

M A N I T O B A) Order No. 64/12
)
THE PUBLIC UTILITIES BOARD ACT) May 16, 2012

REVISED SEPTEMBER 4, 2012

BEFORE: Susan Proven, P.H.Ec., Acting Chair
Raymond Lafond, CA, Member

RURAL MUNICIPALITY OF GIMLI
WATER AND SEWER RATES 2012, 2013 AND 2014

Executive Summary

The Public Utilities Board (Board) herein approves revised water and sewer rates for the years 2012, 2013 and 2014 for the Rural Municipality of Gimli (Gimli or RM). The 2012 rates are effective April 1, 2012; the 2013 and 2014 rates will become effective January 1 in each of those years.

The Board also approves in principle the funding through rates of debenture servicing costs for water and sewer main renewals for the Gimli Urban Center, Aspen Park and the Industrial Park. This funding will be in the form of the surcharge on the utility bills for the customers of those respective areas. The RM will be required to return to the Board for approval of specific surcharge amounts once these have been determined.

A summary of the approved rates follows (full details are provided in Schedule "A" attached to this Order):

Sewer Customers:

Rates	existing	2012	2013	2014
Commodity Charge (\$/m ³)	\$1.28	\$1.40	\$1.86	\$2.31
Quarterly Service Charge	\$11.86	\$21.83	\$26.11	\$27.07
Quarterly REU*	\$69.59	\$75.95	\$100.91	\$125.32
Bulk Sewer Rate (\$/m ³) (from outside the RM)	\$4.70	\$4.80	\$5.14	\$5.60
Bulk Sewer Rate (\$/m ³) (from within the RM)	\$1.28	\$3.16	\$3.51	\$3.60

* Residential equivalent unit based on 217 cubic meters per year

Water Customers:

Local Urban District				
	existing	2012	2013	2014
Commodity Charge per m ³	\$1.09	\$1.07	\$1.12	\$1.17
Quarterly Service Charge	\$9.37	\$20.99	\$22.51	\$23.19
Bulk Water Rate	\$1.26	\$1.41	\$1.48	\$1.54

Pelican Beach				
	existing	2012	2013	2014
Commodity Charge per m ³	\$0.71	\$1.17	\$1.39	\$1.61
Quarterly Service Charge	\$10.02	\$19.26	\$22.06	\$22.78
Bulk Water Rate	\$3.04	\$3.74	\$4.02	\$4.25
Quarterly REU	\$47.49	\$63.48	\$75.41	\$87.35

Gimli Business Park				
	existing	2012	2013	2014
Commodity Charge per m ³	\$1.41	\$1.69	\$1.74	\$1.80
Quarterly Service Charge	\$11.37	\$12.72	\$24.70	\$25.48
Bulk Water Rate	\$1.54	\$1.78	\$1.85	\$1.91
Quarterly REU	66.48	\$91.69	\$94.40	\$97.65

The existing rates have been effective since July 2010.

Introduction

Order No. 42/11, issued March 30, 2011, finalized rates for the RM effective July 2010. That Order approved the amalgamation of five sewer utilities into one. Order No. 42/11 also directed the RM file a rate application for the years 2012, 2013 and 2014.

The utility filed their application for rates on May 31, 2011. The application was supported by material prepared by RM staff. In addition, on June 21, 2011, the RM applied for approval of a utility surcharge to fund debenture payments which are anticipated as a result of a water and sewer renewal project expected to begin in the year 2011 for the Gimli Urban Center and in 2013 for the Gimli Business Park and Aspen Park.

Due to the previous interest expressed by the community, as well as the introduction of a surcharge, the Board determined that a public hearing to review and assess the application was in the public interest. A Notice dated December 16, 2011 was issued advising the public of a hearing to be held on Wednesday, January 25, 2012 at 7:00 p.m. in the Council Chambers in Gimli Manitoba. The Notice invited members of the public to attend the RM offices to familiarize themselves with the application, provide comment to both the Board and the RM, and to attend the public hearing where they could express any concerns.

Background

The RM recently completed the construction of a new \$2.7 million forcemain extension and gravity sewer system in the Loni Beach area. The RM is also constructing the third phase of the South Beach Gravity sewer system. In addition, the RM recently received approval for a \$9 million grant to assist in the development of a forcemain to serve the southern subdivisions. The project budget is approximately \$17 million with the additional funding to be provided through the Manitoba Water Services Board (MWSB) as well as debentures raised by the municipality.

At the hearing, the RM indicated that it intends to amalgamate its water systems at some point in the future.

The existing wastewater collection and treatment system consists of approximately 28 km of gravity sewer mains, 19 kilometers of forcemains, eight lift stations with five sewer utility districts with one common sewage treatment facility. The Amalgamated sewer utility has 1265 customers including 294 non-metered customers.

The water production and distribution system includes approximately 25 kilometers of water mains with wells, reservoirs and pumping facilities within three water utility districts.

The three water utilities have 1120 customers connected to the distribution system.

The RM has completed a master plan study and has concluded that a regional water treatment plant will be required in the near future.

Gimli reports a significant amount of unaccounted for water and is introducing a metering requirement in an effort to identify and reduce these losses.

Reserve balances at December 31 are reported as follows:

	2009	2010
South Beach LID reserve	\$91,820	\$92,509
LUD replacement reserve	\$264,311	\$266,294
LUD utility general reserve	\$7,313	\$7,348
Industrial Park/Gimli properties reserve	\$17,586	\$24,006
Pelican Beach utility capital reserve	\$8,052	\$8,052

Application

The RM's application was supported by By-law 11-0014 read the first time on July 14, 2011 proposing revised water and sewer rates.

Under separate cover dated June 21, 2011, the RM provided By-laws 11-0007, 11-0008 and 11-0009 proposing surcharges for the Gimli Urban Center, the Gimli Business Park and Aspen Park respectively. The surcharges are required to fund debentures which are anticipated to be required to pay for a portion of the water and sewer renewal project in each of these areas.

Water & Sewer rates

The RM initially proposed certain rates in their original submission, and these were reflected in By-law 11-0014. Subsequent to the original submission, the RM advised that it had discovered some inconsistencies in its original submission and amended its rate application. A schedule of those amended rates was tabled at the hearing. The original submission and the revised application for 2012 rates are shown below and are compared to the current rates which were set by the Board under Order No. 42/11.

Sewer rates

Rates per cubic meter	Existing	Initial 2012 submission	Revised 2012 submission	Increase/ (Decrease)
Commodity charge*	\$1.28	\$2.14	\$1.40	9.37%
Quarterly Service Charge	\$11.86	\$21.59	\$21.83	84.06%
Bulk Haulers inside RM*	\$1.28	\$4.12	\$3.16	146.88%
Haulers outside RM*	\$4.70	\$4.12	\$4.80	2.13%

The RM provided the following three-year estimated expenses for the amalgamated sewer utility:

	2012	2013	2014
Administration	127,400.30	131,222.31	135,158.98
Equity surcharge		21,196.05	22,353.68
Less: Penalties	2,626.50	2,705.30	2,786.45
Net requirement general	124,773.80	149,713.06	154,726.20

Sewer			
Sewage Collection System	175,911.64	181,188.99	186,624.66
Sewage Lift Station	186,327.00	191,916.81	197,674.31
Sewage Treatment and Disposal	93,009.00	95,799.27	98,673.25
Other Sewage Collection & Disposal Costs	17,819.00	18,353.57	18,904.18
Amortization/ depreciation	526,973.99	542,783.21	559,066.71
Interest on long term debt	742,019.11	717,838.54	692,071.80
Utility Deficit	72,012.00		
Reserves	89,066.26	178,132.52	267,198.76
Contingency	89,066.26	178,132.52	267,198.76
Total sewer expenses	1,992,204.26	2,104,145.43	2,287,412.42
<i>Less: Revenue</i>			
Amortization of capital grants	250,034.61	257,535.65	265,261.72
Taxation revenues	1,188,614.24	1,116,602.24	1,116,602.24
Other Revenue(RM of Armstrong Agreement)	12,787.48	12,787.48	12,787.48
Total non-rate revenue- sewer	1,451,436.33	1,386,925.37	1,394,651.44
Net revenue requirement - sewer	540,767.93	717,220.06	892,760.99

It is noted that the utility deficit rate requirement previously approved by the Board to recover past deficits will terminate in 2012.

Water rates

Urban Area rates per cubic meter	Existing	Initial 2012 submission	Revised 2012 submission	Increase/ (Decrease)
Commodity charge	\$1.09	\$1.10	\$1.07	-1.83%
Quarterly Service Charge	\$9.37	\$20.99	\$20.99	124.01%
Bulk water	\$1.26	\$1.44	\$1.41	11.90%

The RM provided the following three-year estimated expenses for the Urban Area:

	2012	2013	2014
Administration	73,173.92	75,369.14	77,630.21
Equity surcharge		3,019.53	3,139.36
Penalties	1,982.75	2,042.23	2,103.50
Net requirement general	71,191.17	76,346.44	78,666.07
Water			
<i>Expenses:</i>			
Purification and treatment	6,180.00	6,365.40	6,556.36
Service of Supply	83,506.22	86,011.41	88,591.75
Transmission and Distribution	81,565.70	84,012.67	86,533.05
Other Water Supply Costs	41,200.00	42,436.00	43,709.08
Amortization/ depreciation	13,312.43	13,711.80	14,123.16
Reserves	1,507.39	3,014.78	4,522.14
Contingency	1,507.39	3,014.78	4,522.14
Sub-total	228,779.13	238,566.84	248,557.68
Less: Hydrant rentals	5,000.00	5,150.00	5,304.50
Net revenue requirement	223,779.13	233,416.84	243,253.18

Pelican Beach rates per cubic meter	Existing	Initial 2012 submission	Revised 2012 submission	Increase/ (Decrease)
Commodity charge	\$0.71	\$1.66	\$1.17	64.79%
Quarterly Service Charge	\$10.02	\$19.26	\$19.26	92.22%
Bulk water	\$3.04	\$4.24	\$3.74	23.03%

The RM provided the following three-year estimated expenses for Pelican Beach:

	2012	2013	2014
Administration	5,522.56	5,688.24	5,858.88
Equity surcharge		577.98	611.89
Service charges	412.00	424.36	437.09
Penalties	103.00	106.09	109.27
Net revenue general	5,007.56	5,735.77	5,924.41
Water			
Purification and treatment	1,545.00	1,591.35	1,639.09
Service of Supply	3,678.13	3,788.47	3,902.13
Transmission and Distribution	17,207.18	17,723.40	18,255.10
Other Water Supply Costs	1,030.00	1,060.90	1,092.73
Amortization/ depreciation	10,997.49	11,327.41	11,667.24
Interest on long term debt	14,283.30	12,928.28	11,468.25
Reserves	1,767.25	3,540.50	5,301.74
Contingency	1,767.25	3,540.50	5,301.74
Sub-total- water expenses	52,275.60	55,500.81	58,628.01
Less: Amortization of capital grants	3,853.76	3,853.76	3,853.76
Less: Taxation revenues	31,768.00	31,768.00	31,768.00
Net revenue -requirement	16,653.84	19,879.05	23,006.25

Industrial Park rates per cubic meter	Existing	Initial 2012 submission	Revised 2012 submission	Increase (decrease)
Commodity charge*	\$1.41	\$1.71	\$1.69	19.86%
Quarterly Service Charge	11.37	\$12.72	\$12.72	11.87%
Bulk water*	\$1.54	\$1.80	\$1.78	15.58%

The RM provided the following three-year estimated expenses for the industrial park:

	2012	2013	2014
Administration	2,761.28	2,844.12	2,929.44
Equity surcharge		1,485.11	1,534.08
less: Penalties	1,133.00	1,166.99	1,202.00
Net revenue general	1,628.28	3,162.23	3,261.53
Water			
Purification and treatment	54,590.00	56,227.70	57,914.53
Service of Supply	68,302.39	70,351.46	72,462.01
Transmission and Distribution	5,150.00	5,304.50	5,463.64
Other Water Supply Costs	4,944.00	5,092.32	5,245.09
Amortization/ depreciation	8,210.73	8,210.73	8,210.73
Interest on long term debt	3,601.94	3,477.07	3,344.39
Reserves	475.12	950.24	1,425.36
Contingency	475.12	950.24	1,425.36
Sub-total	145,749.30	150,564.26	155,491.10
Less: Hydrant rentals	5,000.00	5,150.00	5,304.50
Less: Amortization of capital grants	251.79	251.79	251.79
Less: Taxation revenues	5,599.92	5,599.82	5,599.82
Sub-total- water expenses	10,851.71	11,001.61	11,156.11
Net rate revenue - water	134,897.59	139,562.65	144,334.99

The RM indicated that, for all four utilities, it was phasing in both the contingency and reserve requirements over three years in order to reduce the rate shock which would otherwise occur by implementing the full provisions in 2012.

Shared Cost Allocation Methodology

When preparing its rate application in 2011, the RM completed a study to determine actual costs incurred with the administration of the utilities. The results of the study indicated that utilities had not been paying their fair share of these costs,

meaning that the general taxpayers were subsidizing the utilities.

As a result of that study, the RM assigned percentages to each administrative position and costs, with the percentage based on the portion of time that position/cost relates to the utility. Similarly on the public works side, percentages were also assigned.

Position/expense	Utility share
Legislative, CAO, Legal, Public Works (PW) (wages and benefits)	5%
Office, Audit	7.5%
Manager Assets	8%
Manager of Finance, Tax Clerk	10%
PW Manager, PW Clerk, PW Operations, Vehicles and Equipment	15%
Accounts Payable/Payroll Clerk, Reception	20%
Utility Clerk	90%

Debenture servicing surcharge

The RM prepared a separate submission which proposed a utility surcharge based on Residential Equivalent Units (REU) to cover the anticipated debenture payments as follows:

	Debenture Principal	Annual Debenture Payment	Quarterly Surcharge per REU	Start Date
Gimli Urban Center	\$2,505,217	\$101,662	\$21.95	2012
Aspen Park	\$98,250	\$22,333	\$23.60	2013
Business Park	\$285,800	\$7,968	\$12.69	2013

The RM indicated that, when it had approached the Department of Local Government seeking direction for funding its water and sewer main renewal project, the RM was advised that, since it was proposing to fund its debenture issues through rates, that

it would be advised to obtain Public Utilities Board approval for the debenture related surcharges prior to approaching the Municipal Board for approval to borrow.

The start dates indicated in its application were of course dependent upon the dates that the projects would be approved by the Municipal Board and started by the municipality.

Letters of Concern

Following the RM's submission and prior to the public hearing, the Board received several letters of concern from customers of the respective utilities with respect to the rates initially proposed by the RM.

Concerns were expressed with respect to the need for such a large increase, perceived lack of information and of the timing of the hearing.

Public Hearing

Approximately 15 people attended the public hearing which was held in the Council Chambers.

One resident of Loni Beach began by clarifying that the Loni Beach sewer customers obtain their water supply through wells and that currently their sewage charge is based on residential equivalent units. His contention was that a previous council had indicated that it would consider allowing these customers to meter their well usage and have their sewer charge based on the meter readings from the wells. RM officials indicated that a decision had not been reached on this matter.

The resident also indicated that 20% of the Loni Beach customers are permanent residents and 80% are seasonal, with no allowance being made for seasonal usage; he asked that this be reconsidered.

The RM indicated that seasonal rates for Loni Beach were not practical as it is not possible to turn sewer service on and off. This, combined with the knowledge that customers were using the service outside of the designated season, led to the elimination of seasonal rates. It was also pointed out that lower seasonal rates would mean higher rates for permanent residents, as total revenue requirements remain the same.

Two attendees spoke to the bulk sewage hauler rates expressing concern with respect to the 300% increase. RM officials noted that this percentage increase was based on the Board approved rates in order 42/11 which had been considerably reduced from rates previously charged in the RM for bulk haulers. Prior to order 42/11 the haulage rate was \$2.20 per cubic meter. While the increase to \$3.16 is significant from the percentage perspective, the comparison should be made to the \$2.20, rather than the \$1.28 implemented for the 2011 year.

Others in attendance expressed the desire to ensure that the Board carefully considered whether the increases being proposed were reasonable.

Board Findings

The Board considered the concern respecting the timing of the hearing in that many of the seasonal customers were not able to attend. However, the application had been filed in mid 2011 and the Board concluded that revised rates need to be addressed in order to avoid utility deficits.

The Board acknowledges that the Gimli application was relatively complex given the recent amalgamation of its sewer utilities, the fact that there are effectively four utilities being considered and the added factor concerning the debenture servicing surcharges. The Board thanks the RM for their cooperation throughout this process. The Board also expresses its appreciation to the customers of the utility for their interest and involvement. The more comprehensive the information brought to the Board's attention, the more likely the Board will be able to make an informed decision that will be fair and reasonable to both the utility and its customers. The Board can only base its decisions on the information placed before it.

Water and sewer Rates

The Board will approve the revised submission as placed before the Board at the hearing.

The Board first focused on the significant increase of administrative expenses and noted that the cause was a combination of the need for additional staff and the fact that the utilities had never borne their appropriate share of

administrative costs now being allocated. These costs were being borne by the general taxpayer. The Board has long been a proponent of the user pay concept and finds that the allocation of these administrative costs to the utilities is long overdue, and recognizes the RM for addressing this issue.

The Board then considered the contingency and reserve provisions included in the rate application. These provisions, though being phased in over a three year period, are significant. However, the calculation that the RM used to determine these amounts was consistent with Board guidelines. Nonetheless, the Board will monitor the operating results over the course of 2012, 2013 and 2014 to determine if corrective action might be needed. To this end, it will direct the RM to file its audited financial statements with the Board for each of those years as soon as they are available.

The Board also directs the RM to prepare a revised filing by no later than June 30, 2014 for revised rates effective January 1, 2015.

The Board encourages the RM to continue in its efforts to educate the public on water conservation. The Board continues to express its support for the installation of water meters for all water services, and the reduction of the use of the REU or flat rates wherever possible. Consumers' awareness of the amount of water used through meters for actual consumption, generally leads to noticeable efforts made to conserve water.

The Board noted the discussion at the hearing concerning the establishment of seasonal rates and finds the RM's rationale to be sound.

The Board will express reservations however concerning the proposal to base sewer rates on metered well volumes. Such volumetric measurement, given that the meters are owned and controlled by the customers, and given that not all customers could or would afford the installation meters, gives rise to concerns over integrity and fairness.

The Board has reviewed the proposed bulk hauler rates and the underlying calculations and will approve the revised rates as proposed at the hearing. The Board notes and agrees with the rate differential for haulers outside of the RM, this in recognition of the fact that those haulers have not made property tax contributions in support of the infrastructure required to deliver this service.

Debenture servicing surcharge through rates

The Board will approve in principle the concept of adding a surcharge to the utility bill for the servicing of the utility debentures for the water and sewer main renewal project.

The Board will not approve any specific surcharge amounts at this time pending the finalization of the debenture servicing requirements. At that time, the RM may return to the Board with specific information respecting the debentures including a

request for specific surcharge amounts for each of the three affected areas.

Board decisions may be appealed in accordance with the provisions of Section 58 of The Public Utilities Board Act, or reviewed in accordance with section 36 of the Board's Rules of Practice and Procedure.

IT IS THEREFORE ORDERED THAT:

1. Revised water and sewer rates for the Rural Municipality of Gimli as shown on the attached schedule "A" BE AND ARE HEREBY APPROVED.
2. The Rural Municipality of Gimli BE AND IS HEREBY required to amend its By-law to be consistent with the provisions set out in this Order and the attached Schedule "A" and is to file a copy of its Bylaw following third and final reading.
3. The proposal to assess a surcharge on utility bills to service debentures issued in relation to water and sewer line renewal for each of the Gimli Urban Center, the Gimli Business Park and Aspen Park is hereby approved in principle with the RM to return to the Board with final debenture servicing costs and surcharge proposals.
4. The Rural Municipality of Gimli file its audited financial statements for each of 2011, 2012, 2013 and 2014 as soon as they are available.

5. The Rural Municipality of Gimli prepare a revised submission for the years 2015, 2016 and 2017 and file same with the Board by no later than June 30, 2014.

Fees payable upon this Order - \$1,500.00

THE PUBLIC UTILITIES BOARD

"SUSAN PROVEN, P.H.Ec."
Acting Chair

"KURT SIMONSEN, P.ENG."
Acting Secretary

Certified a true copy of
Order No. 64/12 issued by
The Public Utilities Board

Acting Secretary

SCHEDULE "A"
RURAL MUNICIPALITY OF GIMLI
WATER AND SEWER RATES

1. SEWER CHARGES

1.1. EFFECTIVE APRIL 1, 2012

Commodity Charge - \$1.40 per cubic meter (m³)

1.1.1 Sewer Customers-Metered

All customers with metered water and sewer service shall pay the applicable minimum sewer rate charge set out below based on the consumption of the metered water service, which will include the allowance indicated:

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$21.83	\$18.90	\$40.73
3/4"	2	27 m ³	\$21.83	\$37.80	\$59.63
1"	4	54 m ³	\$21.83	\$75.60	\$97.43
1 1/2"	10	135 m ³	\$21.83	\$189.00	\$210.83
2"	25	337.5 m ³	\$21.83	\$472.50	\$494.33
3"	45	607.5 m ³	\$21.83	\$850.50	\$872.33
4"	90	1215 m ³	\$21.83	\$1,701.00	\$1,722.83
6"	170	2295 m ³	\$21.83	\$3,213.00	\$3,234.83

1.1.2 Sewer Customers-Flat Rates

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or Small Business	1	\$21.83	\$75.95	\$97.78
Building with more than 1 residence or business				
2 residences or businesses	2	\$21.83	\$151.91	\$173.74
3 residences or businesses	3	\$21.83	\$227.86	\$249.69
Trophy Cup	1	\$21.83	\$75.95	\$97.78
Design Canada	1	\$21.83	\$75.95	\$97.78
Gimli Small Engines	1	\$21.83	\$75.95	\$97.78
Lake Agassiz Marine Office	1	\$21.83	\$75.95	\$97.78
Lake Agassiz Marine Hanger # 2	2	\$21.83	\$151.91	\$173.74
Lake Agassiz Marine Hanger # 4	2	\$21.83	\$151.91	\$173.74
Misty Lake Lodge	5	\$21.83	\$379.77	\$401.60
Lake Winnipeg Boat Works	3	\$21.83	\$227.86	\$249.69
Lake Agassiz Marine Hanger # 1	5	\$21.83	\$379.77	\$401.60
GIDG Dunlop Building	5	\$21.83	\$379.77	\$401.60
Natural Resources Water Bombers	5	\$21.83	\$379.77	\$401.60
Lake Winnipeg Boat Works	5	\$21.83	\$379.77	\$401.60
Skyline Hanger #3	5	\$21.83	\$379.77	\$401.60
Faroex-Plant	15	\$21.83	\$1,139.30	\$1,161.13
Faroex-Warehouse	1	\$21.83	\$75.95	\$97.78
Faroex-Research Bldg	1	\$21.83	\$75.95	\$97.78

1.1.3 Sewer Customers - Bulk Rates and Septic Haulers

Haulers within the RM Volumetric Charge (m³) - \$3.16

Haulers outside the RM Volumetric Charge (m³) - \$4.80

1.2. EFFECTIVE JANUARY 1, 2013

Commodity Charge - \$1.86 per cubic meter (m³)

1.2.1. Sewer Customers-Metered

All customers with metered water and sewer service shall pay the applicable minimum sewer rate charge set out below based on the consumption of the metered water service, which will include the allowance indicated:

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$26.11	\$25.11	\$51.22
3/4"	2	27 m ³	\$26.11	\$50.22	\$76.33
1"	4	54 m ³	\$26.11	\$100.44	\$126.55
1 1/2"	10	135 m ³	\$26.11	\$251.10	\$277.21
2"	25	337.5 m ³	\$26.11	\$627.75	\$653.86
3"	45	607.5 m ³	\$26.11	\$1,129.95	\$1,156.06
4"	90	1215 m ³	\$26.11	\$2,259.90	\$2,286.01
6"	170	2295 m ³	\$26.11	\$4,268.70	\$4,294.81

1.2.2 Sewer Customers-Flat Rates

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or Small Business	1	\$26.11	\$100.91	\$127.02
Building with more than 1 residence or business				
2 residences or businesses	2	\$26.11	\$201.82	\$227.93
3 residences or businesses	3	\$26.11	\$302.73	\$328.84
Trophy Cup	1	\$26.11	\$100.91	\$127.02
Design Canada	1	\$26.11	\$100.91	\$127.02
Gimli Small Engines	1	\$26.11	\$100.91	\$127.02
Lake Agassiz Marine Office	1	\$26.11	\$100.91	\$127.02
Lake Agassiz Marine Hanger # 2	2	\$26.11	\$201.82	\$227.93
Lake Agassiz Marine Hanger # 4	2	\$26.11	\$201.82	\$227.93
Misty Lake Lodge	5	\$26.11	\$504.55	\$530.66
Lake Winnipeg Boat Works	3	\$26.11	\$302.73	\$328.84
Lake Agassiz Marine Hanger # 1	5	\$26.11	\$504.55	\$530.66
GIDG Dunlop Building	5	\$26.11	\$504.55	\$530.66
Natural Resources Water Bombers	5	\$26.11	\$504.55	\$530.66
Lake Winnipeg Boat Works	5	\$26.11	\$504.55	\$530.66
Skyline Hanger #3	5	\$26.11	\$504.55	\$530.66
Faroex-Plant	15	\$26.11	\$1,513.64	\$1,539.75
Faroex-Warehouse	1	\$26.11	\$100.91	\$127.02
Faroex-Research Bldg	1	\$26.11	\$100.91	\$127.02

1.2.3 Sewer Customers - Bulk Rates and Septic Haulers

Haulers within the RM Volumetric Charge (m³) - \$3.51
 Haulers outside the RM Volumetric Charge (m³) - \$5.14

1.3. EFFECTIVE JANUARY 1, 2014

Commodity Charge - \$2.31 per cubic meter (m³)

1.3.1. Sewer Customers-Metered

All customers with metered water and sewer service shall pay the applicable minimum sewer rate charge set out below based on the consumption of the metered water service, which will include the allowance indicated:

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$27.07	\$31.19	\$58.26
3/4"	2	27 m ³	\$27.07	\$62.37	\$89.44
1"	4	54 m ³	\$27.07	\$124.74	\$151.81
1 1/2"	10	135 m ³	\$27.07	\$311.85	\$338.92
2"	25	337.5 m ³	\$27.07	\$779.63	\$806.70
3"	45	607.5 m ³	\$27.07	\$1,403.33	\$1,430.40
4"	90	1215 m ³	\$27.07	\$2,806.65	\$2,833.72
6"	170	2295 m ³	\$27.07	\$5,301.45	\$5,328.52

1.3.2 Sewer Customers-Flat Rates

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or Small Business	1	\$27.07	\$125.32	\$152.39
Building with more than 1 residence or business				
2 residences or businesses	2	\$27.07	\$250.65	\$277.72
3 residences or businesses	3	\$27.07	\$375.97	\$403.04
Trophy Cup	1	\$27.07	\$125.32	\$152.39
Design Canada	1	\$27.07	\$125.32	\$152.39
Gimli Small Engines	1	\$27.07	\$125.32	\$152.39
Lake Agassiz Marine Office	1	\$27.07	\$125.32	\$152.39
Lake Agassiz Marine Hanger # 2	2	\$27.07	\$250.65	\$277.72
Lake Agassiz Marine Hanger # 4	2	\$27.07	\$250.65	\$277.72
Misty Lake Lodge	5	\$27.07	\$626.61	\$653.68
Lake Winnipeg Boat Works	3	\$27.07	\$375.97	\$403.04
Lake Agassiz Marine Hanger # 1	5	\$27.07	\$626.61	\$653.68
GIDG Dunlop Building	5	\$27.07	\$626.61	\$653.68
Natural Resources Water Bombers	5	\$27.07	\$626.61	\$653.68
Lake Winnipeg Boat Works	5	\$27.07	\$626.61	\$653.68
Skyline Hanger #3	5	\$27.07	\$626.61	\$653.68
Faroex-Plant	15	\$27.07	\$1,879.84	\$1,906.91
Faroex-Warehouse	1	\$27.07	\$125.32	\$152.39
Faroex-Research Bldg	1	\$27.07	\$125.32	\$152.39

1.3.3 Sewer Customers - Bulk Rates and Septic Haulers

Haulers within the RM Volumetric Charge (m³) - \$3.60

Haulers outside the RM Volumetric Charge (m³) - \$5.60

2. WATER CHARGES

2.1 Water Customers

Notwithstanding the commodity rates set forth in Section 1 hereof, all customers with water and sewer service shall pay the applicable flat rate set out below or minimum charge set out below based on the consumption of the metered water service, which will include the

allowance indicated.

2.2 Urban Area

2.2.1 EFFECTIVE APRIL 1, 2012

2.2.1.1 Water System - Metered

Commodity Charge - \$1.07 per cubic meter (m³)

Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$20.99	\$14.45	\$35.44
3/4"	2	27 m ³	\$20.99	\$28.89	\$49.88
1"	4	54 m ³	\$20.99	\$57.78	\$78.77
1 1/2"	10	135 m ³	\$20.99	\$144.45	\$165.44
2"	25	337.5 m ³	\$20.99	\$361.13	\$382.12
3"	45	607.5 m ³	\$20.99	\$650.03	\$671.02
4"	90	1215 m ³	\$20.99	\$1,300.05	\$1,321.04
6"	170	2295 m ³	\$20.99	\$2,455.65	\$2,476.64

2.2.1.2 Urban Area Bulk Water Rate

Volumetric Charge (m³) - \$1.41

2.2.2 EFFECTIVE JANUARY 1, 2013

2.2.2.1 Water System - Metered

Commodity Charge - \$1.12 per cubic meter (m³)

Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$22.51	\$15.12	\$37.63
3/4"	2	27 m ³	\$22.51	\$30.24	\$52.75
1"	4	54 m ³	\$22.51	\$60.48	\$82.99
1 1/2"	10	135 m ³	\$22.51	\$151.20	\$173.71
2"	25	337.5 m ³	\$22.51	\$378.00	\$400.51
3"	45	607.5 m ³	\$22.51	\$680.40	\$702.91
4"	90	1215 m ³	\$22.51	\$1,360.80	\$1,383.31
6"	170	2295 m ³	\$22.51	\$2,570.40	\$2,592.91

2.2.2.2 Urban Area Bulk Water Rate

Volumetric Charge - \$1.48 per cubic meter (m³)

2.2.3 EFFECTIVE JANUARY 1, 2014

2.2.3.1 Water System - Metered

Commodity Charge - \$1.17 per cubic meter (m³)

Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$23.19	\$15.80	\$38.99
3/4"	2	27 m ³	\$23.19	\$31.59	\$54.78
1"	4	54 m ³	\$23.19	\$63.18	\$86.37
1 1/2"	10	135 m ³	\$23.19	\$157.95	\$181.14
2"	25	337.5 m ³	\$23.19	\$394.88	\$418.07
3"	45	607.5 m ³	\$23.19	\$710.78	\$733.97
4"	90	1215 m ³	\$23.19	\$1,421.55	\$1,444.74
6"	170	2295 m ³	\$23.19	\$2,685.15	\$2,708.34

2.2.3.2 Urban Area Bulk Water Rate

Volumetric Charge - \$1.54 per cubic meter (m³)

2.3 Pelican Beach Area

2.3.1 EFFECTIVE APRIL 1, 2012

2.3.1.1 Water System - Metered

Commodity Charge - \$1.17 per cubic meter (m³)

Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$19.26	\$15.80	\$35.06
3/4"	2	27 m ³	\$19.26	\$31.59	\$50.85
1"	4	54 m ³	\$19.26	\$63.18	\$82.44
1 1/2"	10	135 m ³	\$19.26	\$157.95	\$177.21
2"	25	337.5 m ³	\$19.26	\$394.88	\$414.14
3"	45	607.5 m ³	\$19.26	\$710.78	\$730.04
4"	90	1215 m ³	\$19.26	\$1,421.55	\$1,440.81
6"	170	2295 m ³	\$19.26	\$2,685.15	\$2,704.41

2.3.1.2 Pelican Beach Area Water System-Flat Rate

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or small Business	1	\$19.26	\$63.48	\$82.74
Building with more than 1 residence or business				
2 residences or businesses	2	\$19.26	\$126.95	\$146.21
3 residences or businesses	3	\$19.26	\$190.43	\$209.69

2.3.1.3 Pelican Beach Bulk Water Rate

Volumetric Charge - \$3.74 per cubic meter (m³)

2.3.2 EFFECTIVE JANUARY 1, 2013

2.3.2.1 Water System - Metered

Commodity Charge - \$1.39 per cubic meter (m³)

Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$22.06	\$18.77	\$40.83
3/4"	2	27 m ³	\$22.06	\$37.53	\$59.59
1"	4	54 m ³	\$22.06	\$75.06	\$97.12
1 1/2"	10	135 m ³	\$22.06	\$187.65	\$209.71
2"	25	337.5 m ³	\$22.06	\$469.13	\$491.19
3"	45	607.5 m ³	\$22.06	\$844.43	\$866.49
4"	90	1215 m ³	\$22.06	\$1,688.85	\$1,710.91
6"	170	2295 m ³	\$22.06	\$3,190.05	\$3,212.11

2.3.2.2 Pelican Beach Area Water System-Flat Rate

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or small Business	1	\$ 22.06	\$75.41	\$97.47
Building with more than 1 residence or business				
2 residences or businesses	2	\$ 22.06	\$150.82	\$172.88
3 residences or businesses	3	\$ 22.06	\$226.24	\$248.30

2.3.2.3 Pelican Beach Bulk Water Rate

Volumetric Charge - \$4.02 per cubic meter (m³)

2.3.3 EFFECTIVE JANUARY 1, 2014

2.3.3.1 Water System - Metered

Commodity Charge - \$1.61 per cubic meter (m³)

Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$22.78	\$21.74	\$44.52
3/4"	2	27 m ³	\$22.78	\$43.47	\$66.25
1"	4	54 m ³	\$22.78	\$86.94	\$109.72
1 1/2"	10	135 m ³	\$22.78	\$217.35	\$240.13
2"	25	337.5 m ³	\$22.78	\$543.38	\$566.16
3"	45	607.5 m ³	\$22.78	\$978.08	\$1,000.86
4"	90	1215 m ³	\$22.78	\$1,956.15	\$1,978.93
6"	170	2295 m ³	\$22.78	\$3,694.95	\$3,717.73

2.3.3.2 Pelican Beach Area Water System-Flat Rate

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or small Business	1	\$ 22.78	\$87.35	\$110.13
Building with more than 1 residence or business				
2 residences or businesses	2	\$ 22.78	\$174.69	\$197.47
3 residences or businesses	3	\$ 22.78	\$262.04	\$284.82

2.3.3.3 Pelican Beach Bulk Water Rate

Volumetric Charge - \$4.25 per cubic meter (m³)

2.4 Gimli Industrial Park Area

2.4.1 EFFECTIVE APRIL 1, 2012

Commodity Charge - \$1.69 per cubic meter (m³)

2.4.1.1 Water System- Metered

Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$12.72	\$22.82	\$35.54
3/4"	2	27 m ³	\$12.72	\$45.63	\$58.35
1"	4	54 m ³	\$12.72	\$91.26	\$103.98
1 1/2"	10	135 m ³	\$12.72	\$228.15	\$240.87
2"	25	337.5 m ³	\$12.72	\$570.38	\$583.10
3"	45	607.5 m ³	\$12.72	\$1,026.68	\$1,039.40
4"	90	1215 m ³	\$12.72	\$2,053.35	\$2,066.07
6"	170	2295 m ³	\$12.72	\$3,878.55	\$3,891.27

2.4.1.2 Gimli Industrial Park Area Water System-Flat Rates

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or small Business	1	\$ 12.72	\$91.68	\$104.40
Building with more than 1 residence or business				
2 residences or businesses	2	\$ 12.72	\$183.37	\$196.09
3 residences or businesses	3	\$ 12.72	\$275.05	\$287.77
Trophy Cup	1	\$ 12.72	\$91.68	\$104.40
Design Canada	1	\$ 12.72	\$91.68	\$104.40
Gimli Small Engines	1	\$ 12.72	\$91.68	\$104.40
Lake Agassiz Marine Office	1	\$ 12.72	\$91.68	\$104.40
Lake Agassiz Marine Hanger # 2	2	\$ 12.72	\$183.37	\$196.09
Lake Agassiz Marine Hanger # 4	2	\$ 12.72	\$183.37	\$196.09
Misty Lake Lodge	5	\$ 12.72	\$458.42	\$471.14
Lake Winnipeg Boat Works	3	\$ 12.72	\$275.05	\$287.77
Lake Agassiz Marine Hanger # 1	5	\$ 12.72	\$458.42	\$471.14
GIDG Dunlop Building	5	\$ 12.72	\$458.42	\$471.14
Natural Resources Water Bombers	5	\$ 12.72	\$458.42	\$471.14

Lake Winnipeg Boat Works	5	\$ 12.72	\$458.42	\$471.14
Skyline Hanger #3	5	\$ 12.72	\$458.42	\$471.14
Faroex-Warehouse	1	\$ 12.72	\$91.68	\$104.40
Faroex-Research Bldg	1	\$ 12.72	\$91.68	\$104.40
Faroex-Plant	15	\$ 12.72	\$1,375.27	\$1,387.99

2.4.1.3 Gimli Industrial Park Bulk Water Rate

Volumetric Charge - \$1.78 per cubic meter (m³)

2.4.2 EFFECTIVE JANUARY 1, 2013

Commodity Charge - \$1.74 per cubic meter (m³)

2.4.2.1 Water System- Metered

Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$24.70	\$23.49	\$48.19
3/4"	2	27 m ³	\$24.70	\$46.98	\$71.68
1"	4	54 m ³	\$24.70	\$93.96	\$118.66
1 1/2"	10	135 m ³	\$24.70	\$234.90	\$259.60
2"	25	337.5 m ³	\$24.70	\$587.25	\$611.95
3"	45	607.5 m ³	\$24.70	\$1,057.05	\$1,081.75
4"	90	1215 m ³	\$24.70	\$2,114.10	\$2,138.80
6 "	170	2295 m ³	\$24.70	\$3,993.30	\$4,018.00

2.4.2.2 Gimli Industrial Park Area Water System-Flat Rates

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or small Business	1	\$24.70	\$94.40	\$119.10
Building with more than 1 residence or business				
2 residences or businesses	2	\$24.70	\$188.80	\$213.50
3 residences or businesses	3	\$24.70	\$283.19	\$307.89
Trophy Cup	1	\$24.70	\$94.40	\$119.10
Design Canada	1	\$24.70	\$94.40	\$119.10
Gimli Small Engines	1	\$24.70	\$94.40	\$119.10
Lake Agassiz Marine Office	1	\$24.70	\$94.40	\$119.10
Lake Agassiz Marine Hanger # 2	2	\$24.70	\$188.80	\$213.50
Lake Agassiz Marine Hanger # 4	2	\$24.70	\$188.80	\$213.50
Misty Lake Lodge	5	\$24.70	\$471.99	\$496.69
Lake Winnipeg Boat Works	3	\$24.70	\$283.19	\$307.89
Lake Agassiz Marine Hanger # 1	5	\$24.70	\$471.99	\$496.69
GIDG Dunlop Building	5	\$24.70	\$471.99	\$496.69
Natural Resources Water Bombers	5	\$24.70	\$471.99	\$496.69
Lake Winnipeg Boat Works	5	\$24.70	\$471.99	\$496.69
Skyline Hanger #3	5	\$24.70	\$471.99	\$496.69
Faroex-Warehouse	1	\$24.70	\$94.40	\$119.10
Faroex-Research Bldg	1	\$24.70	\$94.40	\$119.10
Faroex-Plant	15	\$24.70	\$1,415.96	\$1,440.66

2.4.2.3 Gimli Industrial Park Bulk Water Rate

Volumetric Charge - \$1.85 per cubic meter (m³)

2.4.3 EFFECTIVE JANUARY 1, 2014

Commodity Charge - \$1.80 per cubic meter (m³)

2.4.3.1 Water System- Metered

Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m ³	\$25.48	\$24.30	\$49.78
3/4"	2	27 m ³	\$25.48	\$48.60	\$74.08
1"	4	54 m ³	\$25.48	\$97.20	\$122.68
1 1/2"	10	135 m ³	\$25.48	\$243.00	\$268.48
2"	25	337.5 m ³	\$25.48	\$607.50	\$632.98
3"	45	607.5 m ³	\$25.48	\$1,093.50	\$1,118.98
4"	90	1215 m ³	\$25.48	\$2,187.00	\$2,212.48
6"	170	2295 m ³	\$25.48	\$4,131.00	\$4,156.48

2.4.3.2 Gimli Industrial Park Area Water System-Flat Rates

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or small Business	1	\$25.48	\$97.65	\$123.13
Building with more than 1 residence or business				
2 residences or businesses	2	\$25.48	\$195.31	\$220.79
3 residences or businesses	3	\$25.48	\$292.96	\$318.44
Trophy Cup	1	\$25.48	\$97.65	\$123.13
Design Canada	1	\$25.48	\$97.65	\$123.13
Gimli Small Engines	1	\$25.48	\$97.65	\$123.13
Lake Agassiz Marine Office	1	\$25.48	\$97.65	\$123.13
Lake Agassiz Marine Hanger # 2	2	\$25.48	\$195.31	\$220.79
Lake Agassiz Marine Hanger # 4	2	\$25.48	\$195.31	\$220.79
Misty Lake Lodge	5	\$25.48	\$488.26	\$513.74
Lake Winnipeg Boat Works	3	\$25.48	\$292.96	\$318.44
Lake Agassiz Marine Hanger # 1	5	\$25.48	\$488.26	\$513.74
GIDG Dunlop Building	5	\$25.48	\$488.26	\$513.74
Natural Resources Water Bombers	5	\$25.48	\$488.26	\$513.74
Lake Winnipeg Boat Works	5	\$25.48	\$488.26	\$513.74

Skyline Hanger #3	5	\$25.48	\$488.26	\$513.74
Faroex-Warehouse	1	\$25.48	\$97.65	\$123.13
Faroex-Research Bldg	1	\$25.48	\$97.65	\$123.13
Faroex-Plant	15	\$25.48	\$1,464.79	\$1,490.27

2.4.3.3 Gimli Industrial Park Bulk Water Rate

Volumetric Charge - \$1.91 per cubic meter (m³)

3.0 SERVICE TO CUSTOMERS OUTSIDE MUNICIPAL LIMITS

The Council of the Municipality may sign agreements with customers for the provision of water and sewer services to properties located outside the legal boundaries of the Municipality. Such agreements shall provide for payment of the appropriate rates set out in Commodity Rates of this schedule, as well as a surcharge set by resolution of Council, which shall be equivalent to the frontage levy, general taxes and special taxes for utility purposes in effect at the time, or may be in effect from time to time, and which would be levied on the property concerned if it were within these boundaries. In addition, all costs of connecting to the utility's mains, and installing and maintaining service connections will be paid by the customer.

4.0 PENALTY FOR LATE PAYMENT

A late payment charge of 1 ¼% per month compounded shall be charged on the dollar amount owing after the billing due date. The due date will be at least fourteen (14) days after the mailing of the bills

5.0 DISCONNECTION OF SERVICES

5.1 Disconnection for Non Payment / Delinquent Accounts

All utilities subject to *The Public Utilities Board Act* shall comply with the Conditions Precedent for water and/or sewer service disconnection.

5.2 Disconnection at Owners Request

A fee of \$30.00 shall be charged for disconnecting the water service at the property owner's request.

6.0 RECONNECTION OF SERVICES

6.1 Reconnection for Non Payment / Delinquent Accounts

Where any service is disconnected under the provisions of this By-Law, it shall not be reconnected until all arrears, penalties and a reconnection fee of \$100.00 have been paid.

6.2 Reconnection for Non Delinquent Accounts

A fee of \$30.00 shall be charged for reconnecting the water service at the property owner's request.

7.0 OUTSTANDING ACCOUNTS

Pursuant to Section 252(2) of The Municipal Act, the amount of all outstanding charges for water and sewer services, including fines and penalties, are a lien and charge upon the land serviced, and shall be collected in the same manner in which ordinary taxes upon the land are collectible, and with like remedies.

8.0 STANDPIPE SURCHARGE

A quarterly flat rate fee of \$168.75 shall be charged to all commercial or multi-family customers with internal sprinkler systems for the purpose of fire protection.

9.0 HYDRANT RENTALS

The Rural Municipality of Gimli shall pay to the utility an annual rental of \$125.00 for each hydrant connected to the system.

10.0 METER ACCURACY TESTING

That any customer may request that his/her water meter be tested for accuracy and before having the same tested by the Municipality, he/she shall deposit with the Director of Finance & Administration the sum of One Hundred (\$100.00) Dollars, which shall be retained and if the meter shall be found to be accurate, the said sum of One Hundred (\$100.00) Dollars shall be retained by the Municipality and if the meter is found to be inaccurate, the said sum of One Hundred (\$100.00) Dollars will be returned to the customer

11.0 SEWAGE SURCHARGES

That there may be levied annually, in addition to rates set forth above, a special surcharge on sewage having a Biochemical Oxygen Demand in excess of 300 parts per million, to be set by resolution of Council.

That a special surcharge for substances requiring special treatment shall be charged based on the actual costs of treatment required for the particular sewage or industrial wastes.

12.0 COMMERCIAL SEASONAL CUSTOMERS

That all commercial customers that have their water service disconnected in the fall and reconnected in the spring and that have a service size larger than the minimum size of 5/8" will pay the minimum metered amount per quarter, while the water service is disconnected.

13.0 DEPOSITS ON NEW UTILITY ACCOUNTS

That all new utility customers shall pay a deposit in the amount equal to their quarterly minimum charge, upon set up of their new account. All deposits will be recorded and held until the utility account is closed. Deposits will be refunded to the customer when the final utility balance is paid in full. Deposits will be applied to any account with an outstanding final balance.