

Order No. 12/22

**GRANDVIEW MUNICIPALITY
GRANDVIEW URBAN “G3” WATER AND WASTEWATER UTILITY
REQUEST FOR REVISED RATES**

January 27, 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.....	5
3.0	Application.....	5
	Contingency Allowance and Utility Reserves.....	7
	Working Capital Surplus/Deficit	8
	Cost Allocation Methodology	8
4.0	Board Findings	10
5.0	IT IS HEREBY ORDERED THAT:.....	12
	SCHEDULE A.....	15

1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves the revised water and wastewater rates for Grandview Municipality (Municipality), Grandview Urban “G3” Water and Wastewater Utility (Utility). The Board varies the effective dates to April 1, 2022, January 1, 2023, and January 1, 2024.

The Board approves water and wastewater rates for the Utility as follows:

	Current Rates	Effective April 1, 2022	Effective January 1, 2023	Effective January 1, 2024
Quarterly Service Charge	\$24.89	\$22.37	\$19.85	\$17.32
Water (per 1,000 gallons)	\$22.18	\$22.73	\$23.28	\$23.84
Wastewater (per 1,000 gallons)	\$3.58	\$4.22	\$4.86	\$5.50
Minimum Quarterly Charge*	\$102.17	\$103.22	\$104.27	\$105.34
Bulk Water (per 1,000 gallons)**	\$25.00	\$26.50	\$27.00	\$27.50
Hydrant Rental (annual)	\$100.00	\$350.00	\$350.00	\$350.00
Lagoon Tipping Fee (annual)	\$250.00	\$550.00	\$550.00	\$550.00

*Based on 3,000 gallons

**For any quantity of 500 gallons or less, the minimum charge will be \$3.00 per 100 gallons.

The Board also approves a pass through process for the Municipality whereby the Municipality may continue to pass through increases from increased wholesale water rates for the Utility on the basis that such rates are passed through without mark-up. The Municipality is to provide notice to the Board before such an increase is implemented, to pass by-laws and file them with the Board once the increase occurs, and to ensure notice of the increase is provided to customers of each Utility.

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

2.0 Background

The Municipality owns and operates the Utility serving 474 customers. Rates were last approved for the Utility in Board Order No. 138/18 on October 10, 2018.

Board Order No. 118/18 approved a 2016 actual operating deficit of \$67,818 to be recovered by a two-year rate rider of \$2.21 per 1,000 gallons per customer per quarter.

Board Order No. 19/21 approved a 2018 actual operating deficit of \$59,239 and a 2019 forecasted operating deficit of \$33,991, or a two-year total deficit of \$93,230, and varied the above-noted rate rider to \$4.18 per 1,000 gallons per customer per quarter to include these deficits, effective April 1, 2021 for a period of 20 months. The Board also denied the Municipality's request to review and vary hydrant rental rates, lagoon tipping fees, and re-connection fees at that time.

Water Supply/Distribution

The Municipality receives its raw water from the Valley River, which is treated through the G3 Regional water treatment plant. Parts of the system are over a century old, although significant expansion and upgrading took place in 1962 including construction of a water treatment plant. That plant now serves as a satellite reservoir/pumping station receiving water from the main water treatment plant, shared by Grandview and Gilbert Plains.

Older water piping is made of iron. New water pipe extensions are composed of polyvinyl chloride (PVC). Deterioration or aging iron piping has led to many leaks and breaks, necessitating many repairs over the years. An overview of the community's infrastructure was undertaken in 2002 in conjunction with the Mountainview Planning District background studies and development plan preparation. At that time, it was reported that 30% of the iron water mains had been replaced with PVC pipe.

Wastewater Collection/Treatment

Wastewater is treated and stored in a four-cell lagoon. Older wastewater piping is made of vitrified clay. New wastewater pipe extensions are made of PVC.

There is no record of the wastewater mains being replaced except for short lengths where fractured pipes have been replaced with PVC. Much of the wastewater system has been reviewed by video footage over the years to analyze the status of the wastewater mains and the footage has provided evidence of significant root intrusion and of displaced and broken pipes.

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.

Unaccounted for water for the Utility was 34% in 2020. To attempt to remedy the high levels of unaccounted for water the Utility installed new water meters from 2012 to 2014; two major water lines were replaced at a cost of \$487,000; Aqua Flow devices are being installed in seven homes per year to circulate water without discharge into the wastewater line (30 homes remain to be serviced) to prevent the need for bleeder taps; and a \$1.9M waterline replacement program is ongoing.

3.0 Application

On July 6, 2021, the Municipality applied for revised water and wastewater rates for the Utility. The Municipality also requested Board authorization to pass through future rate increases from the G3 Regional Water Co-op. The application was accompanied by a rate study prepared by the Municipality's consultant and By-Law No. 9-2021 having had first reading May 11, 2021 and Council Resolution No. 2021-156.

A Public Notice of Application was issued on July 9, 2021 allowing for any questions or comments with respect to the proposed rate increases to the Board and/or the Municipality before August 8, 2021. The Board did not receive any responses.

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.

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.

On November 4, 2021, Board staff requested additional information regarding the supporting calculations and supplementary data used to derive the proposed hydrant rental fee and lagoon tipping fee, and a planned water line replacement project. Responses were received from the Municipality’s consultant on November 7, 2021.

The rates were calculated based on the following projections using an annual inflation rate of 2% in all calculations:

Schedule of Utility Rate Requirements Grandview Urban “G3” Water and Wastewater Utility 2022 to 2024 Budget Forecasts (\$)			
	2022	2023	2024
	Forecast		
General Expenses			
Administration	28,080	28,642	29,214
Total General Expenses	28,080	28,642	29,214
Revenue			
Penalties	1,000	1,000	1,000
Total General Revenues	1,000	1,000	1,000
Net Costs General	27,080	27,642	28,214
Water Expenses			
Purification and Treatment	42,840	43,697	44,571

	Water Purchases	147,612	147,612	147,612
	Transmission and Distribution	71,579	73,010	74,470
	Amortization	111,575	107,739	107,739
	Interest on Long-Term Debt	6,750	6,161	5,555
	Reserves	20,000	20,000	20,000
	Contingency	24,695	24,695	24,695
	Total Water Expenses	425,051	422,914	424,642
Revenue				
	Bulk Water Fees	5,000	5,000	5,000
	Hydrant Rentals (42)	14,700	14,700	14,000
	Amortization of Capital Grants	39,076	39,076	39,076
	Property Tax	26,377	26,377	26,377
	Total Water Revenues	85,153	85,153	85,153
	Net Costs Water	339,898	337,761	339,489
Wastewater Expenses				
	Collection System	47,583	48,535	49,505
	Amortization	24,308	23,585	23,585
	Interest on Long-Term Debt	6,750	6,161	5,555
	Reserves	35,000	35,000	35,000
	Contingency	4,459	4,459	4,459
	Total Wastewater Expenses	118,100	117,740	118,104
Revenue				
	Lagoon Tipping Fees	4,372	4,644	4,916
	Amortization of Capital Grants	9,538	9,538	9,538
	Property Tax	26,377	26,377	26,377
	Total Wastewater Revenues	40,287	40,559	40,831
	Net Costs Wastewater	77,813	77,181	77,273
	Net Operating Costs	444,791	442,584	444,976

Contingency Allowance and Utility Reserves

As per the Board's Water and Wastewater 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 \$24,695 for water and \$4,459 for wastewater or a total contingency allowance of \$29,154 per year.

The Municipality has included a transfer to the Utility reserve of \$20,000 for water and \$35,000 for wastewater or a total reserve allowance of \$55,000 per year to provide for future year's capital projects. The wastewater annual reserve allowance includes \$15,000 for desludging, which is forecasted to cost approximately \$50,000 every five years.

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 the 2019 Audited Financial Statements, the most recent information available, the working capital surplus at December 31, 2019 was:

	2019
Utility Fund Surplus/Deficit	\$2,384,430
Deduct: Tangible Capital Assets	(3,576,716)
Add: Long-Term Debt	678,312
Add: Utility Reserves	212
Equals Working Capital Surplus (Deficit)	\$(513,762)
Operating Expenses	456,756
20% of Operating Expenses (Target)	\$91,351

The Utility does not meet the Board minimum target working capital surplus of 20%.

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 cost allocation methodologies can be found in Board Order No. 93/09.

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

Grandview Municipality Grandview Urban “G3” Water and Wastewater Utility Allocation Plan for Non-Direct Shared Services (see Note 1) as at April, 2021			
Category	Sub-category	Options	
1.0 Administrative Staff			4.0% of General Legislative expenses excluding Assessment & Grant expenses
	1.1 Billing services – meter reading to receipting and collection.		Meter reading – N/A; receipting and collection are part of the admin staff allocation
	1.2 Accounting/ auditing/ including bylaw making and enforcement.		4.0% of audit costs
	1.3 Common office space		4.0% of office costs, utilities
	1.4 Office overheads (telephone, photocopier, computer, etc.)		4.0% of printing, postage, and stationary
2.0 Operating, construction and maintenance costs			
	2.1 Vehicle – fuel, maintenance, lease costs, capital costs		There is no charge to the Utility for vehicle usage
	2.2 Labor – full time, part time, on call, sick time, vacation (see Note 2)		Public Works staff time is allocated to the Utility based on time sheets and actual time worked
	2.3 Public works building and property.		N/A
	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 application, the projections for utility rates, and additional information provided by the Municipality's consultant and finds them to be reasonable. The Board grants approval for the water and wastewater rates as applied for by the Municipality, but varies the effective dates to April 1, 2022, January 1, 2023, and January 1, 2024 to coincide with the Utility's billing cycle.

The Board notes the Municipality requested significant increases to the annual hydrant rental rate from \$100.00 to \$350.00 and the annual lagoon tipping fee from \$250.00 to \$550.00 in its application. Based on the responses to the Board's information requests and supplementary information provided by the Municipality's consultant, the Board finds these requests reasonable.

The Board approves the Municipality's revised Cost Allocation Methodology and reminds the Municipality the methodology must be used consistently; any changes to the Cost Allocation Methodology require Board approval.

The Board notes the Utility has forecasted taxation revenues of \$26,377 for water and \$26,277 for wastewater (or a total of \$52,754) related to debentures in its rate study. The Board reminds the Municipality to provide for these and all future expiring taxation revenues accordingly in all future rate applications.

The Board requires the Municipality to review its water and wastewater rates for the Utility for adequacy and file a report with the Board, as well as an application for revised rates (if required) on or before December 31, 2024.

The Board notes the 2019 Audited Financial Statements indicate a significant working capital deficit of \$(513,762). The Board also notes, however, that based on the forecast provided by the Municipality's consultant and the revised rates approved in this Order, the deficit is projected to improve to \$(184,301) by 2024. If the Municipality remains vigilant in submitting rate applications to the Board in a timely manner, the deficit could be eliminated in the Utility's next rate study.

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.

Pass Through Authority

The Board grants approval of the Municipality's request to allow for pass through rate increases resulting from increases in the wholesale rate set by the Manitoba Water Services Board (MWSB) for the G3 Regional Water Coop. Pass through rate increases are typically used when a Board regulated utility purchases water from another Board regulated utility.

The Board typically does not allow for pass through rate increases from unregulated utilities because it would not provide ratepayers with the protections afforded by the Board's oversight and notice requirements. For MWSB wholesale rates, as per section 8(2) of *The Manitoba Water Services Board Act*, the purchasing utility (in this case the Grandview Urban "G3" Water and Wastewater Utility), has the opportunity to appeal to the Board any rate it believes to be excessive and MWSB uses rate setting methodology that aligns with the Board's guidelines. In addition, the Board will require the Utility to follow the requirements for pass through rate increases as established in Section 3.10 of Board Order No. 124/09, with the addition of a 90-day notice period for ratepayers.

The Board also approves the following process for pass-through rates for the Utility with emphasis that the Municipality must strictly adhere to the process outline below.

Step 1. The Municipality shall consider the implications of any water rate increase approved by MWSB for the G3 Regional Water Coop, and determine whether or not the increase needs to be passed on to its ratepayers to maintain the adequacy of rates.

Step 2. If the cost increase is to be reflected in the rates of the Utility, and with the one exception that changes in the rate of water losses in the system may also be included, the Municipality need only inform its ratepayers/customers and the Board of the pass through rate change, with a minimum of 90 days notice. This Notice must include information for ratepayers on their ability to respond to the Board regarding the increase.

Step 3. If rates are to change for any other reason other than the exact wholesale increase, the Municipality must make a rate application to the Board. The Board may decide to proceed to hear the application by way of a paper-based process or by way of a public hearing.

Step 4. Should the Municipality decide to implement the pass-through rate changes, the Municipality may only increase the water rate as a dollar amount, without mark-up, and not as a percentage increase. The Municipality must file an amended rate by-law with the Board and provide a notice of the change to its customers. The Board requires a copy of the increase notice that is sent by the Municipality to its customers prior to implementation of the revised rates.

5.0 IT IS HEREBY ORDERED THAT:

1. The revised water and wastewater rates for Grandview Municipality, Grandview Urban “G3” Water and Wastewater Utility, BE AND ARE HEREBY VARIED in accordance with the attached Schedule A, effective April 1, 2022, January 1, 2023, and January 1, 2024.
2. Grandview Municipality BE AND IS HEREBY given authority to pass through water rate increases from the G3 Regional Water Coop, must strictly adhere to the pass through process as outlined in this Board Order, and must apply to the Board for any other increases.

3. The Shared Cost Allocation Methodology for Grandview Municipality BE AND IS HEREBY APPROVED.
4. Grandview Municipality is to provide a notice of the decisions found in this Order to its customers as soon as possible, with a copy provided to the Public Utilities Board.
5. Grandview Municipality amend its water and wastewater rate By-Law to reflect the decisions in this Order and submit a copy to the Board once it has received third and final reading.
6. Grandview Municipality review its water and wastewater rates for the Grandview Urban “G3” Water and Wastewater Utility 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, 2024.
7. Grandview Municipality 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 (Rules). The Board's Rules may be viewed on the Board's website at www.pubmanitoba.ca.

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. 12/22
issued by The Public Utilities Board



Assistant Associate Secretary

SCHEDULE A

**GRANDVIEW MUNICIPALITY
GRANDVIEW URBAN “G3” WATER AND WASTEWATER UTILITY
WATER AND WASTEWATER UTILITY RATES BY-LAW NO. 9-2021
SCHEDULE OF QUARTERLY RATES**

1. Schedule of Commodity Rates & Quarterly Service Charge

April 1, 2022

Rates per 1,000 Gallons	Water	Wastewater	Water & Wastewater
	\$22.73	\$4.22	\$26.95
Quarterly Service Charge	\$22.37		

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

Meter Size	Group Capacity Ratio	Water Included Gallons	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
5/8 inch	1	3,000	\$22.37	\$68.19	\$12.66	\$103.22
3/4 inch	2	6,000	\$22.37	\$136.38	\$25.32	\$184.07
1 inch	4	12,000	\$22.37	\$272.76	\$50.64	\$345.77
1 1/2 inch	10	30,000	\$22.37	\$681.90	\$126.60	\$830.87
2 inch	25	75,000	\$22.37	\$1,704.75	\$316.50	\$2,043.62

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 Sales

All water sold in bulk by the Grandview G3 Utility will be charged at the rate of \$26.50 per 1,000 gallons. For any quantity of 500 gallons or less, the minimum charge will be \$3.00 per 100 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

January 1, 2023

Rates per 1,000 Gallons	Water	Wastewater	Water & Wastewater
	\$23.28	\$4.86	\$28.14
Quarterly Service Charge	\$19.85		

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>Ratio</u>	<u>Water Capacity Included</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Wastewater Commodity Charge</u>	<u>Water & Wastewater Total Quarterly Minimum</u>
5/8 inch	1	3,000	\$19.85	\$69.84	\$14.58	\$104.27
3/4 inch	2	6,000	\$19.85	\$139.68	\$29.16	\$188.69
1 inch	4	12,000	\$19.85	\$279.36	\$58.32	\$357.53
1 1/2 inch	10	30,000	\$19.85	\$698.40	\$145.80	\$864.05
2 inch	25	75,000	\$19.85	\$1,746.00	\$364.50	\$2,130.35

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 Sales

All water sold in bulk by the Grandview G3 Utility will be charged at the rate of \$27.00 per 1,000 gallons. For any quantity of 500 gallons or less, the minimum charge will be \$3.00 per 100 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

January 1, 2024

Rates per 1,000 Gallons	Water	Wastewater	Water & Wastewater
	\$23.84	\$5.50	\$29.34
Quarterly Service Charge	\$17.32		

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

Meter Size	Group Capacity Ratio	Water Included Gallons	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
5/8 inch	1	3,000	\$17.32	\$71.52	\$16.50	\$105.34
3/4 inch	2	6,000	\$17.32	\$143.04	\$33.00	\$193.36
1 inch	4	12,000	\$17.32	\$286.08	\$66.00	\$369.40
1 1/2 inch	10	30,000	\$17.32	\$715.20	\$165.00	\$897.52
2 inch	25	75,000	\$17.32	\$1,788.00	\$412.50	\$2,217.82

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 Sales

All water sold in bulk by the Grandview G3 Utility will be charged at the rate of \$27.50 per 1,000 gallons. For any quantity of 500 gallons or less, the minimum charge will be \$3.00 per 100 gallons.

The following clauses take effect April 1, 2022:

3. Service To Customers Outside Utility's Limits

The Council of Grandview Municipality may sign Agreements with customers for the provision of water and wastewater services to properties located outside the boundaries of Grandview. Such Agreements shall provide for payment of the appropriate rates set out in the 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 Grandview's 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. Billings And Penalties

Accounts shall be billed quarterly and the due date shall be at least 14 days after the mailing of the bills.

A late payment charge of 1.25% per month shall be charged on the dollar amount owing after the billing due date.

5. Disconnection

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.

6. Reconnection

Any service disconnected, whether due to non-payment of account or for any other reason(s) mutually agreed to by the customer and the Municipality (ie. repairs necessitated by negligence of the customer, changes in tenant, vacancy for an extended period of time, etc.) shall not be reconnected until a reconnection fee of \$30.00 and all arrears and penalties, if any, have been paid.

7. Outstanding Bills

Pursuant to Section 252(2) of *The Municipal Act*, the amount of all outstanding charges for water and wastewater services 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. Hydrant Charges

The Municipality of Grandview, or any other hydrant owner, will pay to the Utility an annual fee of \$350.00 for each hydrant 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 the 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 the 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. 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 \$200. 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.

12. 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.

13. Conditions of Disrepair

In the event that there are conditions of disrepair in the Wastewater 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.

14. Authorization For Officer To Enter Upon Premises

The Public Works Manager, or other employee authorized by the Municipality in the absence of the Public Works Manager, 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.

15. Lagoon Tipping Fee

There will be an annual tipping for use of the lagoon by private septic haulers in the amount of \$550.00. Amounts hauled to the lagoon must be reported to the Municipality on an annual basis.