

Order No. 113/21

**MUNICIPALITY OF CLANWILLIAM-ERICKSON
ERICKSON WATER AND WASTEWATER UTILITY
FINAL RATES**

October 19, 2021

Revised October 26, 2021

**BEFORE: Irene A. Hamilton, Q.C., Panel Chair
Mike Watson, Panel Member**

Table of Contents

1.0	Executive Summary	3
2.0	Background	3
	Water Supply/Distribution	4
	Wastewater Collection/Treatment.....	4
	Unaccounted for Water	4
3.0	Application	5
	Working Capital Surplus/Deficit	7
	Contingency Allowance and Utility Reserves.....	7
	Cost Allocation Methodology	8
4.0	Board Findings.....	9
5.0	IT IS THEREFORE ORDERED THAT:.....	10
	SCHEDULE A.....	12

1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves as final the water and wastewater rates as applied for by the Municipality of Clanwilliam-Erickson (Municipality), Erickson Water and Wastewater (Utility). Board Order No. 40/21 previously established these rates on an interim *ex parte* basis.

The approved rates are as follows:

	April 1, 2021	April 1, 2022	April 1, 2023	April 1, 2024	April 1, 2025
Quarterly Service Charge	\$24.95	\$24.56	\$24.17	\$23.78	\$23.39
Water (per 1,000 gallons)	\$14.57	\$15.35	\$16.13	\$16.91	\$17.71
Wastewater (per 1,000 gallons)	\$5.34	\$5.49	\$5.64	\$5.79	\$5.94
Minimum Quarterly Charge*	\$84.68	\$87.08	\$89.48	\$91.88	\$94.34
Rate Rider** (per 1,000 gallons)	\$4.11	\$4.11	\$4.11	\$4.11	\$4.11
Minimum Quarterly Charge With Rate Rider*	\$97.01	\$99.41	\$101.81	\$104.21	\$106.67
Bulk Water*** (per 1,000 gallons)	\$20.00	\$20.00	\$20.00	\$20.00	\$21.25

*Based on 3,000 gallons

**Rate rider is approved for 7 years or until the deficits are fully recovered

***Rounded to the nearest \$0.25

Details of other rates may be found in the attached Schedule A.

Rationale for the Board's decisions may be found under the Board Findings section below.

2.0 Background

On January 4, 2021, the Municipality applied for revised water and wastewater rates for the Utility. The application was accompanied by a rate study prepared by the Municipality's consultant, By-Law 69-20 having had first reading October 14, 2020, and Council Resolution No. 165/20 requesting rates be set on an interim *ex parte* basis. Interim rates were requested because the Utility continued to incur shortfalls/deficits and it had been five years since the Utility has had revised rates in Board Order No. 136/15 with the last rate increase occurring January 1, 2016.

The Board also received an application for approval of seven actual operating deficits of \$13,929 for 2013, \$52,536 for 2014, \$29,613 for 2015, \$19,849 for 2016, \$11,620 for 2017, \$63,843 for 2018, \$17,342 for 2019, or a total seven-year actual operating deficit of \$208,732. The Council Resolution requested the deficits be recovered through a seven-year rate rider of \$4.11 per 1,000 gallons consumed.

Board Order No. 40/21 approved the rates and deficits as requested by the Municipality.

Water Supply/Distribution

A new water treatment plant with a new greensand filter and a six-vessel reverse-osmosis system was installed in 2013 and provides service to 248 customers. Two groundwater wells provide water to the plant. The majority of the water lines were installed in the 1960s.

Wastewater Collection/Treatment

The majority of the wastewater lines were installed in the 1960s. The Utility has one lift station and the majority of the wastewater lines are gravity based.

The lagoon is a three-cell system, utilizing a primary cell and two secondary cells. Wastewater treatment is done using an aerobic treatment system.

Unaccounted for Water

The acceptable percentage of unaccounted for water is 10%, based on industry standards. If the percentage is above this amount, the applicant is to explain why and provide a plan to remedy.

The Utility's rate study notes unaccounted for water was 26% in 2019. The Municipality advises there are a few seasonal, municipal facilities that are currently unmetered and the Municipality will be metering those facilities in the near future.

3.0 Application

On January 4, 2021, the Municipality applied for interim *ex parte* water and wastewater rates for the Utility. The application was accompanied by a rate study prepared by the Municipality's consultant, By-Law 69-20 having had first reading October 14, 2020, and Council Resolution No. 165/20. On March 25, 2021, the Board approved interim *ex parte* water and wastewater rates as applied for by the Municipality in Board Order No. 40/21.

A Public Notice of Application was issued on March 26, 2021 allowing for any questions or comments with respect to the proposed rate increases to the Board and/or the Municipality on or before April 25, 2021. The Board did not receive any responses to the Notice.

When reviewing an application, the Board can either: hold a public hearing at which the applicant can present its case and customers can present their concerns; or where it is deemed to be in the best interests of a utility and its customers, the Board can review the application using a paper review process without holding a public hearing. The paper review process considers all written materials submitted by the Utility and the public, as well as any information requests and responses between the Board and the Utility. Whenever reasonable, the Board will review the application using a paper review process which saves the cost of a public hearing process.

The Board has chosen a paper review process for the Municipality's application.

The water and wastewater rates were calculated based on the following projections:

Schedule of Utility Rate Requirements					
Municipality of Clanwilliam-Erickson - Erickson Water and Wastewater Utility					
2021 to 2025 Budget Forecasts (\$)					
	2021	2022	2023	2024	2025
	Forecast				
General Expenses					
Administration	17,788	18,144	18,507	18,877	19,255
Training Costs	2,500	2,550	2,601	2,653	2,706
Total General Expenses	20,288	20,694	21,108	21,530	21,961
Revenue					
Penalties	816	832	849	866	883
Total General Revenues	816	832	883	866	883
Net Costs General	19,472	19,862	20,225	20,664	21,078
Water Expenses					
Purification and Treatment	142,035	144,876	147,773	150,729	153,743
Transmission and Distribution	31,110	31,732	32,367	33,014	33,674
Amortization	41,646	41,487	42,487	42,935	43,935
Interest on Long-Term Debt	3,420	2,324	2,409	2,407	3,554
Contingency	9,515	9,515	9,515	9,515	9,515
Total Water Expenses	227,726	229,934	234,551	238,600	244,411
Revenue					
Hydrant Rentals (24)	3,600	3,600	3,600	3,600	3,600
Contract Services	72,675	74,129	75,611	77,123	78,666
Bulk Water Fees	10,000	10,000	10,000	10,000	10,000
Total Water Revenue	86,275	87,729	89,211	90,723	92,266
Net Water Costs	141,451	142,205	145,340	147,877	152,145
Wastewater Expenses					
Collection System	33,150	18,526	18,896	19,274	19,660
Treatment and Disposal	714	728	743	758	773
Lift Station	4,080	4,162	4,245	4,330	4,416
Amortization	18,948	18,948	18,485	19,485	20,485
Interest on Long-Term Debt	-	-	1,225	2,407	3,544
Contingency	2,485	2,485	2,485	2,485	2,485
Total Wastewater Expenses	59,377	44,849	44,819	48,739	51,363
Net Wastewater Costs	59,377	44,849	44,819	48,739	51,363
Net Operating Costs	220,300	206,916	210,384	217,280	224,586

Working Capital Surplus/Deficit

Board Order No. 93/09 established that utilities should maintain a minimum working capital surplus, in an amount equal to 20% of annual expenses. The working capital surplus/deficit is defined as the Utility fund balance, excluding any capital related items plus Utility reserves.

As per a supplementary calculation provided by the Municipality's consultant, the working capital at December 31, 2019 was:

	2019
Utility Fund Surplus/Deficit	\$816,672
Deduct Tangible Capital Assets	(1,263,857)
Add Long-Term Debt	113,916
Add Utility Reserves	27,613
Equals Working Capital Surplus (Deficit)	\$(305,656)
Operating Expenses	276,655
20% of Operating Expenses (Target)	\$55,331

The Utility does not meet the Board's target of 20% of operating expenses.

Contingency Allowance and Utility Reserves

As per the Board's Water Rate Application Guidelines, a yearly allowance equal to 10% of the variable operating costs is recommended for a contingency allowance.

The Municipality has included a contingency allowance of \$9,515 for water and \$2,485 for wastewater or a total contingency allowance of \$12,000.

The Municipality is not requesting a reserve allowance due to the large rate increase requested and the existing, approved seven-year deficit rate rider.

Cost Allocation Methodology

The Board requires all municipal governments to review the costs shared between its general operations and the Utility, and to allocate appropriate and reasonable costs to the Utility, based on a policy known as a Cost Allocation Methodology. This allocation must be submitted to the Board for approval and cannot be changed without receiving approval from the Board. The Board’s requirements regarding the cost allocation methodologies can be found in Board Order No. 93/09.

The Municipality’s allocation plan for shared costs is as follows:

Municipality of Clanwilliam-Erickson Erickson Water and Wastewater Utility Allocation Plan for Non-Direct Shared Services (see Note 1) as at October, 2020			
Category	Sub-category	Options	
1.0	Administrative Staff		5.0% of general legislative expenses excluding assessment and grant expenses
	1.1 Billing services – meter reading to receipting and collection.		Meter reading – N/A; receipting and collection part of admin. staff allocation
	1.2 Accounting/ auditing/ including bylaw making and enforcement.		5.0% of audit costs
	1.3 Common office space		5.0% of office costs, utilities
	1.4 Office overheads (telephone, photocopier, computer, etc.)		5.0% of printing, postage, and stationary
2.0	Operating, construction and maintenance costs		
	2.1 Vehicle – fuel, maintenance, lease costs, capital costs		The Utility pays mileage to the Utility operator for personal use of his vehicle.
	2.2 Labor – full time, part time, on call, sick time, vacation (see Note 2)		One full-time and one part-time Utility operator’s time is charged to the Utility.
	2.3 Public works building and property.		There is no charge to the Utility for the Public Works Building use.

	2.4 Road repairs and alike (see Note 3)	Based on actual costs		-
3.0 Major projects				
	Interest/ financing			N/A
	Labor	Based on actual costs		-
	External costs	Direct charge (dedicated consulting)		-

Note 1 – Allocation must be updated periodically to reflect impacts of inflation.

Note 2 – Including salaries and benefits.

Note 3 – If a project involves work benefitting both the Utility and general operations the costs may be shared (i.e. If reconstructing a road and replacing services at the same time, a portion of the roadwork costs may be allocated to the Utility.)

4.0 Board Findings

The Board has reviewed the rate application and the projections presented by the Municipality and finds them to be reasonable. The Board grants approval for the water rates as applied for effective April 1, 2021.

The Board requires the Municipality to review its water and wastewater rates for the Utility for adequacy and file a report with the Public Utilities Board, as well as an application for revised rates on or before December 31, 2025.

The Board directs the Municipality to monitor the revised water and wastewater rates and if the Municipality becomes aware the rates approved in this Order are inadequate to cover the operating costs of the Utility, the Board encourages the Municipality to submit a revised Rate Application as soon as possible.

The Board has not received the Municipality's 2020 Audited Financial Statements and reminds the Municipality audited financial statements are to be reported to the Board no later than June 30 of the following year.

5.0 IT IS THEREFORE ORDERED THAT:

1. The water and wastewater rates for the Municipality of Clanwilliam-Erickson, Erickson Water and Wastewater Utility, as approved on an interim *ex parte* basis in Board Order No. 40/21, BE AND ARE HEREBY CONFIRMED AS FINAL in accordance with the attached Schedule A, effective April 1, 2021.
2. The Municipality of Clanwilliam-Erickson amend its water and wastewater By-Law for the Erickson Water and Wastewater Utility to reflect the decisions in this Order and file a copy with the Public Utilities Board, as soon as it has received third and final reading.
3. The Municipality of Clanwilliam-Erickson provide a notice to its customers, including the decisions in this Order and submit a copy to the Public Utilities Board.
4. The Municipality of Clanwilliam-Erickson review its water and wastewater rates for adequacy and file a report with the Public Utilities Board, as well as an application for revised rates if required, by no later than December 31, 2025.
5. The Municipality of Clanwilliam-Erickson submit its 2020 Audited Financial Statements as soon as possible.

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.

Fees payable upon this Order – \$500.00

THE PUBLIC UTILITIES BOARD

“Irene Hamilton”

Panel Chair

“Frederick Mykytyshyn”

Assistant Associate Secretary

Certified a true copy of Order No. 113/21 issued
by The Public Utilities Board



Assistant Associate Secretary

SCHEDULE A

MUNICIPALITY OF CLANWILLIAM-ERICKSON ERICKSON WATER AND WASTEWATER UTILITY WATER & WASTEWATER UTILITY RATES BY-LAW NO. 69/20 SCHEDULE OF QUARTERLY RATES

1. Schedule of Commodity Rates & Quarterly Service Charge

April 1, 2021

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Wastewater	Water & Wastewater
\$14.57	\$5.34	\$19.91

Rate Rider per 1,000 gallons of water sold (see Clause 3) \$4.11

Quarterly Service Charge \$24.95

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the water allowance as listed.

a) Water & Wastewater Customers

<u>Meter Size</u>	<u>Water Included (Gallons)</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Wastewater Commodity Charge</u>	<u>Water & Wastewater Total Quarterly Minimum</u>	<u>Water & Wastewater Rate Rider</u>	<u>Water & Wastewater Total Quarterly w/Rate Rider</u>
5/8 inch	3,000	\$24.95	\$43.71	\$16.02	\$84.68	\$12.33	\$97.01
3/4 inch	6,000	\$24.95	\$87.42	\$32.04	\$144.41	\$24.66	\$169.07
1 inch	12,000	\$24.95	\$174.84	\$64.08	\$263.87	\$49.32	\$313.19
1 1/2 inch	30,000	\$24.95	\$437.10	\$160.20	\$622.25	\$123.30	\$745.55
2 inch	75,000	\$24.95	\$1,092.75	\$400.50	\$1,518.20	\$308.25	\$1,826.45

b) Water Only Customers

The minimum charge will be the same for each meter size as shown above, but the Wastewater Commodity Charge will be excluded.

c) Bulk Water

All water sold in bulk shall be charged for at a rate of \$20.00 per 1,000 gallons on a pro rated basis for all quantities of water greater than 500 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

April 1, 2022

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Wastewater	Water & Wastewater
\$15.35	\$5.49	\$20.84

Rate Rider per 1,000 gallons of water sold (see Clause 3) \$4.11

Quarterly Service Charge \$24.56

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the water allowance as listed.

a) Water & Wastewater Customers

<u>Meter Size</u>	<u>Water Included (Gallons)</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Wastewater Commodity Charge</u>	<u>Water & Wastewater Total Quarterly Minimum</u>	<u>Rate Rider</u>	<u>Water & Wastewater Total Quarterly w/Rate Rider</u>
5/8 inch	3,000	\$24.56	\$46.05	\$16.47	\$87.08	\$12.33	\$99.41
3/4 inch	6,000	\$24.56	\$92.10	\$32.94	\$149.60	\$24.66	\$174.26
1 inch	12,000	\$24.56	\$184.20	\$65.88	\$274.64	\$49.32	\$323.96
1 1/2 inch	30,000	\$24.56	\$460.50	\$164.70	\$649.76	\$123.30	\$773.06
2 inch	75,000	\$24.56	\$1,151.25	\$411.75	\$1,587.56	\$308.25	\$1,895.81

b) Water Only Customers

The minimum charge will be the same for each meter size as shown above, but the Wastewater Commodity Charge will be excluded.

c) Bulk Water

All water sold in bulk shall be charged for at a rate of \$20.00 per 1,000 gallons on a pro rated basis for all quantities of water greater than 500 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

April 1, 2023

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Wastewater	Water & Wastewater
\$16.13	\$5.64	\$21.77

Rate Rider per 1,000 gallons of water sold (see Clause 3) \$4.11

Quarterly Service Charge \$24.17

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the water allowance as listed.

a) Water & Wastewater Customers

<u>Meter Size</u>	<u>Water Included (Gallons)</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Wastewater Commodity Charge</u>	<u>Water & Wastewater Total Quarterly Minimum</u>	<u>Rate Rider</u>	<u>Water & Wastewater Total Quarterly w/Rate Rider</u>
5/8 inch	3,000	\$24.17	\$48.39	\$16.92	\$89.51	\$12.33	\$101.81
3/4 inch	6,000	\$24.17	\$96.78	\$33.84	\$154.79	\$24.66	\$179.45
1 inch	12,000	\$24.17	\$193.56	\$67.68	\$285.41	\$49.32	\$334.73
1 1/2 inch	30,000	\$24.17	\$483.90	\$169.20	\$677.27	\$123.30	\$800.57
2 inch	75,000	\$24.17	\$1,209.75	\$423.00	\$1,656.92	\$308.25	\$1,965.17

b) Water Only Customers

The minimum charge will be the same for each meter size as shown above, but the Wastewater Commodity Charge will be excluded.

c) Bulk Water

All water sold in bulk shall be charged for at a rate of \$20.00 per 1,000 gallons on a pro rated basis for all quantities of water greater than 500 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

April 1, 2024

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Wastewater	Water & Wastewater
\$16.91	\$5.79	\$22.70

Rate Rider per 1,000 gallons of water sold (see Clause 3) \$4.11

Quarterly Service Charge \$23.78

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the water allowance as listed.

a) Water & Wastewater Customers

<u>Meter Size</u>	Water Included (Gallons)	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum	Water & Wastewater Rate Rider	Water & Wastewater Total Quarterly w/Rate Rider
5/8 inch	3,000	\$23.78	\$50.73	\$17.37	\$91.88	\$12.33	\$104.21
3/4 inch	6,000	\$23.78	\$101.46	\$34.74	\$159.98	\$24.66	\$184.64
1 inch	12,000	\$23.78	\$202.92	\$69.48	\$296.18	\$49.32	\$345.50
1 1/2 inch	30,000	\$23.78	\$507.30	\$173.70	\$704.78	\$123.30	\$828.08
2 inch	75,000	\$23.78	\$1,268.25	\$434.25	\$1,726.28	\$308.25	\$2,034.53

b) Water Only Customers

The minimum charge will be the same for each meter size as shown above, but the Wastewater Commodity Charge will be excluded.

c) Bulk Water

All water sold in bulk shall be charged for at a rate of \$20.00 per 1,000 gallons on a pro rated basis for all quantities of water greater than 500 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

April 1, 2025

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Wastewater	Water & Wastewater
\$17.71	\$5.94	\$23.65

Rate Rider per 1,000 gallons of water sold (see Clause 3) \$4.11

Quarterly Service Charge \$23.39

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the water allowance as listed.

a) Water & Wastewater Customers

<u>Meter Size</u>	Water Included (Gallons)	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum	Water & Wastewater Rate Rider	Water & Wastewater Total Quarterly w/Rate Rider
5/8 inch	3,000	\$23.39	\$53.13	\$17.82	\$94.34	\$12.33	\$106.67
3/4 inch	6,000	\$23.39	\$106.26	\$35.64	\$165.29	\$24.66	\$189.95
1 inch	12,000	\$23.39	\$212.52	\$71.28	\$307.19	\$49.32	\$356.51
1 1/2 inch	30,000	\$23.39	\$531.30	\$178.20	\$732.89	\$123.30	\$856.19
2 inch	75,000	\$23.39	\$1,328.25	\$445.50	\$1,797.14	\$308.25	\$2,105.39

b) Water Only Customers

The minimum charge will be the same for each meter size as shown above, but the Wastewater Commodity Charge will be excluded.

c) Bulk Water

All water sold in bulk shall be charged for at a rate of \$21.25 per 1,000 gallons on a pro rated basis for all quantities of water greater than 500 gallons.

The following clauses take effect April 1, 2021:**3. Deficit Rate Rider**

Deficit Rate Rider commencing April 1, 2021 for 2013 to 2019 audited deficits is calculated based on a 7-year recovery period as follows:

2013 Actual Operating Deficit	\$13,929
2014 Actual Operating Deficit	\$52,536
2015 Actual Operating Deficit	\$29,613
2016 Actual Operating Deficit	\$19,849
2017 Actual Operating Deficit	\$11,620
2018 Actual Operating Deficit	\$63,843
2019 Actual Operating Deficit	<u>\$17,342</u>
Total to recover	<u>\$208,732</u>

Divided by water volume sold 7,249,000 gallons

Deficit Rate Rider, per 1,000 gallons over 7 years: \$4.11 per 1,000 gallons for April 1, 2021 to March 31, 2028, inclusive.

4. Billings and Penalties

Accounts shall be billed quarterly based on water used. A late payment penalty charge of 1.25% compounded monthly 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. Disconnection and Reconnection

The Public Utilities Board has approved the Conditions Precedent to be followed by the Municipality with respect to disconnection of service for non-payment including such matters as notice and the right to appeal such action to The Public Utilities Board. A copy of the conditions precedent is available for inspection at the Municipality's office.

Any service disconnected due to non-payment of account shall not be reconnected until all arrears, penalties and a reconnection fee of \$30.00 have been paid.

6. Liability for Charges

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 may be collected in the same manner in which ordinary taxes upon the land are collectible, and with like remedies

7. Service to Customers Outside Utility's Limits

- a. The Council of the Municipality of Clanwilliam-Erickson may sign Agreements with customers for the provision of water and sewer services to properties located outside the boundaries of Erickson Utility. Such Agreements shall provide for payment of the appropriate rates set out in 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 the 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 Erickson Utility boundaries. In addition, all costs of connecting to the Utility's mains, and installing and maintaining service connections, will be paid by the customer.
- b. All costs of connecting to the Utility's water and wastewater mains and installing service connections will be paid by the customer.

8. Hydrant Charges

The Municipality of Clanwilliam-Erickson, or any other hydrant owner, will pay to the Erickson Utility a fee of \$150.00 per hydrant for the purpose of maintaining and repairing all fire hydrants connected to the system, which shall include the cost of water used for firefighting.

9. Water Allowance Due to Line Freezing

That in any case where, at the request of Council, a 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.

10. Wastewater Surcharges

- a) There may be levied annually, in addition to the 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.

- b) 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 waste.

11. Water Meters

Water meters are owned by the Municipality but are the responsibility of the utility customer to maintain. If the water meter is broken, frozen, etc., the utility customer will be billed for a new meter at the current cost of replacement.

12. Meter Testing

That in any case where a utility customer requests that a meter be tested for accuracy, the customer will provide the Municipality with a deposit of \$150.00. The Municipality will then remove the subject meter and send it to an independent lab for testing. If the meter is found to be faulty, all costs associated with the testing process will be borne by the Municipality and the deposit will be refunded to the customer and the customer's account will be adjusted for the preceding four (4) months. If the meter is found to be in proper working order, all costs associated with the testing process will be borne by the customer and the customer will be billed or refunded any balance owing.

13. Cross Connections

No customer or person shall connect, cause to be connected or allow to remain connected any piping, fixture, fitting, container or appliance in a manner which under any circumstances may allow water, wastewater or any harmful liquid or substance to enter the Municipality's water system.

If a condition is found to exist which, in the opinion of the Municipality, is contrary to the aforesaid, the Municipality may either:

Shut off the service or services; or

Give notice to the customer to correct the fault at his or her own expense within a specified time period.

14. Conditions of Disrepair

In the event that there are conditions of disrepair in the sewer and water works on a property that detrimentally affects the system as a whole and, upon the failure of the owner of the property to correct the condition within a reasonable time, the Municipality, or its agents, may enter the property, effect repairs and charge the cost thereof against the subject property as ordinary taxes.

15. Authorization for Officer to Enter Upon Premises

The Public Works Supervisor, or other employee authorized by the Municipality in the absence of the Public Works Supervisor, shall be authorized to enter upon any premise for the purpose of:

Affixing to any pipe, wire or apparatus connected with any such utility, a meter or any other measuring or testing device; or taking readings from, repairing, inspecting or removing any meter or apparatus belonging to the Municipality.