

M A N I T O B A                    )     Order No. 112/05  
  )  
THE PUBLIC UTILITIES BOARD ACT    )     July 20, 2005

BEFORE: S. Proven, Acting Chair  
          M. Girouard, Member

**THE RURAL MUNICIPALITY OF SPRINGFIELD  
APPLICATION FOR APPROVAL OF OPERATING DEFICITS  
FOR THE DUGALD AND OAKBANK UTILITIES,  
APPROVAL OF THE JOINING OF THE UTILITIES, AND  
THE APPROVAL OF REVISED WATER AND SEWER RATES**

On April 1, 2005, the Rural Municipality of Springfield (the "Municipality") applied to The Public Utilities Board (the "Board") for approval of operating deficits in 2004 for the Dugald Utility in the amount of \$20,667.32 and the Oakbank Utility in the amount of \$19,807.40, for authority to combine the two utilities of Oakbank and Dugald and for revised water and sewer rates for the joined utilities as set out in By-law No. 05-09 filed with the Board after first reading given on March 8, 2005.

Pursuant to Board instructions a Notice of Public Hearing was mailed by first class mail to all customers and further, posted in five (5) prominent locations in the area.

A public hearing was held on July 11, 2005 in the Dugald Community Centre at 7:00 p.m.

The following persons represented the Municipality:

Ms. Janet Nylén	Secretary/Treasurer
Mr. Blaine Moffat	Public Works Department
Mr. Ken Mills, Consultant	Energy Consultants International Inc.

Also present were Reeve John Holland, Councillors Doug Shaver, Karen Lalonde, and Robert Bodnaruk and Chief Administrative Officer Dave Donaghy.

One letter of opposition was received by the Town and read during the hearing and several citizens attended to hear and question the Municipality's applications.

### **Background**

The communities of Oakbank and Dugald have operated separate sewer utilities since 1976. A municipal water system was installed in Dugald in 1997, and last year, Oakbank attached its first water customers.

The sewer rates have not changed since 1976 and the existing water rates which were never approved by the Board, are the initial rates for the utility. Sewer only customer rates are based on residential equivalent units (REU) and water and sewer customer rates are based on metered water volumes.

The approximate overall rate increase applied for is 214.5%. A typical residential customer who uses 350 cm annually

would pay approximately \$739.02 in 2005 if the rates are approved which can be contrasted with the \$926.90 paid in East St. Paul, \$795.00 in Headingley, \$574.60 in McDonald and \$1,068.51 in Winnipeg.

Growth in both communities has been significant and is driving the need for system expansion. For new areas, developers have had to make financial contributions to assist with such expansion. The Municipality will soon complete a 6 cell regional lagoon system to serve the communities of Dugald, Oakbank and Anola. Septage haulers will use the system to service the surrounding rural area.

The communities of Dugald and Oakbank will now share the same water source and system and the same sewage disposal system.

The Municipality is currently working on a new zoning by-law that will prohibit the drilling of additional/or replacement wells where a municipal water supply system is available.

#### **2004 Operating Deficits**

Municipalities are required to seek the Board's approval of operating deficits providing the cause of the deficit and the suggested method of recovery. Municipalities are also required to obtain the Board's approval for the water and sewer rates charged.

On April 7, 2005, the Municipality applied for approval of operating deficits in both utilities and the Board advised the Municipality that both applications would be considered as part of this hearing.

The Dugald operating deficit of \$20,667.32 was caused, in part, by a meter reading error that resulted in the November water billing to the local school having to be adjusted. As the Dugald utility had no accumulated operating surplus or reserves, the Municipality proposed to recover the operating deficit by taxes over three (3) years.

The Oakbank operating deficit of \$19,807.40 was caused by the need to perform urgent repairs to the system and also, by the deferral of development that had been expected to be on the municipal water supply system. The Oakbank utility has a reserve balance of \$84,436.00 and no operating surplus. The Municipality had proposed to recover the operating deficit from the reserves but noted that monies will be required from the reserves to replace a portion of a force main at a cost of approximately \$100,000.00.

#### **Joining of Utilities and Revised Water and Sewer Rates**

The Municipality sought the Board's approval for the joining of the Oakbank and Dugald utilities. In the Municipality's opinion, the systems which are now physically interconnected, would provide the benefits of scale and efficiency to both communities if operated as one large utility.

Recognizing that only the Oakbank utility has a reserve balance, the Municipality sought some guidance from the Board as to whether this fund should continue to be accounted for separately until depletion.

To assist the Municipality in developing fair and equitable rates that will allow the joined utility to be operated on a self sustaining basis, the Municipality hired a consultant to perform a rate review and to recommend rates. This study was filed as an Exhibit in this proceeding.

The Municipality adopted the recommendations of the consultant and proposed a three (3) year rate plan which will allow the utility to recover its current operation costs plus an annual 3% provision for inflation and to build an operating surplus and reserves to meet the utility's future capital needs.

The Municipality acknowledged that reserves ought to be used to meet future capital requirements and not to pay for ongoing operating costs.

The table below reflects the operating expenses of the utility together with the forecasted surplus and reserve contributions for 2004 to 2007 inclusively.

	2004	2005	2006	2007
Water Operating Cost	\$ 74,018	\$ 91,190	\$100,038	\$ 99,359
Sewer Operating Costs	\$ 81,876	\$116,451	\$119,871	\$122,592
Total Operating Costs	\$155,894	\$207,641	\$219,909	\$221,951
Surpluses		\$ 62,349	\$ 93,159	\$121,109
Reserves		\$ 31,300	\$ 62,600	\$ 93,900
Total	-	\$ 93,649	\$155,759	\$215,009
% Surplus/Reserves of Operating Costs	0	45%	71%	97%

For the water operation, the Municipality is hoping to collect \$202,537 in surplus and reserves and for the sewer operation \$261,881 which is 5.0% and 4.9% of the Municipality's total capital investment in each operation respectively.

As at December 31, 2004, the Municipality had 153 water customers and forecasts 50 new attachments per year. For the most part all residential customers are connected to the system using 19 mm meters and there is one large commercial customer. For this reason and for reasons of conservation the Municipality proposed the use of a single step rate structure.

The Municipality had 1029 sewer customers as at December 31, 2004.

Sewer only customers are not connected to the water distribution system and therefore, are unmetered requiring the Municipality to use REUs to approximate the amount of revenue to be collected from such customers to provide for a fair contribution toward the operating costs of the utility. The Municipality advised that the REU assessments have not been reviewed for sometime. That review is now underway. In the Municipality's opinion, this review should not materially change the current assessment and noted that for this application, it has no effect. There is no change in the REUs currently being assessed.

The original capital cost of the system is \$5.32 million and the Municipality is proposing to collect in rates a 1% contingency allowance of \$53,200 for sewer and \$40,790 for

water to pay for unforeseen expenses and to build reserves through rates as noted below:

	Water	Sewer
2005	\$13,600	\$17,700
2006	\$27,200	\$35,400
2007	\$40,800	\$53,100

The Municipality has one outstanding debenture related to the water distribution system in the Village of Dugald with an annual debenture cost of \$53,183 which is being recovered by frontage and assessment from those properties in the local improvement district only. To ensure that users of the bulk water system pay a fair share of the capital cost of the system, a part of this debenture is collected in the bulk water rate.

The rate study indicated that the unaccounted for water approximates 20.0% which includes known but unmeasured water used for fire fighting and maintenance. The Municipality is also reviewing this matter and hopes to provide more accurate measurements in the future.

The need to build reserves and surpluses and the correction to the allocation of costs between the general operation of the Municipality and the utility is placing upward pressure on the rates. Through a review of its allocation factors the Municipality became aware that the utility was not fully allocating the costs incurred in providing services to the utility.

The Municipality pays the utility for fire hydrants and the proposed charge is \$50.00 per hydrant of which the Municipality has 36.

The Municipality is fully meeting drinking water standards and effluent discharge levels. There have been no complaints regarding the quality of the water being provided.

Utility operators are properly being trained and the plants are properly maintained to ensure standards continue to be met. New standards are also causing upward pressure on operating costs and rates.

The regional lagoon was partly funded and built by a developer and the Municipality's portion is being funded by a general levy over all the taxable properties in the Municipality for a 20 year period.

The Municipality is contemplating charging septage haulers a \$1,000.00 annual fee, and will restrict the number of visits, and the hours of use.

The Anola utility has not been included in this application because it is in the development stage only.

Newly developed properties or individuals wishing to attach to the system will be charged a capital levy if they are not part of the local improvement district to recover from them their fair share of the capital cost of the system.



The Municipality's 5 year capital includes the following:

- 2006 Water distribution Model for Oakbank/Dugald Water supply and expansion
- 2006 Dugald/Oakbank Lagoon Decommissioning
- 2006 Oakbank Stage 1 Water Main
- 2007 Oakbank Water Plant Upgrade and Fire Protection
- 2007 Anola Water line extension to residential developments
- 2007 Lift station central alarm/monitor system
- 2007-2009 Oakbank Sewer System and Buckthorn lift station upgrades
- 2008 Oakbank Stage 2 Water Main
- 2008 Dugald Water Plant Upgrade and Fire Protection

A number of residents expressed concern about the level of the increases and the impact such an increase will have on low income earners. They believe that the appropriate cost allocators and the consequential need for catch-up ought to have been rectified early notwithstanding the advancement of technology. With respect to any uncertainty as a result of new allocators, the Municipality ought to come back to the Board when certainty is attained following an analysis of past costs and allocations.

The Municipality responded that such a review would not be helpful as the data was not collected and further, it would be costly to try to reconstruct the history. The Municipality believes that the projections are reasonable.

With respect to the upward pressure placed on the utility due to growth, the Municipality assured the residents that the developers are paying their fair share of capital costs through a by law providing for municipal/developer agreements. The Municipality provided this agreement to the Board for information.

Some residents argued that while there may be a need for a rate increase, the Municipality failed to indicate where they are making efforts to reduce costs.

The Municipality advised that it has and will continue to examine cost saving measures. It has reviewed the introduction of tele-metering equipment but because meters are read only quarterly the acquisition fails to meet a cost benefit analysis. Utility lines continue to be televised to assess integrity of the system so proper maintenance can be performed without a disruption in service and in a more timely manner. However, the Municipality advised that its cost pressure and challenges are substantial and it will continue to ensure that the cost of operating utilities falls properly on the ratepayer and not the taxpayer.

One resident suggested that in the interest of conservation and to reduce the cost burden on fixed income earners, the minimum bill should be eliminated and everyone should pay bills based on meter readings only. It was noted that the minimum bill is designed to encourage some use of water for personal hygiene and for some flushing of sewer lines. It was also noted that a reduction in the minimum bill does not reduce

the bill for those customers who exceed the minimum amount of water provided ie. 50 cubic meters for a 19 mm. meter size.

There were a lot of questions about the differences in rates between a water only customer, water and sewer customer, and a sewer only customer. Most questioned the fairness of the rates between the 3 levels of service. The quarterly minimum bill for a 15 mm meter size customer for the respective services is as follows:

	2005
Water	\$48.11
Water & Sewer	\$61.63
Sewer (residential)	\$38.11

The question being raised was why is there such a difference in the charges for a Water and Sewer customer who has a sewer cost of \$13.52 (difference between \$61.63 and \$48.11) and a sewer only customer who has a cost \$38.11. Residents were advised that the commodity rate charged is the same for both customers. Because sewer only customers are not metered, the rate assumption is the sewer customer will use more water and higher than the minimum bill and therefore, the charge is higher. Water and sewer customers likely consume in excess of the minimum amounts described.

The Municipality advised that sewer only customers are billed at the beginning of the billing period. To change this billing practice to coincide with the water bill on a joined basis will require a 3 month delay in the collection in sewer revenues. The Municipality is proposing to move the water

billing date ahead two months and only the sewer bill one month and prorate bills accordingly.

### **Board Findings**

As noted during the hearing, the owners of the utility have an obligation to operate the utility not only safely and prudently but also on a break even basis. If a deficit is incurred the deficit must be recovered. Deficit funding is not an option for the Municipality. Owners of the utility must operate the utility prudently and minimize costs wherever possible without compromising the safety of the service or the system's reliability.

Clearly, for this utility and by the Municipality's own admission it has not properly tracked the true operating costs of the utility and further has left the rates unchanged for far too long. Historically, the utility has been subsidized by the general operations of the Municipality. The tracking of operator time and the use of vehicles was never undertaken. This has now been corrected. The Board understands that with no historical data there may be some uncertainty about the level of expenditures required but is satisfied that the forecasts used by the Municipality with a suitable provision for inflation is reasonable.

As noted during the hearing, the following percentage increases are required in the utility to break even for the year 2005 without any provision for contingencies or reserves - 42% for sewer and 23% for water.

The Board is satisfied that the cost projections are reasonable but will require that the Municipality provide a report to the Board including year end financial statements for the utility at the end of 2005, 2006 and 2007 with some commentary on the adequacy of the rates.

However, of some concern to the Board is the size of the increase and the fact that much of the increase in the operating costs and consequently rates is caused by the building of reserves and contingencies for future needs and unexpected expenditures. The Board is pleased to note that the Municipality is taking a long term outlook to meet the needs of the utility.

The Board noted that the water system is in relative terms fairly new for Springfield while the sewer system is older and appears to require more attention. While the Board believes rates should provide for financial stability and sustainability, the Board will only allow the full 1% contingency allowance for the sewer operation, a ½% contingency allowance for water operation and reduce all appropriations to reserves by one half to 2007.

In doing so, the Board notes that this reduction will not restrict the Municipality from doing work as it becomes necessary. It simply means that should unforeseen work be required above the contingencies provided in the rates the Municipality may require an alternate source funding such as tax levies to recover deficits. These costs will need to be managed carefully and the Board as noted earlier looks forward to annual reports to assess the adequacy of the rates.

The Board will also expect the Municipality to file a copy of its review of the REUs noting that should the REU assessment require change an amending by-law will be required to be filed for the Board's approval.

Concerning the accumulated reserves in the Oakbank utility the Board believes until depletion such funds should continue to be tracked separately and of course used for work related to this utility which is largely a sewer only utility at this time. But in the future, these funds will be commingled and distributed according to the overall needs of the joined utility.

The Board believes that the rates charged for septage haulers ought to be included in the rates by-law and will order same to be inserted at final reading of the by-law and filed with the Board.

The Board finds the changed billing cycle is reasonable, however, notes that prorating will be necessary.

**IT IS THEREFORE ORDERED THAT:**

1. The revenue deficit in the amount of \$20,667.32 incurred by the sewer utility of the Rural Municipality of Springfield serving Local Improvement District of Dugald during the year 2004 BE AND THE SAME IS HEREBY APPROVED subject to the said deficit being recovered by means of

tax levies against the ratepayers in the years 2005, 2006 and 2007;

2. The revenue deficit in the amount of \$19,807.40 incurred by the sewer utility of the Rural Municipality of Springfield serving Local Improvement District of Oakbank during the year 2004 BE AND THE SAME IS HEREBY APPROVED subject to the said deficit being recovered from reserves;
3. The joining of the utilities BE AND THE SAME IS HEREBY APPROVED;
4. By-law No. 05-09 of The Rural Municipality of Springfield BE AND THE SAME IS HEREBY APPROVED subject to amendment on second reading to agree with Schedule "A" attached hereto;
5. The water and sewer rates set forth in Schedule "A" hereto shall apply to all customers of the utility effective on all water consumed and on all minimum bills effective on the next billing in the normal course after the date of this Order;
6. This Order is subject to moneys being expended from the utility reserve fund only to support existing infrastructure, unless the Board has authorized the expenditure pursuant to Section

168 of The Municipal and Various Acts Amendment Act, c. 58;

7. The Municipality file its year end financial statements for the utility for 2005, 2006 and 2007 with some commentary on the adequacy of rates by no later than 90 days following the year end;
8. The septage hauler rates be added to the By-law and filed with The Public Utilities Board.

Fees payable upon this Order - \$1,663.98

THE PUBLIC UTILITIES BOARD

"S. PROVEN"  
Acting Chair

"G. O. BARRON"  
Secretary

Certified a true copy of  
Order No. 112/05 issued by  
The Public Utilities Board

\_\_\_\_\_  
Secretary



SCHEDULE "A"

TO BOARD ORDER NO. 112/05

THE RURAL MUNICIPALITY OF SPRINGFIELD

WATER AND SEWER RATES

BY-LAW NO. 05-09

SCHEDULE OF QUARTERLY RATES:

2005

**A. QUARTERLY WATER COMMODITY RATES**

Service Charge	\$8.61
Volumetric Charge (c.m.)	\$1.24
Bulk Rate (c.m.)	\$1.92

**B. QUARTERLY SEWER RATES**

Service Charge	\$ 3.77
Volumetric Charge (c.m.)	\$ 0.37
Residential Equivalent Unit	\$32.58

**Minimum Quarterly Charges - Water Service Only**

A minimum charge is to be paid by all customers connected to the water distribution system only so all customers will make a fair minimum contribution to the cost of operating the water production and distribution system.

Meter Size	Water Incl. (c.m.)	Customer Service Charge	Commodity Charge	Quarterly Minimum
15 mm	25	\$8.61	\$31.00	\$ 39.61
19 mm	50	\$8.61	\$62.00	\$ 70.61
25 mm	100	\$8.61	\$124.00	\$ 132.61
38 mm	250	\$8.61	\$310.00	\$ 318.61
50 mm	625	\$8.61	\$775.00	\$ 783.61
75 mm	1125	\$8.61	\$1,395.00	\$1,403.61
100 mm	2250	\$8.61	\$2,790.00	\$2,798.61
150 mm	4250	\$8.61	\$5,270.00	\$5,278.61

**Minimum Quarterly Charges - Sewer and Water Service**

A minimum charge is to be paid by all customers connected to both the water and sewer systems so all customers will make a fair minimum contribution to the cost of operating the systems.

Meter Size	Water Incl. (c.m.)	Water Service Charge	Commodity Charge	Sewer Service Charge	Commodity Charge	Quarterly Minimum
15 mm	25	\$8.61	\$31.00	\$3.77	\$9.25	\$ 52.63
19 mm	50	\$8.61	\$62.00	\$3.77	\$18.50	\$ 92.88
25 mm	100	\$8.61	\$124.00	\$3.77	\$37.00	\$ 173.38
38 mm	250	\$8.61	\$310.00	\$3.77	\$92.50	\$ 414.88
50 mm	625	\$8.61	\$775.00	\$3.77	\$231.25	\$1,235.02
75 mm	1125	\$8.61	\$1,395.00	\$3.77	\$416.25	\$1,823.63
100 mm	2250	\$8.61	\$2,790.00	\$3.77	\$832.50	\$3,634.88
150 mm	4250	\$8.61	\$5,270.00	\$3.77	\$1,572.50	\$6,854.88

**Minimum Quarterly Sewer Charges - Sewer Service Only**

Quarterly rates for customers connected to the sewer utility only will be as follows:

Customer	Residential Equivalent Units	Service Charge	Commodity Charge	Quarterly Bill
Single family or small business	1	\$3.77	\$ 32.58	\$ 36.35
Building with more than 1 residence or business:				
2 residence or business	2	\$3.77	\$ 65.16	\$ 68.93
3 residence or business	3	\$3.77	\$ 97.74	\$101.51
74238 Manitoba Ltd.	4.5	\$3.77	\$146.61	\$150.38
G'news	6	\$3.77	\$195.48	\$199.25
Harry Foster - duplex	2	\$3.77	\$ 65.16	\$ 68.93
Hilda Gander - Apartment	3	\$3.77	\$ 97.74	\$101.51
Kin Place	16	\$3.77	\$521.28	\$525.05
Koon Kwan Gardens	4.5	\$3.77	\$146.61	\$150.38
Oakbank Birds Hill Animal Hospital	2	\$3.77	\$ 65.16	\$ 68.93
Oakbank Christian Church	2	\$3.77	\$ 65.16	\$ 68.93
Oakbank Community Recreation Club	4.5	\$3.77	\$146.61	\$150.38
Oakbank Elementary School	21	\$3.77	\$684.18	\$687.95
Oakbank Kids Korner	4.5	\$3.77	\$146.61	\$150.38
RCMP	7	\$3.77	\$228.06	\$231.83
RM Firehall	3	\$3.77	\$ 97.74	\$101.51
RM Office	3	\$3.77	\$ 97.74	\$101.51
Royal Oak Motor Lodge	14	\$3.77	\$456.12	\$459.89
Springfield Collegiate	26	\$3.77	\$847.08	\$850.85
Springfield Community Church	2	\$3.77	\$ 65.16	\$ 68.93

Springfield Junior High	17	\$3.77	\$553.86	\$557.63
United Church	3	\$3.77	\$ 97.74	\$101.51
Dugald Day Care	3	\$3.77	\$ 97.74	\$101.51

**C. Other Rates and Charges**

1. Billing, Due Dates and Penalties

All sewer and water utility accounts shall be billed quarterly and all bills shall be due and payable 30 days after the billing date. A penalty of 1¼% per month will be charged if not paid by the due date.

2. Disconnection and Reconnection of Service for Non-payment

Services may be disconnected without further notice if that account has not been paid within 30 days of the due date. Prior to reconnection, payment shall be made of all arrears and penalties plus a reconnection charge of \$40.00.

3. Outstanding Utility Charges are a Lien on the Land

Pursuant to Section 252(2) of The Municipal Act, the amount of all outstanding charges for water or sewer service are a lien upon that land and shall be collected in the same manner in which ordinary taxes upon the land are collectable and with like remedies. Where a tenant is in arrears the property owner should be notified in all cases.

4. Water Bulk Rate

All water sold in bulk by the R.M. of Springfield shall be charged for at the rate of \$2.30 per cubic metre in 2005.

5. Hydrant Rental

The R.M. of Springfield shall pay to the utility an annual rental of \$50.00 for each hydrant connected to the system. This includes water for fire purposes.

6. Water Allowance Due to Line Freezing

That in any case where, at the request of the Council, the customer allows water to run continuously for any period of time to prevent the water lines in the water system from freezing, the charge to that customer for the current quarter shall be the average of the billings for the last two previous quarters to the same customer, or to the same premises if the occupant has changed.

SCHEDULE OF QUARTERLY RATES:

2006

**A. Quarterly Water Commodity Rates**

Service Charge	\$8.61
Volumetric Charge (c.m.)	\$1.33
Bulk Rate (c.m.)	\$2.06

**B. QUARTERLY SEWER RATES**

Service Charge	\$ 3.77
Volumetric Charge (c.m.)	\$ 0.39
Residential Equivalent Unit	\$34.34

**Minimum Quarterly Charges - Water Service Only**

A minimum charge is to be paid by all customers connected to the water distribution system only so all customers will make a fair minimum contribution to the cost of operating the water production and distribution system.

Meter Size	Water Incl. (c.m.)	Customer Service Charge	Commodity Charge	Quarterly Minimum
15 mm	25	\$8.61	\$33.25	\$ 41.86
19 mm	50	\$8.61	\$66.50	\$ 75.11
25 mm	100	\$8.61	\$133.00	\$ 141.61
38 mm	250	\$8.61	\$332.50	\$ 341.11
50 mm	625	\$8.61	\$831.25	\$ 839.86
75 mm	1125	\$8.61	\$1,496.25	\$1,504.86
100 mm	2250	\$8.61	\$2,992.50	\$3,001.11
150 mm	4250	\$8.61	\$5,652.50	\$5,661.11

**Minimum Quarterly Charges - Sewer and Water Service**

A minimum charge is to be paid by all customers connected to both the water and sewer systems so all customers will make a fair minimum contribution to the cost of operating the systems.

Meter Size	Water Incl. (c.m.)	Water Service Charge	Commodity Charge	Sewer Service Charge	Commodity Charge	Quarterly Minimum
15 mm	25	\$8.61	\$33.25	\$3.77	\$9.75	\$ 55.38
19 mm	50	\$8.61	\$66.50	\$3.77	\$19.50	\$ 98.38
25 mm	100	\$8.61	\$133.00	\$3.77	\$39.00	\$ 184.38
38 mm	250	\$8.61	\$332.50	\$3.77	\$97.50	\$ 442.38
50 mm	625	\$8.61	\$831.25	\$3.77	\$243.75	\$1,087.38
75 mm	1125	\$8.61	\$1,496.25	\$3.77	\$438.75	\$1,947.38
100 mm	2250	\$8.61	\$2,992.50	\$3.77	\$877.50	\$3,882.38
150 mm	4250	\$8.61	\$5,652.50	\$3.77	\$1,657.50	\$7,322.38

**Minimum Quarterly Sewer Charges - Sewer Service Only**

Quarterly rates for customers connected to the sewer utility only will be as follows:

Customer	Residential Equivalent Units	Service Charge	Commodity Charge	Quarterly Bill
Single family or small business	1	\$3.77	\$ 34.34	\$ 38.11
Building with more than 1 residence or business:				
2 residence or business	2	\$3.77	\$ 68.68	\$ 72.45
3 residence or business	3	\$3.77	\$103.02	\$106.79
74238 Manitoba Ltd.	4.5	\$3.77	\$154.53	\$158.30
G'news	6	\$3.77	\$206.04	\$209.81
Harry Foster - duplex	2	\$3.77	\$ 68.68	\$ 72.45
Hilda Gander - Apartment	3	\$3.77	\$103.02	\$106.79
Kin Place	16	\$3.77	\$549.44	\$553.21
Koon Kwan Gardens	4.5	\$3.77	\$154.53	\$158.30
Oakbank Birds Hill Animal Hospital	2	\$3.77	\$ 68.68	\$ 72.45
Oakbank Christian Church	2	\$3.77	\$ 68.68	\$ 72.45
Oakbank Community Recreation Club	4.5	\$3.77	\$154.53	\$158.30
Oakbank Elementary School	21	\$3.77	\$721.14	\$724.91
Oakbank Kids Korner	4.5	\$3.77	\$154.53	\$158.30
RCMP	7	\$3.77	\$240.38	\$244.15
RM Firehall	3	\$3.77	\$103.02	\$106.79
RM Office	3	\$3.77	\$103.02	\$106.79
Royal Oak Motor Lodge	14	\$3.77	\$480.76	\$484.53
Springfield Collegiate	26	\$3.77	\$892.84	\$896.61
Springfield Community Church	2	\$3.77	\$ 68.68	\$ 72.45
Springfield Junior High	17	\$3.77	\$583.78	\$587.55
United Church	3	\$3.77	\$103.02	\$106.79
Dugald Day Care	3	\$3.77	\$103.02	\$106.79

**C. Other Rates and Charges**

1. Billing, Due Dates and Penalties

All sewer and water utility accounts shall be billed quarterly and all bills shall be due and payable 30 days after the billing date. A penalty of 1¼% per month will be charged if not paid by the due date.

2. Disconnection and Reconnection of Service for Non-payment

Services may be disconnected without further notice if that account has not been paid within 30 days of the due date. Prior to reconnection, payment shall be made of all arrears and penalties plus a reconnection charge of \$40.00.

3. Outstanding Utility Charges are a Lien on the Land

Pursuant to Section 252(2) of The Municipal Act, the amount of all outstanding charges for water or sewer service are a lien upon that land and shall be collected in the same manner in which ordinary taxes upon the land are collectable and with like remedies. Where a tenant is in arrears the property owner should be notified in all cases.

4. Water Bulk Rate

All water sold in bulk by the R.M. of Springfield shall be charged for at the rate of \$2.55 per cubic metre in 2006.

5. Hydrant Rental

The R.M. of Springfield shall pay to the utility an annual rental of \$50.00 for each hydrant connected to the system. This includes water for fire purposes.

6. Water Allowance Due to Line Freezing

That in any case where, at the request of the Council, the customer allows water to run continuously for any period of time to prevent the water lines in the water system from freezing, the charge to that customer for the current quarter shall be the average of the billings for the last two previous quarters to the same customer, or to the same premises if the occupant has changed.

SCHEDULE OF QUARTERLY RATES:

2007

**A. Quarterly Water Commodity Rates**

Service Charge	\$8.61
Volumetric Charge (c.m.)	\$1.41
Bulk Rate (c.m.)	\$2.19

**B. QUARTERLY SEWER RATES**

Service Charge	\$ 3.77
Volumetric Charge (c.m.)	\$ 0.41
Residential Equivalent Unit	\$36.11

**Minimum Quarterly Charges - Water Service Only**

A minimum charge is to be paid by all customers connected to the water distribution system only so all customers will make a fair minimum contribution to the cost of operating the water production and distribution system.

Meter Size	Water Incl. (c.m.)	Customer Service Charge	Commodity Charge	Quarterly Minimum
15 mm	25	\$8.61	\$32.25	\$ 43.86
19 mm	50	\$8.61	\$70.50	\$ 79.11
25 mm	100	\$8.61	\$141.00	\$ 149.61
38 mm	250	\$8.61	\$352.50	\$ 361.11
50 mm	625	\$8.61	\$881.25	\$ 889.86
75 mm	1125	\$8.61	\$1,586.25	\$1,594.86
100 mm	2250	\$8.61	\$3,172.50	\$3,181.11
150 mm	4250	\$8.61	\$5,992.50	\$6,001.11

**Minimum Quarterly Charges - Sewer and Water Service**

A minimum charge is to be paid by all customers connected to both the water and sewer systems so all customers will make a fair minimum contribution to the cost of operating the systems.

Meter Size	Water Incl. (c.m.)	Water Service Charge	Commodity Charge	Sewer Service Charge	Commodity Charge	Quarterly Minimum
15 mm	25	\$8.61	\$32.25	\$3.77	\$ 10.25	\$ 57.88
19 mm	50	\$8.61	\$70.50	\$3.77	\$ 20.50	\$ 100.38
25 mm	100	\$8.61	\$141.00	\$3.77	\$ 41.00	\$ 194.38
38 mm	250	\$8.61	\$352.50	\$3.77	\$ 102.50	\$ 467.38
50 mm	625	\$8.61	\$881.25	\$3.77	\$ 256.25	\$1,149.88
75 mm	1125	\$8.61	\$1,586.25	\$3.77	\$ 461.25	\$2,059.88
100 mm	2250	\$8.61	\$3,172.50	\$3.77	\$ 922.50	\$4,107.38
150 mm	4250	\$8.61	\$5,992.50	\$3.77	\$1,742.50	\$7,747.38

**Minimum Quarterly Sewer Charges - Sewer Service Only**

Quarterly rates for customers connected to the sewer utility only will be as follows:

Customer	Residential Equivalent Units	Service Charge	Commodity Charge	Quarterly Bill
Single family or small business	1	\$3.77	\$ 36.11	\$ 39.88
Building with more than 1 residence or business:				
2 residence or business	2	\$3.77	\$ 72.22	\$ 75.99
3 residence or business	3	\$3.77	\$ 108.33	\$ 112.10
74238 Manitoba Ltd.	4.5	\$3.77	\$ 162.50	\$ 166.27
G'news	6	\$3.77	\$ 216.66	\$ 220.43
Harry Foster - duplex	2	\$3.77	\$ 72.22	\$ 75.99
Hilda Gander - Apartment	3	\$3.77	\$ 108.33	\$ 112.10
Kin Place	16	\$3.77	\$ 577.76	\$ 581.53
Koon Kwan Gardens	4.5	\$3.77	\$ 162.50	\$ 166.27
Oakbank Birds Hill Animal Hospital	2	\$3.77	\$ 72.22	\$ 75.99
Oakbank Christian Church	2	\$3.77	\$ 72.22	\$ 75.99
Oakbank Community Recreation Club	4.5	\$3.77	\$ 162.50	\$ 166.27
Oakbank Elementary School	21	\$3.77	\$ 758.31	\$ 762.08
Oakbank Kids Korner	4.5	\$3.77	\$ 162.50	\$ 166.27
RCMP	7	\$3.77	\$ 252.77	\$ 256.54
RM Firehall	3	\$3.77	\$ 108.33	\$ 112.10
RM Office	3	\$3.77	\$ 108.33	\$ 112.10
Royal Oak Motor Lodge	14	\$3.77	\$ 505.54	\$ 509.31
Springfield Collegiate	26	\$3.77	\$ 938.86	\$ 942.63
Springfield Community Church	2	\$3.77	\$ 72.22	\$ 75.99
Springfield Junior High	17	\$3.77	\$ 613.87	\$ 617.64
United Church	3	\$3.77	\$ 108.33	\$ 112.10
Dugald Day Care	3	\$3.77	\$ 108.33	\$ 112.10

**C. Other Rates and Charges**

1. Billing, Due Dates and Penalties

All sewer and water utility accounts shall be billed quarterly and all bills shall be due and payable 30 days after the billing date. A penalty of 1¼% per month will be charged if not paid by the due date.



2. Disconnection and Reconnection of Service for Non-payment

Services may be disconnected without further notice if that account has not been paid within 30 days of the due date. Prior to reconnection, payment shall be made of all arrears and penalties plus a reconnection charge of \$40.00.

3. Outstanding Utility Charges are a Lien on the Land

Pursuant to Section 252(2) of The Municipal Act, the amount of all outstanding charges for water or sewer service are a lien upon that land and shall be collected in the same manner in which ordinary taxes upon the land are collectable and with like remedies. Where a tenant is in arrears the property owner should be notified in all cases.

4. Water Bulk Rate

All water sold in bulk by the R.M. of Springfield shall be charged for at the rate of \$2.80 per cubic metre in 2007.

5. Hydrant Rental

The R.M. of Springfield shall pay to the utility an annual rental of \$50.00 for each hydrant connected to the system. This includes water for fire purposes.

6. Water Allowance Due to Line Freezing

That in any case where, at the request of the Council, the customer allows water to run continuously for any period of time to prevent the water lines in the water system from freezing, the charge to that customer for the current quarter shall be the average of the billings for the last two previous quarters to the same customer, or to the same premises if the occupant has changed.