



# REQUEST FOR DECISION

Meeting: April 13, 2026

## Bylaw 1827 Water and Sewer Amendment

### DESCRIPTION/BACKGROUND:

The municipality's Water and Sewer Bylaw establishes rates and charges for the provision of water and wastewater services. Schedule "D" of Bylaw No. 1827 currently sets residential sewer charges at 50% of the water consumption used.

During recent budget review discussions, the Audit and Finance Committee discussed residential use and how the majority of the water use goes back into the sewer system. Through that discussion the committee determined that the existing residential sewer rates do not sufficiently reflect the true cost of providing wastewater services or contribute adequately toward long-term infrastructure sustainability. The Committee recommended that Council consider increasing the residential sewer rate to improve cost recovery and capital reserve funding.

Claresholm's residential sewer rates (2025 fixed and consumption) are shown below, along with rates of other municipalities in the region. The town's flat rate of \$19.59 is under the average flat rate of \$30.67, as is its consumption charge of \$0.98/m<sup>3</sup> (average \$2.06/m<sup>3</sup>). Furthermore, in Claresholm, residential sewer charges are based on 50% of the water consumed at a given dwelling, whereas the average is 88%. The 50% number has been established in Claresholm to recognize that some residential water use will not enter the town's sanitary system (i.e. garden and yard watering). Residents are thus not charged sewer consumption at 100% of their treated water use.

### Municipal Residential Sewer/Wastewater Charges (2025)<sup>1</sup>

Municipality	Flat Rate	Consumption Charge (/m <sup>3</sup> )	Percentage of Water Consumption
Claresholm	\$19.59	\$0.98	50
Calgary	\$27.10	\$1.62	88
Lethbridge	\$9.74	\$1.10	100
Nanton	\$79.00	\$0.00 (up to 18m <sup>3</sup> )	100
High river	\$18.94	\$2.06	100
Average	\$30.67	\$1.60	88

Source: Utility Bylaws found on Municipal Websites

**DISCUSSION/OPTIONS:**

The Audit and Finance Committee’s recommendation is to move toward a stronger user- pay approach, whereby customers more proportionately fund the services they utilize. Wastewater collection and treatment systems are capital- intensive, and residential users generally place a higher demand on system capacity, maintenance, and long- term renewal.

Increasing the residential sewer rate from 50% to 75% of the water consumption represents a measured step toward improved cost recovery while remaining mindful of economic impacts on residential ratepayers.

The proposed amendment will initially increase annual revenue generated from residential sewer services but may also initiate some water conservation due to the rate increase. Reducing reliance on general taxation or cross- subsidization from residential users will improve the municipality’s ability to fund wastewater capital projects through reserves, potentially reducing the need for future debt or abrupt rate increases.

Additional revenue generated by this adjustment will be directed toward the water and sewer capital reserve, consistent with Council’s long- term financial sustainability objectives.

Preliminary estimates based on 2026 conservative residential water consumption to date indicate that increasing the residential sewer rate to 75% will result in additional annual revenue of approximately \$110,000, depending upon overall residential water usage during the year. These funds will be allocated to wastewater reserves to support lifecycle replacement of infrastructure.

Administration will monitor the financial and operational impacts of this change and report back to Council as part of regular financial reporting.

**PROPOSED RESOLUTIONS:**

Moved by Councillor \_\_\_\_\_ give 1<sup>st</sup> reading amending Bylaw 1827, the Water and Sewer Bylaw, Schedule “D”, to increase the residential sewer usage charge from 50% to 75% of the water consumption.

**ATTACHMENTS:**

- 1.) Bylaw 1827 Water and Sewer Bylaw - Amended

**APPLICABLE LEGISLATION:**

PREPARED BY: Jennifer Place, Director of Corporate Services

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APPROVED BY: Abe Tinney, CAO

DATE: April 9, 2026

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