



NOTICE OF SEWAGE RATE INCREASE

Date: April 13, 2010

In 2005, the Township of Malahide hired a consulting Engineer and an Economist to prepare a Sewage Rate Analysis and to make recommendations on sewage rates which would **ensure that the Township is raising sufficient money to meet the provisions of the Safe Drinking Water Act, 2002.**

This legislation requires that the Township's sewage rates be established to ensure that there is sufficient money being transferred annually into an Accumulated Surplus account for future use to finance the cost of replacing items such as the collection lines and pumping station, as well as, the Township's share of future force main and sewage lagoon upgrades. *The Township's failure to comply with the regulations will directly affect the ability to provide sewage services to the users of the system.*

Further, Ontario Regulation 453/07 requires the Township to prepare a financial plan for a six year planning horizon which indicates that the sewage system is financially viable.

The Consultants' reports indicated that an Accumulated Surplus balance of \$417,000.00 is required by 2015 in order to meet The Township's future financial obligations. As at December 31, 2009, the Accumulated Surplus account had a balance of \$103,230.44. Based on the proposed rate increases, it is projected that the Accumulated Surplus account will have a 2015 balance of approximately \$399,333.00, which is only slightly less than what has been identified as being necessary to finance future infrastructure replacement.

While the existing sewage rates are generally sufficient to provide for the system's ongoing operational expenses; the rate increases as shown below are required in order to ensure that the Township's share of future replacement costs are able to be met.

This notice confirms the 2010 and 2011 sewage rates as indicated below. These are the same rates that were provided in the 2008 Notice to existing sewage customers.

YEAR	RESIDENTIAL RATE
2009 actual	\$606.80/yr = \$151.70 for each 3 month billing
2010 proposed	\$675.80/yr = \$168.95 for each 3 month billing
2011 proposed	\$744.80/yr = \$186.20 for each 3 month billing

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residential customers that are also affected by the rate increases, including the newly constructed Malahide Community Place. The rate for a non-residential customer is 4 times the rate of residential customers.

A Public Meeting will be held on Thursday, May 6, 2010 at 8:00 p.m. to consider a by-law to establish the new sewage rate of \$168.95 for each 3 month residential billing, effective July 1, 2010; and the 2011 rate of \$186.20 for each 3 month residential billing. The non-residential rates will be \$675.80 and \$744.80 for each 3 month billing.

M. Casavecchia
Chief Administrative Officer/Clerk



TOWNSHIP OF MALAHIDE

Public Notice Regarding Meeting to Present the Proposed 2010 and 2011 Wastewater (Sewage) Rates

Part XII of the Municipal Act, 2001 allows the Township of Malahide to pass a by-law to impose fees or charges for the use of a sewage system. Ontario Regulation 244/02, s.12, requires that the Township hold at least one public meeting to inform the public of the proposed rates and the basis for these rates. Any one in attendance may make representation to the Council.

The Township intends to pass a by-law to amend the current wastewater fee to provide sufficient revenues to meet the legislated requirements of the "Safe Drinking Water Act".

The "Financial Plan" being the basis for the proposed rates is available for viewing at the Township Office and on the Township Web Site (www.malahide.ca).

Please be notified that such a Public Meeting will be held on Thursday, May 6, 2010 at 8:00 p.m. in the Township of Malahide Council Chambers, 87 John Street South, Aylmer.