



MUNICIPALITY OF THAMES CENTRE

REPORT NO. PW-ES-008-24

TO: Mayor and Members of Council
FROM: Director of Public Works
MEETING DATE: December 9, 2024
SUBJECT: 2024 Stormwater Rate Study

RECOMMENDATION:

THAT Report No. PW-ES-008-24 **BE RECEIVED** for information;

AND THAT the 2024 Stormwater Rate Study prepared by Watson & Associates Economists Ltd. dated November 29, 2024, **BE APPROVED**.

PURPOSE:

The purpose of this report is for Council to consider adjustments from the current flat rate uniform pricing structure for ratepayers to a system tailored to the size of individual properties within the urban boundary. The intent is to help protect homes and businesses within urban areas from the adverse effects of excessive stormwater by establishing a framework that enables urban stormwater systems to achieve full sustainability, reducing reliance on external funding sources or debt financing.

BACKGROUND:

The stormwater charge was first established in 2019 and was included in the water bills to create a transparent and dedicated funding source aimed at protecting homes and businesses from potential flooding caused by excessive stormwater. This charge was nominal and consistent across properties, regardless of size. While this rate was straightforward to administer and understand, it did not account for differences in property size and excluded some properties within the urban boundaries.

The Municipality of Thames Centre currently services two main areas for urban stormwater management, Dorchester, and Thorndale. Currently, there are approximately 3,113 residential and 139 Industrial/Commercial/Institutional (non-residential) properties inside these two urban areas that have been charged a stormwater charge since 2019. In addition, there are numerous properties, that because they are not connected to the drinking water system, have not previously been included in the stormwater charge.



The urban stormwater system consists of 45 kilometres of storm sewers, 620 maintenance holes, 979 catch basins, and 6 stormwater management ponds.

COMMENTS:

The Municipality provides urban stormwater management services to protect the community and environment from stormwater runoff. Stormwater runoff is water that flows off properties mostly due to rain and snow events. Storm water needs outside the urban boundary (rural) have been and will continue to be handled through the Drainage Act

The *Municipal Act, 2001, S.O. 2001* 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 stormwater utility is influenced by the following cost drivers:

- Meeting Capital Construction needs
- Building a Reserve to replace assets when they reach the end of their useful life
- Asset Management
- Engineering and Design
- Operations and Maintenance

Impact of Stormwater Rate Changes in 2025

Property Description (fully within the urban boundary)	# of Customers	2024 Charge	2025 Charge
Residential <=0.25 acres	2,135	\$70.74	\$72.03
Residential >0.25 & <1 acre	904	\$70.74	\$144.07
Residential >=1 acre	74	\$70.74	\$216.10
Non-Residential <1 acre	118	\$70.74	\$265.00
Non-Residential >5 acres <=15 acres	11	\$70.74	\$530.00
Non-Residential >15 acres	10	\$70.74	\$795.00

**** Note:** Properties (Residential/Commercial/Industrial) inside the urban boundary currently not connected to the municipal drinking water system will begin to be charged the above rates according to their classification.

To guarantee that stormwater charges are levied on all properties within the urban boundary, rather than solely on those connected to the water system, we will conduct a thorough analysis of the delivery method.

FINANCIAL IMPLICATIONS:

The recommended stormwater rates for 2025 will move towards a more sustainable funding model for the municipal stormwater network, including operating and capital servicing costs as well as an allowance for lifecycle replacement of capital infrastructure.

STRATEGIC PLAN LINK

Pillar: *Sustainability*

Goal: *Ensure that the Municipality maintains fiscal prudence, along with affordable and sustainable taxation levels*

CONSULTATION:

This report was prepared in consultation with:

- Watson & Associates Economists Ltd.
- Drainage Superintendent

REFERENCES:

None

ATTACHMENTS:

- Municipality of Thames Centre 2024 Stormwater Rate Study
- Municipality of Thames Centre 2024 Stormwater Rate Study – Overview (Council Workshop – Study Findings December 3, 2024)

Prepared by: J. Craven, Director of Public Works

Reviewed by: D. Barrick, Chief Administrative Officer