



WATER & SEWER UTILITY RATE CHANGES

Over the past two years, the Town of Dundurn has undertaken a comprehensive review of its water and sewer utilities to better understand the true cost of providing these essential services and to develop a long-term plan to support reliable service, financial sustainability, and future community growth.

While the Town has a responsibility to ensure water and sewer utilities remain financially self-sustaining, Council recognizes rate increases directly impact residents and do not make these decisions lightly.

Why Are Utility Rates Changing?

Water and sewer utilities are intended to operate on a self-sustaining basis, meaning the costs of providing these services should be recovered through utility rates rather than subsidizing through general property tax.

The Town's review identified several factors affecting the cost of providing utility services:

- Town water rates have not increased since 2019 while the cost to purchase water from the Dundurn Rural Water Utility (DRWU) has increased.
- Operating, maintenance, and regulatory costs have increased.
- Continued community growth will place additional demands on existing infrastructure.
- Required future infrastructure replacement are inevitable.

The **goal** of a responsible municipality is to establish predictable and sustainable reserve funds through utility rates today, reducing the probability of significant one-time levies or large rate increases when major infrastructure requires replacement.

Improving Our Water System

As part of the review, the Town examined the amount of water purchased compared with the amount billed to consumers. This identified concerns with aging water meters and unaccounted-for water loss.

In 2025, the Town completed a \$212,812 water meter replacement project, funded through the Canada Community-Building Fund.

The new water metering system provides more accurate consumption information and has helped the Town and consumers identify water loss. The information allows Administration to better understand actual system costs and plan for future infrastructure needs.

New Utility Rates

Effective **August 26, 2026**, the following rate changes will take effect:

Utility Charge	Current Rate	New Rate	Increase
Water Consumption	\$4.84/m ³	\$5.14/m ³	\$0.30/m ³
Water Delivery Fee	\$43.60/month	\$48.39/month	\$4.89/month
Sewer Service Fee	\$31.00/month	\$32.16/month	\$1.16/month
Infrastructure Fee	\$66.14/month	\$10.00/month	\$-56.14/month

The water consumption increase reflects the increase in cost to purchasing water from the DRWU. DRWU's rate has increased 6.11% since 2020: 4.142 to 4.395.

The Water Delivery Fee supports the increased fixed costs of operating the system, including administration, meter reading and billing, infrastructure maintenance, equipment repairs, and regulatory requirements.



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The Sewer Service Fee supports the operation and maintenance of the Town's sewer collection system, lift station, and lagoon services.

Rather than waiting until infrastructure fails and imposing a significant levy at that time, the Town will begin setting funds aside each year. This creates a more predictable approach to infrastructure funding and helps reduce reliance on debt or large one-time charges. The \$10.00 monthly Infrastructure Fee funds will be collected and allocated toward future utility projects.

Municipal infrastructure requires ongoing investment. Future costs may include:

- Pumps, motors, valves, hydrants, water and sewer mains
- Lift station equipment
- Emergency infrastructure repairs
- Future system upgrades and expansion
- Water meter replacement

What Does This Mean for My Utility Bill?

- Residents paying **\$66.14** monthly for the 2011 infrastructure loan, make their final payment in August 2026.
- Although the regular utility rates are increasing, those making monthly infrastructure loan payments will see a **decrease** in their monthly billing by **\$56.14**.
- Those who paid the loan as a lump sum and have not paid the monthly fee over the last 15 years, or those who live in Sunshine Meadows where the developer paid the levy, will see an **increase** on fixed rates of **\$16.05**.
- Vacant lots with a curb stand will receive a monthly infrastructure fee of **\$10.00**.

Preparing for Future Growth

- The Town is experiencing increased development, and its continued growth is anticipated.
- Pre-planning for growth helps ensure our water and sewer systems can continue to serve existing residents and be prepared for future development.
- Funds collected through lot sales in Sunshine Meadows are also being allocated to an infrastructure reserve. These funds will assist with future infrastructure expansion as development progresses.

Why Taking a Long-Term Approach is a Secure Approach

The Town's objective is to maintain reliable water and sewer services while ensuring costs of these services are appropriately funded.

Moving forward, Administration will update the utility financial model and rate review **annually**. Allowing the Town to monitor operating costs, water consumption and loss, infrastructure requirements, reserves, and growth projections.

Regular reviews and modest adjustments provide a more sustainable approach than delaying increases until major infrastructure expenditures are required.

The **goal**: maintain reliable services today while responsibly preparing and saving for infrastructure our community will require tomorrow.