

Order No. 121/21

**TOWN OF STONEWALL
REVISED WATER AND WASTEWATER RATES
SIMPLIFIED RATE APPLICATION**

October 27, 2021

**BEFORE: Shawn McCutcheon, Panel Chair
Marilyn Kapitany, B.Sc. (Hon), M. Sc., Panel Member**

Table of Contents

1.0	Executive Summary.....	3
2.0	Background	4
3.0	Application	4
	Working Capital Surplus.....	5
4.0	Board Findings.....	6
5.0	IT IS THEREFORE ORDERED THAT:.....	6

1.0 Executive Summary

By this Order, the Public Utilities Board grants approval of revised water and wastewater rates effective January 1, 2022, for the Town of Stonewall (Town), Water and Wastewater Utility (Utility). The approved rates are shown below:

	Jan 1, 2022
Quarterly Service Charge	\$ 22.50
Water (per cubic meter)	\$ 0.95
Wastewater (per cubic meter)	\$ 0.83
Minimum Quarterly Charge - Water and Wastewater*	\$ 46.78
Minimum Quarterly Charge - Wastewater only customers**	\$ 66.60
Wastewater Disposal Tipping Fees***	\$ 4.10

*Based on 13.64 cubic meters

**Based on 53.13 cubic meters

***per cubic meter; will be charged based on the vehicle tank capacity at the time of licensing

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

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

2.0 Background

The Town of Stonewall operates a water and wastewater utility.

Rates were last set in Board Order No. 47/18, with current rates coming into effect January 1, 2021. The Town has not advised the Board of any material changes to the operations of the Utility.

3.0 Application

On August 13, 2021, the Board received the Town's application for revised water and wastewater rates for the Utility. The Application was submitted using the Simplified Rate Application Process and accompanied by By-Law No. 05-21 having received first reading on May 19, 2021. The Town provided an Affidavit certifying: the Utility meets all Board requirements for the Simplified Filing Process as set out in Board Order No. 86/17; the Utility has no outstanding operating deficits; and the requested water and wastewater rates are expected to be adequate to meet operating costs for the year.

Rates were last set using the regular Rate Application Process/review in Board Order No. 47/18, with the current rates coming into effect January 1, 2021.

A Public Notice of Application was issued on September 1, 2021, affording customers the opportunity to comment to both the Board and the Town with respect to the proposed rate increases. No responses were received.

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. This process may reduce regulatory costs to the Utility.

A public hearing process allows the Utility and the public the opportunity to review the application and address any concerns with the Board present.

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 this option for this application.

The Town has applied for revised rates to provide for inflationary cost increases anticipated for future operations of the Utility.

Working Capital Surplus

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 is defined as the Utility fund balance, excluding any capital-related items plus Utility reserves.

As per the 2020 Audited Financial Statements, the working capital surplus at December 31, 2020:

	2020
Accumulated Fund Surplus/Deficit	\$14,561,116
Deduct tangible capital assets	\$16,493,712
Add long term debt	\$2,550,719
Add utility reserve	\$521,947
Equals Working Capital Surplus/Deficit	\$1,140,070
Total expenses	\$1,137,344
20% of operating costs (target)	\$227,469

The Utility currently meets the Board minimum working capital surplus of 20%.

4.0 Board Findings

The Board finds the Town meets the required criteria, as set out in Board Order No. 86/17, to apply for revised rates using the Simplified Rate Application Process and grants approval for the rates as applied for, effective January 1, 2022.

The Board requires the Town to 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 June 30, 2023.

Regular reviews are important for a financially sound utility and the Board encourages the Town to continue to assess its ability to apply using the Simplified Rate Application Process.

5.0 IT IS THEREFORE ORDERED THAT:

1. Revised water and wastewater rates for the Town of Stonewall Water and Wastewater Utility BE AND ARE HEREBY APPROVED in accordance with the attached Schedule A, effective January 1, 2022.
2. The Town of Stonewall submit a copy of its utility by-law to the Board once it has received third and final reading.
3. The Town of Stonewall is to provide notice to its customers as soon as possible of all decisions found in this Order.
4. The Town of Stonewall review 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 June 30, 2023.

Fees payable upon this Order - \$150.00

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. The Board's Rules may be viewed on the Board's website at www.pubmanitoba.ca.

THE PUBLIC UTILITIES BOARD

"Shawn M^cCutcheon"

Panel Chair

"Jennifer Dubois, CPA, CMA"

Assistant Associate Secretary

Certified a true copy of Order No. 121/21
issued by The Public Utilities Board



Assistant Associate Secretary

**THE TOWN OF STONEWALL
SCHEDULE "A" TO BY-LAW NO. 05-21**

WATER & WASTEWATER RATES

1. COMMODITY RATES – WATER & WASTEWATER – PER CUBIC METRE (m³)

All Water Consumption	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
Effective January 1, 2022	\$0.95	\$0.83	\$1.78

2. MINIMUM CHARGED PER QUARTER – WATER & WASTEWATER

a) Water and Wastewater Customers:

Effective January 1, 2022

Meter Size	Group Capacity Ratio	Water Included m3	Service Charge	Water	Waste-waster	Total Minimum Quarterly
5/8" – 16mm	1	13.64	\$22.50	\$12.96	\$11.32	\$46.78
3/4" – 19mm	1	13.64	\$22.50	\$12.96	\$11.32	\$46.78
1" – 25mm	4	54.56	\$22.50	\$51.83	\$45.28	\$119.61
1.5"- 38mm	10	136.40	\$22.50	\$129.58	\$113.21	\$265.29
2" – 50mm	25	341.00	\$22.50	\$323.95	\$283.03	\$629.48
3" – 75mm	45	613.80	\$22.50	\$583.11	\$509.45	\$1,115.06
4" – 100mm	90	1,227.60	\$22.50	\$1,166.22	\$1,018.91	\$2,207.63

b) Water Only Customers:

Customers with water only service shall be charged the quarterly service charge and rate applicable to the customer's meter size, less the wastewater charge.

c) Wastewater Only Customers:

Customers with wastewater only service shall be charged the quarterly service charge and a wastewater charge on the Residential Equivalency Unit of 53.13 cubic metres on wastewater only.

d) If it can be shown that a customer uses a substantial amount of water which is not returned to the wastewater system (at least 10% of the water sold to the customer), the utility may deduct such water in calculating the wastewater charge to such customers.

3. SERVICE TO PROPERTIES OUTSIDE THE TOWN LIMITS

The Council of the Town of Stonewall may sign agreements with customers for the provision of water and wastewater services to properties located outside the Town boundaries. Such

agreements shall provide for payment of appropriate rates set out in the Schedule, a surcharge set by resolution of Council which shall be equivalent to the frontage levy, municipal general and special taxes for utility purposes in effect at the time and which would be levied on the subject property if it were located within the Town limits, as well as terms and conditions, including connection, installation and maintenance fees or other charges for providing the service. Such terms and conditions may differ from ones applied within Town.

4. BILLING AND PENALTIES

Accounts shall be billed quarterly (every three months), except in the case of large volume consumers with usage over 4,000 cubic metres per month, which may be billed monthly. All billings shall be due and payable within 30 days after the date of the billing. A penalty of 1.25% of the amount shall be added if not paid by the due date. For every month thereafter, a further penalty of 1.25% of the amount of the bill shall be added if the debt is unpaid.

5. DISCONNECTION

Service may be disconnected and discontinued for non-payment of an account where the unpaid balance of the account, inclusive of penalties is Fifty Dollars (\$50.00) or greater. Services may be disconnected and discontinued for non-payment of the account in accordance with the Condition Precedent attached hereto as Appendix "A".

6. RECONNECTION

a) Any service disconnected due to non-payment of account shall not be reconnected until all arrears, penalties, and a reconnection fee of seventy-five dollars (\$75.00) has been paid.

b) Any customer wishing to have the billing discontinued due to vacancy of premises or other reasons shall be required to have the service disconnected and the water meter removed and shall pay a seventy-five dollar (\$75.00) reconnection fee when the meter is reinstalled and the service resumes.

7. OUTSTANDING BILLS

Pursuant to section 252(2) of *The Municipal Act*, the amount of all outstanding charges for water and wastewater service, including fines and penalties, are a lien and charge upon the property serviced, and shall be collected in the same manner in which ordinary property taxes upon the property are collectible and enforced. Upon doing so, the Town will charge a seventy-five dollar (\$75.00) service fee to the account.

8. HYDRANT RENTALS

The Town of Stonewall shall pay to the utility an annual rental of one hundred fifty dollars (\$150.00) for each hydrant connected to the system. This includes the water for fire purposes.

9. WATER ALLOWANCE DUE TO FREEZING

In cases where, at the request of the Town of Stonewall, 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 billing for the last two (2) previous quarters to the same customer, or to the same premises, if the occupant has changed.

10. CONNECTION FEES AND INSPECTION RATES

a) For a property within the Town of Stonewall limits to connect to the water distribution and wastewater collection systems, the cost of connection from the mains to the property line including any boulevard and street restoration, and any permit fee, shall be as prescribed in Policy No. 16.2 in the Town's Policy and Procedure Manual.

b) A fifty dollar (\$50.00) inspection fee shall be levied on any water and wastewater service connections made to ensure that the connections are constructed and installed in accordance with applicable codes and standards.

c) No property within the Town of Stonewall shall be permitted to connect to the water distribution and wastewater collection systems without connecting to both systems.

11. WATER METERS

a) The water meter shall be installed by a licensed and/or registered plumber and the costs shall be borne by the property owner. The meter shall be always located at a point easily accessible and approved by the Town. The property owner shall ensure that the water meter is maintained in working condition and not be removed or relocated without prior approval of the Town.

The meter shall be installed 75 cm above the floor and properly supported or as approved by the Town.

b) The meter shall be located as close as possible to the point of entry of the water line. Ample room must be provided for access to the meter and main valve at all times.

c) The meter shall be in a horizontal position with the main shut off valve immediately before the meter. Another valve shall be installed downstream of the meter before any distribution piping or ports.

d) The meter shall be protected from any type of damage including freezing.

e) Costs for any damage and labour for repairs to the water meter, remote read touch pad and associated equipment shall be the responsibility of the property owner.

f) A customer may request that their water meter be tested for accuracy and before having the same tested by the Town, they shall deposit with the Town of Stonewall, the amount of fifty dollars (\$50.00), and if the meter is found to be accurate, the fifty dollars (\$50.00) shall be retained by the Town. If the meter is found to be inaccurate the fifty dollars (\$50.00) will be repaid to the customer.

g) If the meter is tampered with so as to not record or properly record the water provided to and used by the customer, a fine in the amount of five hundred dollars (\$500.00) will be assessed to the account of the customer plus an estimated cost for the unmetered water and wastewater used.

12. SERVICE CALL-OUTS

a) The Property owners of the residential premises will be charged a set fee of seventy-five dollars (\$75.00) for each and every call out concerning blocked wastewater services, maintenance of service, thawing of frozen services, repairs to tampered water meter, etc.

b) There will be a charge to businesses and/or institutions for a call out rate of fifty dollars (\$50.00) per hour, during regular working hours, for municipal staff plus actual costs for any private contractor to clean out the wastewater service and/or disconnect, reconnect, flush and/or thaw the water services or repair the water meter for the businesses and/or institutions.

c) After hours call out rate is one hundred dollars (\$100.00) per hour plus actual cost for a private contractor.

13. SEPTAGE DUMPING CHARGES

Regulations and fees for dumpage from either septic or holding tanks by registered haulers are established by Schedule "B" of this By-Law.

14. WATER AND WASTEWATER USE

a) New residential, commercial, institutional and industrial construction within the Town of Stonewall shall install low flow plumbing fixtures.

b) All commercial and institutional food service facilities shall have installed and shall properly maintain grease traps sufficient to prevent cooking grease from entering the wastewater collection system.

c) All commercial and private vehicle and equipment wash bays shall have a solid material debris collection pit which will prevent the solids from entering the wastewater collection system. The solids are to be collected and disposed in a manner consistent with accepted practices.

15. CONTRAVENTIONS

- a) Every person who contravenes any provision of By-Law 05-21 is guilty of an offense and on conviction is liable to a fine of not more than Five Hundred Dollars (\$500.00) for every day or part thereof upon which the offense occurs or continues.
- b) Every person who contravenes any provision of By-Law 05-21 and as a result of which contravention damages or any part hereof, is liable to the Town for full costs of such damage or injury including any fine or penalty imposed on the Town in relation to said contravention.

**THE TOWN OF STONEWALL
SCHEDULE "B" TO BY-LAW NO. 05-21**

WASTEWATER DISPOSAL LICENSING AND VEHICLE FEES

1. The Town permits the dumping of sewage into the Sewage Lagoon collected only from the Town of Stonewall and those properties located outside the town limits for which a formal agreement has been entered into with the Town.
2. The hours of operation for the Sewage Lagoon are Monday through Saturday from 7:00 a.m. to 7:00 p.m. Disposals after the designated hours or on Sunday are only permitted if the reason for disposal is an emergency. The registered hauler must provide the telephone number of the person receiving service in the emergency cases.
3. All sewage discharged into the Sewage Lagoon shall meet the standards as outlined by Manitoba Conservation and contained in the current Town of Stonewall Environmental Act Licence. In addition to the requirements of Environmental Act Licence, all applicable Federal, Provincial Statutes and Regulations and Municipal By-Laws must be complied with.
4. Where deemed necessary, in the opinion of the Town or the Designated Officer, the Town may appoint such person as it may choose to take tests, or install approved monitoring equipment, to determine the character or characteristics of the sewage being disposed of in the Sewage Lagoon. Should such testing disclose that the Septic Hauler is breaching the rules of this By-law, then the costs of conducting such tests and installation of test and monitoring equipment shall be borne by the Septic Hauler for all material being deposited in the Sewage Lagoon. However, if the test results show that the Septic Hauler is in compliance with the By-law, then all costs of conducting such tests and installation of test and monitoring equipment shall be paid by the Town.
5. The Septic Hauler must not use any mechanical means to discharge or dump sewage at the Sewage Lagoon; this includes but is not limited to: pressurizing the tank, a truck hoist, or vibrator.
6. Any Persons wishing to discharge sewage into the Sewage Lagoon and collected from designated locations shall register at the Town office by completing the Wastewater Disposal Vehicle Licence Application Form, attached as Appendix 'A'. Prior to the approval of the application, all Septic Haulers are required to provide the Town with written confirmation of \$2 million liability insurance in the name of the Septic Hauler or associated business, with the Town of Stonewall as an additional insured. The initial licence is issued for the maximum of one (1) calendar year or part thereof to December 31 for each vehicle. On an annual basis the Wastewater Disposal Vehicle Licence must be renewed and the annual licence fee must be paid for each truck, prior to the first business day in January of each year.

7. The Septic Hauler must register and pay an Initial Access Fee for each truck in order to gain access to the Sewage Lagoon. The initial access fee will entitle the Person to one gate key, which will be registered to a specific vehicle of a specified size. The Septic hauler must not use this key interchangeably between multiple vehicles or duplicate the key. Renewal of this annual licence and payment of the applicable fee before is due by the first business day in January of the following year.

8. Each Septic Hauler must submit a quarterly record of wastewater pickup and disposal report. The report must indicate the name of the Septic Hauler, municipal licence number, date of disposal, the civic address, and name of the customer for the property serviced. The due date for each quarter is as follows: March 31, June 30, September 30, and December 31. Failure to submit these reports by the 15th day of the month following the quarterly due date may result in the suspension or cancellation of the Wastewater Disposal Vehicle Licence.

9. Quarterly invoices will be issued by the Town to each Septic Hauler. The due date will be 30 days from the date of issuance of the invoice. Failure to remit payment by the due date may result in the suspension or cancellation of the Wastewater Disposal Vehicle Licence.

10. Should the Septic Hauler's Wastewater Disposal Vehicle Licence be suspended or revoked due to nonpayment of account, failure to submit the quarterly record of wastewater pickup and disposal report by the 15th day of the following month, or any contravention of By-law 05-21, gate access will be revoked and the gate access keys will not be reinstated to the Septic Hauler until all reports are submitted, and all arrears plus a reinstatement fee has been paid.

11. SCHEDULE OF FEES

Initial Access Fee	\$75.00 per septic truck
Annual Licence Fee	\$25.00 per septic truck
Replacement of Gate Key (lost, stolen, damaged)	\$50.00 each
Reinstatement of Access Fee	\$25.00
Wastewater Disposal Tipping Fees*	\$4.10 per cubic meter

** The fee will be charged based on the vehicle tank capacity provided at the time of licensing. Each time the wastewater disposal vehicle deposits wastewater into the Sewage Lagoon, they will be deemed to have deposited the full capacity of the tank.*

TOWN OF STONEWALL
Wastewater Disposal Vehicle Licence Application Form
Licence No. _____

Company/Contact Information:

Owner's Name:	Telephone Number:
Company Name:	Cellular Number:
Address:	Fax Number:
City/Prov/Postal Code:	E-Mail Address:

Vehicle Information:

Year:	Manitoba Licence Plate:	Fleet Number:
Serial Number:	Vehicle Tank Capacity:	

Written confirmation of MINIMUM \$2 million liability insurance in the name of the septic hauler or associated business, with the Town of Stonewall as an additional insured. Confirmation must be provided annually and kept current at all times.

By signing below, the applicant agrees to comply with all By-laws of the Town of Stonewall, including:

- Only sewage from the Town of Stonewall and those properties located outside the town limits for which a formal agreement has been entered into with the Town is permitted to be disposed of at the Sewage Lagoon.
- To complete and submit the quarterly Record of Wastewater Pickup and Disposal report no later than the 15th day of the following month from the quarterly due date.
- To renew this annual licence and pay the applicable fee before the first business day in January of the following year.
- Any changes to the above information must be submitted to the Town of Stonewall in writing within ten (10) days.

The applicant understands that the Town shall have full authority to revoke all rights and privileges of such person(s) being in violation and the violator(s) shall immediately surrender their access key for the Sewage Lagoon to the Town.

 Applicant's Signature

 Applicant's name (please print)

 Date

Town of Stonewall Signature

Town of Stonewall name (please print)

Date