



Town of Newmarket
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2019 Stormwater Rates Staff Report

Report Number: 2018-80

Department(s): Financial Services

Author(s): Senior Financial Analyst

Meeting Date: December 10, 2018

Recommendations

1. That the report entitled 2019 Stormwater Rates dated December 10, 2018 be received; and,
2. That the attached Schedule 'A' being the Town of Newmarket 2019 Stormwater Rates be approved and adopted by by-law; and,
3. That the new Stormwater Rates come into full force and effect as of January 1, 2019.

Executive Summary

This report recommends rate increases as per the 2017 Six-Year Stormwater Financial Plan to better finance the protection of homes and businesses from the adverse effects of excessive stormwater.

Purpose

The purpose of this report is to propose adjustments to the Town's Stormwater rates for 2019.

Background

A stormwater charge was established in 2017 to provide a fair, transparent and dedicated funding source to help protect homes and businesses from possible flooding due to excessive stormwater.

The Municipal Act, 2001, S.O. 2001 (the “Act”), authorizes a municipality to enact by-laws imposing fees and charges pertaining to a stormwater system pursuant to sections 9, 10, 11 and 391 of the Act.

The recommendations contained within Report 2017-30, being the 2017 Six Year Stormwater Financial Plan, were adopted. The rates approved in the plan for 2019 are being recommended for adoption in this report.

Discussion

Rate Drivers

The stormwater utility is subject to cost drivers. The main drivers for the increases are:

- Meeting immediate capital replacement needs;
- Building a reserve to replace assets when they reach the end of their useful life;
- Managing Increased runoff due to more severe weather patterns;
- Reducing phosphorus runoff to meet rising environmental standards.

Conclusion

The attached schedule represents the proposed increase in stormwater rates and fees.

The investment required for Low Impact Development (LID) initiatives is growing beyond that which was considered in the original 6-Year Financial Plan. The Plan will need to be reviewed and updated in 2019 with that in mind.

Business Plan and Strategic Plan Linkages

This report links to Newmarket’s key strategic directions in being Well Managed through fiscal responsibility.

Consultation

Advertisement on The Town of Newmarket’s website has been provided and on the Town Page of the local newspaper in advance of Council’s consideration of the fee increases.

Human Resource Considerations

Not applicable to this report.

Budget Impact

This report recommends increasing stormwater rates by 11.8% in 2019.

The median low runoff property will see a stormwater charge increase of \$0.84 per year, the median medium runoff property will see a charge increase of \$3.99 per year and the median high runoff property will see a charge increase of \$9.64 per year. Generally, residential properties fall in the medium run-off category.

Attachments

Schedule 'A' – 2019 Stormwater Rates

Approval

Mike Mayes, CPA, CGA, DPA
Director, Financial Services/Treasurer

Esther Armchuk, LL.B
Commissioner of Corporate Services

Contact

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