

City Clerk's Office

Secretariat
Marilyn Toft
Council Secretariat Support
City Hall, 12th Floor, West
100 Queen Street West
Toronto, Ontario M5H 2N2Tel: 416-392-7032
Fax: 416-392-2980
email: mtoft@toronto.ca
web: www.toronto.ca**In reply please quote:
Ref.: 11-EX13.1**

December 6, 2011

BUDGET COMMITTEE:**Subject: Executive Committee Item 13.1
2012 Rate Supported Budgets - Toronto Water and 2012 Water and
Wastewater Rates and Service Fees (Ward All)**

City Council on November 29, 30 and December 1, 2011, adopted this Item, as amended, and in so doing, has referred the following motions by Councillor De Baeremaeker to the Budget Committee for consideration with the 2013 capital budget process:

That:

- a. City Council amend the 2012-2021 Capital budget to include a \$5 million allocation to the Scarborough Waterfront Trail and Erosion Control Project with the offset to come from the contribution to the Toronto Water Capital Reserve.
- b. City Council amend the 2012-2021 Capital budget by including a \$3 million increase to the Land Acquisition for Source Water Protection Fund with the offset to come from the contribution to the Toronto Water Capital Reserve.

for City Clerk

M. Toft/sb

Attachment

Sent to: Budget Committee
All Interested Parties

City Clerk's Office

Secretariat
Marilyn Toft
Council Secretariat Support
City Hall, 12th Floor, West
100 Queen Street West
Toronto, Ontario M5H 2N2

Tel: 416-392-7032
Fax: 416-392-2980
email: mtoft@toronto.ca
web: www.toronto.ca

**In reply please quote:
Ref.: 11-EX13.1**

December 6, 2011

ALL INTERESTED PARTIES:

**Subject: Executive Committee Item 13.1
2012 Rate Supported Budgets - Toronto Water and 2012 Water and
Wastewater Rates and Service Fees (Ward All)**

City Council on November 29, 30 and December 1, 2011, adopted the following:

1. City Council approve the following:
 - a. Effective January 1, 2012, the combined water and wastewater rates charged to metered consumers shall be as shown below and in Appendix B attached to the report (November 9, 2011) from the Deputy City Manager and Chief Financial Officer, and the General Manager, Toronto Water:

Annual Consumption	Paid on or before the due date, \$/m3	Paid after the due date, \$/m3
Block 1 - All consumers, including Industrial consumption of first 6,000 m ³	\$2.4897	\$2.6209
Block 2 - Industrial tax class, volumes consumed over 6,000 m ³ , representing 30 percent reduction from the Block 1 Rate	\$1.7428	\$1.8345

- b. The water and wastewater rates charged to flat rate consumers be increased by 9 percent, effective January 1, 2012, to the rates shown in Appendix B attached to the report (November 9, 2011) from the Deputy City Manager and Chief Financial Officer, and the General Manager, Toronto Water;
 - c. Effective January 1, 2012, the water and wastewater service fees shall be as shown in Appendix C attached to the report (November 9, 2011) from the Deputy City Manager and Chief Financial Officer, and the General Manager, Toronto Water;
 - d. Effective January 1, 2012, an inspection fee be charged for the reuse of residential City sewer connection up to 150 mm with the fee to be set at \$500.00 per service to be reused, as set out in Appendix C - Schedule 3, Wastewater

Services, Ref. No. 15, attached to the report (November 9, 2011) from the Deputy City Manager and Chief Financial Officer, and the General Manager, Toronto Water;

- e. Effective January 1, 2012, a fee be charged for Technical Review by Toronto Water staff – Application to Toronto Water for exemption to permit the construction of a driveway sloped downwards towards a residential building with the fee to be set at \$1,500.00 per application, as set out in Appendix C - Schedule 3, Wastewater Services, Ref. No. 16, attached to the report (November 9, 2011) from the Deputy City Manager and Chief Financial Officer, and the General Manager, Toronto Water;
 - f. Effective January 1, 2012, a fee be charged for Technical Review by Toronto Water staff – Application to Toronto Water for new connection or relocation of storm, sanitary or water supply connection with the fee to be set at \$300 minimum fee; additional \$74/hour for each hour after 4 hours to a maximum fee of \$1,500 per application, as set out in Appendix C - Schedule 3, Wastewater Services, Ref. No. 17, attached to the report (November 9, 2011) from the Deputy City Manager and Chief Financial Officer, and the General Manager, Toronto Water;
 - g. Effective January 1, 2012, a fee be charged for Technical Review by Toronto Water staff - Application to Toronto Water for request to encroach within a City permanent or temporary easement (related to City water and sewer infrastructure) with the fee to be set at \$300 minimum fee; additional \$74/hour for each hour after 4 hours to a maximum fee of \$1,500 per application, as set out in Appendix C - Schedule 3, Wastewater Services, Ref. No. 18; attached to the report (November 9, 2011) from the Deputy City Manager and Chief Financial Officer, and the General Manager, Toronto Water;
 - h. Effective January 1, 2012, a fee be charged for Technical Review by Toronto Water staff – Application to Toronto Water for request to release from title a City easement (related to City water and/or sewer infrastructure) with the fee to be set at \$300 minimum fee; additional \$74/hour for each hour after 4 hours to a maximum fee of \$1,500 per application, as set out in Appendix C – Schedule 3, Wastewater Services, Ref. No. 19; attached to the report (November 9, 2011) from the Deputy City Manager and Chief Financial Officer, and the General Manager, Toronto Water; and
 - i. The General Manager, Toronto Water be directed to ensure that only in instances where a Water Service Turn-Off request is followed by a Water Service Turn-On request within 30 minutes of City staff providing the Water Service Turn-Off, the additional \$75.00 Water Service Turn-On Fee be waived providing City staff did not leave the given property during the time period.
2. With respect to assistance for low-income seniors and low-income disabled persons, City Council approve the following:
 - a. The rebate for eligible low-income seniors and low-income disabled persons be set at a rate of \$0.7469 /m³, effective January 1, 2012, representing a 30 percent reduction from the Block 1 Rate (paid on or before the due date).

3. City Council authorize, effective January 1, 2012, amendments to Municipal Code Chapter 849-18 "Eligibility For Block 2 Rate" which would allow the General Manager, Toronto Water, authority to resolve non-compliance issues wherein failure to do so within six (6) months, to the satisfaction of the General Manager, Toronto Water, would remove the Block 2 Rate eligibility.
4. City Council authorize staff to consult with the City's major water stakeholders on funding options to address the capital funding deficiencies of the Program, including potential changes to the water rate pricing structure, and report back through the appropriate Committee in June 2012 so that any approved changes can be incorporated into the 2013 Toronto Water Budget and Rate Setting Process.
5. City Council authorize the necessary amendments to Municipal Code Chapter 441, Fees and Charges and Municipal Code Chapter 849, Water and Sewage Services and Utility Bill, and any other necessary Municipal Code Chapters as may be required, to give effect to Parts 1, 2 and 3, above.
6. City Council authorize the City Solicitor to introduce any necessary Bills required to implement Council's decision, subject to any necessary refinements, including stylistic, format and organization, as may be identified by the City Solicitor, the Deputy City Manager and Chief Financial Officer and the General Manager, Toronto Water.
7. City Council authorize and direct the appropriate City officials to take the necessary actions to give effect to Council's decision.

Toronto Water - 2012 Recommended Operating Budget

8. City Council approve the 2012 Recommended Operating Budget for Toronto Water of \$381.553 million gross and \$511.780 million in capital-from-current contribution, as funded by the water and wastewater user rates and other recoveries, comprised of the following services:

<u>Service(s)</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Water Supply & Treatment	66,916.0	0
Wastewater Treatment	103,356.4	0
District Operations	88,969.0	0
Water Infrastructure Management	9,557.8	0
Business Operations Management	17,961.6	0
Operational Support	36,398.1	0
Program Support	58,667.3	0
Capital-from-Current Contribution	511,779.7	0
Total Program Budget	<u>893,332.9</u>	<u>0</u>

9. City Council maintain the information in Confidential Attachment 1 as confidential until the outcome of City Council's decision has been communicated to the Union and affected staff.

Toronto Water – 2012-2021 Capital Plan

10. City Council approve the 2012 Recommended Capital Budget for Toronto Water with a total project cost of (\$84.206 million), and 2012 cash flow of \$607.517 million and future year commitments of \$1.876 billion comprised of the following:

- a. New Cash Flow Funding for:
- i. 258 new/change in scope sub-projects with a 2012 total project cost of (\$84.206 million) that requires cash flow of \$31.181 million in 2012 and a future year commitment/commitment adjustment of (\$46.332 million) in 2013, (\$116.851 million) in 2014, (\$71.573 million) in 2015, \$34.857 million in 2016, (\$6.715 million) in 2017, \$34.232 million in 2018, \$32.688 million in 2019, (\$9.625 million) in 2020 and \$33.932 million in 2021; and
 - ii. 208 previously approved sub-projects with a 2012 cash flow of \$576.336 million and a future year commitment of \$574.174million in 2013, \$503.660 million in 2014, \$406.285 million in 2015, \$171.223 million in 2016, \$121.741 million in 2017, \$89.599 million in 2018, \$69.707 million in 2019 and \$54.928 million in 2020;
11. City Council approve the 2013-2021 Recommended Capital Plan for Toronto Water totalling \$5.393 billion in project estimates, comprised of \$128.956 million in 2013; \$351.171 million in 2014; \$432.900 million in 2015; \$568.497 million in 2016; \$659.022 million in 2017; \$694.189 million in 2018; \$769.076 million in 2019; \$883.792 million in 2020; and \$905.115 million in 2021.
 12. City Council consider operating impacts of \$0.150 million in 2014; \$0.397 million in 2015; \$0.346 million in 2016; \$0.152 million in 2017; \$0.053 million in 2018; \$0.115 million in 2019; \$6.990 million in 2020; and, \$4.878 million in 2021 emanating from the approval of the 2012 Recommended Capital Budget for inclusion in the 2012 and future year operating budgets.
 13. City Council approve the transfer of \$18.455 million to the Water Capital Financing Reserve (XR6003) from the Toronto Universal Metering project (CPW515-1).
 14. City Council approve the transfer of \$13.760 million to the Wastewater Capital Financing Reserve (XR6004) from the 2004 Sewer Development Charge Reserve (XR2026).
 15. City Council request the General Manager of Toronto Water in consultation with the Deputy City Manager and Chief Financial Officer to report to the Budget Committee in June 2012 on strategies to maximize funding capacity and/or provide reductions in current project costs to address existing and emerging unfunded capital priorities for consideration prior to the 2013 Capital Budget process.
 16. City Council receive for information the Budget Briefing Notes and Wrap Up Notes for the 2012 Operating and Capital Budgets of the 2012 Rate Supported Budget for Toronto Water and 2012 Water and Wastewater Rates and Service Fees.
 17. City Council refer the following motions by Councillor De Baeremaeker to the Budget Committee for consideration with the 2013 capital budget process:

That:

- a. City Council amend the 2012-2021 Capital budget to include a \$5 million allocation to the Scarborough Waterfront Trail and Erosion Control Project with the offset to come from the contribution to the Toronto Water Capital Reserve.

- b. City Council amend the 2012-2021 Capital budget by including a \$3 million increase to the Land Acquisition for Source Water Protection Fund with the offset to come from the contribution to the Toronto Water Capital Reserve.

Confidential Attachment 1 referred to in Part 9 above remains confidential in its entirety, at this time, in accordance with the provisions of the City of Toronto Act, 2006, as it relates to personal matters about identifiable individuals. The confidential information will be made public once the outcome of City Council's decision has been communicated to the Union and affected staff.

The Executive Committee Item 13.1, in its entirety, can be accessed through the City's web site at the following address:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.EX13.1>

The Item is also available in the City Clerk's Office, 12th Floor West, City Hall.

for City Clerk

M. Toft/sb

Attachment

Sent to: Budget Committee
All Interested Parties