report (October 30, 2020) from the Chief Financial Officer and Treasurer and the General Manager, Toronto Water; and

c. effective January 1, 2021 the water and wastewater service fees, as set out in Appendix C to the report (October 30, 2020) from the Chief Financial Officer and Treasurer and the General Manager,

Toronto Water.

2. With respect to assistance for low-income seniors and low-income disabled persons, City Council:
 - a. effective January 1, 2021, set the water rebate for eligible low-income seniors and low-income disabled persons at a rate of \$1.2404 /m3, representing a 30% reduction from the Block 1 rate (paid on or before the due date).
3. City Council amend Municipal Code Chapter 441 - Fees and Charges, Municipal Code, Chapter 849 - Water and Sewage Services and Utility Bill, Municipal Code Chapter 851 - Water Supply, and Municipal Code Chapter 681- Sewers, and any other necessary Municipal Code Chapters as may be required, to give effect to these Recommendations.
4. City Council authorize the City Solicitor to introduce any necessary Bills required to give effect to Council's decision and authorize the City Solicitor to make any necessary clarifications, refinements, including stylistic, format and organization, minor modifications, technical amendments or by-law amendments as may be identified by the City Solicitor, the Chief Financial Officer & Treasurer and the General Manager, Toronto Water.

Operating and Capital Budgets

5. City Council approve the 2021 Operating Budget for Toronto Water of \$468.824 million gross, \$1,415.336 million revenue and \$946.512 million net capital from current contribution for the following services:

Service:	Gross (\$000s)	Revenue (\$000s)	Capital from Current Contribution (\$000s)
Water Treatment and Supply	195,791.0	619,109.7	423,318.7
Wastewater Collection and Treatment	229,905.6	785,617.5	555,711.9
Stormwater Management	43,127.5	10,609.2	-32,518.3
Total Program Budget	468,824.0	1,415,336.3	946,512.3

6. City Council approve the 2021 staff complement for Toronto Water of 1,841.3 positions comprised of 116.0 capital position and 1,725.3 operating positions.
7. City Council approve 2021 Capital Budget for Toronto Water with cash flows and future year commitments totalling \$7.597 billion as detailed by project in Appendix 6a to the 2021 Staff Recommended Capital and Operating Budget Notes - Toronto Water.
8. City Council approve the 2022-2030 Capital Plan for Toronto Water totalling \$7.188 billion in project estimates as detailed by project in Appendix 6b to the 2021 Staff Recommended Capital and Operating Budget Notes - Toronto Water.
9. City Council request that all sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2021 and if such funding is not forthcoming, their priority and funding be

reassessed by City Council relative to other City-financed priorities and needs.

Service Levels

10. City Council approve the 2021 service levels for Toronto Water as outlined in Appendix 1 to the report (November 6, 2020) from the General Manager, Toronto Water, titled "Recommended 2021 Service Levels - Toronto Water".

Origin

(October 30, 2020) Report from the Chief Financial Officer and Treasurer and the General Manager, Toronto Water

Summary

This report presents the recommended 2021 water and wastewater consumption rates and service fees arising from the concurrent adoption by City Council of the 2021 Toronto Water Operating and Capital Budgets.

In order to support the recovery from the impact of COVID -19, this report recommends a 1.5 percent water and wastewater consumption rate increase, effective January 1, 2021, and inflationary fee increases for certain existing water and wastewater service fees, reflecting cost recovery for these services.

The recommended 2021 water and wastewater consumption rates and service fees will allow the Toronto Water Program to remain fully self-funded and financially stable, with both operating and capital needs being met without excessive year-over-year fluctuations in pricing over the long term.

Background Information

(October 30, 2020) Report from the Chief Financial Officer and Treasurer and the General Manager, Toronto Water on 2021 Water and Wastewater Consumption Rates and Service Fees (<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158193.pdf>)

Appendix A - Summary of 2021 Operating and Capital Budget and Forecast, Corresponding Rate Increase and Capital Financing

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158194.pdf>)

Appendix B - 2021 Water and Wastewater Consumption Rates

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158195.pdf>)

Appendix C - 2021 Water and Wastewater Service Fees

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158196.pdf>)

2021 Staff Recommended Capital and Operating Budget Notes - Toronto Water

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158355.pdf>)

2021 Report 7C - Toronto Water

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158362.pdf>)

2021 Report 7C - Toronto Wastewater

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158760.pdf>)

(November 6, 2020) Report and Appendix 1 from the General Manager, Toronto Water on Recommended 2020 Service Levels - Toronto Water

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158406.pdf>)

(November 6, 2020) Notice of Public Meeting - Proposed Amendments to the City of Toronto Municipal Code for Increases to the Water and Wastewater Consumption Rates and Certain Water and Wastewater Service Fees

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158364.pdf>)

Notice of Public Meeting - Appendix A - 2021 Water and Wastewater Consumption Rates

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158366.pdf>)

Notice of Public Meeting - Appendix B - Water Services

(<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158367.pdf>)

(October 15, 2020) Briefing Note 1 - 2021 Capital Budget Briefing Note - Basement Flooding Protection Program - Program Status Update and Project List - 2021 to 2025

<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158561.pdf>

(October 15, 2020) Attachment 1 to Briefing Note 1 - 2021 Capital Budget Briefing Note - Basement Flooding Protection Program - Program Status Update and Project List - 2021 to 2025

<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158562.pdf>

(October 15, 2020) Attachment 2 to Briefing Note 1 - 2021 Capital Budget Briefing Note - Basement Flooding Protection Program - Program Status Update and Project List - 2021 to 2025

<http://www.toronto.ca/legdocs/mmis/2020/bu/bgrd/backgroundfile-158563.pdf>

Communications

(November 7, 2020) E-mail from Rick McMulkin (BU.Supp.BU19.1.1)