

Nov 30, 2015

Via email: exc@toronto.ca

Executive Committee
10th floor, West Tower, City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Attention: Ms. Jennifer Forkes, Administrator, Executive Committee

Dear Mayor Tory and Members of the Executive Committee,

Re: Item 10.23: 2016 Rate Supported Budgets - Toronto Water and Recommended 2016 Water and Wastewater Rates and Service Fees

Quantex wishes to express our concern regarding the proposed increases in the water rate and sewer surcharges for 2016.

Quantex operates two industrial waste treatment facilities in Ontario, one being located on Cherry Street in the Toronto port lands and the second facility being located in Kitchener. Quantex recently purchased a new property in South Etobicoke with the intent of relocating the Cherry Street facility to a newly built facility in South Etobicoke with expanded capabilities and employment opportunities. Quantex presently employs 20 personnel at the Kitchener facility and 28 personnel at the Toronto facility.

Obviously as a waste water treatment facility, sewer surcharges are a significant concern, as they are a significant cost to our overall operation. While Quantex does use some water to operate boilers and other process equipment water cost does not impart as significant a cost increase as do sewer surcharges, but of even more significant impact to Quantex, is the ever increasing water costs to our customer base as is clearly evidenced by the steady departure of industry from the GTA. The volume of industrial waste water being received by our facility for treatment has been steadily decreasing on an annual basis. This is not due to more efficient business practices by our customers,

but rather from them closing operations and moving to jurisdictions outside the GTA that exhibit a more favorable attitude toward business.

Having two facilities in Ontario, Quantex has a very clear picture of the significantly higher costs of doing business in the GTA. As Quantex is already established in the GTA, we are committed to maintain the existing services that we provide but it is becoming ever increasingly difficult to invest in the GTA when the funds would be more wisely invested in the Kitchener facility. The message that this city is sending out to the business community is not a positive one.

We ask that the City through its Executive Committee, exercise some reasonable restraint and refrain from this dramatic level of cost increase. This along with all the other increases in the cost of doing business in the City will definitely curtail the future expansion and growth of industry within the City.

Thank you.

Yours very truly,

Stephen Milligan,
Quantex Technologies Inc.

cc. Councilor Mark Grimes, Ward 6