

# Sanitary Sewer Infrastructure FAQs



» SEWER FAST FACTS



## **1. What is sanitary sewer infrastructure and what is a sewer utility?**

Sewer infrastructure, or assets, are comprised of sewer pipes, connections, manholes, pumps, equipment, the Waste Water Treatment Plant and a lift station – the physical equipment and pipes required to collect, treat and discharge waste water from residences and businesses.

In addition to the sanitary infrastructure, a sanitary sewer utility includes the staff and equipment required to operate and maintain the infrastructure.

## **2. What do sanitary sewer charges pay for?**

Sanitary sewer charges are comprised of user fees and parcel taxes. Together these charges contribute to funding the sanitary sewer utility. For example, they cover system maintenance, replacement of ageing infrastructure, and sludge hauling and disposal.

## **3. Why are sanitary sewer rates increasing?**

Sanitary sewer rates are increasing to pay for the maintenance and replacement of sanitary sewer infrastructure. Recent studies found that in the next 25 years, significant assets are coming to the end of their useful lives and must be replaced or upgraded.

## **4. Why is it important to invest in our infrastructure?**

Infrastructure has a lifespan and much of our infrastructure is old. The most commonly known example is the Prowse Road Lift Station. This asset is near the end of its useful life and requires upgrades within the next two years estimated at \$1.1 million.

Delaying replacements/upgrades will result in unpredicted equipment failures and interrupted services which will cost more to address in the long-run.

## **5. What are the funding sources for the Town's sanitary sewer utility?**

The sanitary sewer utility is funded by parcel taxes, grants from the provincial and federal governments, borrowed money, and user fees. Grants are becoming less dependable. The Town is moving towards a financial model that relies less on unpredictable external funding and debt to ensure our utilities are sustainable in the long-term.



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### **6. How much money is required to achieve 'sustainable services'?**

Although costs fluctuate year to year due to timing of infrastructure replacement projects, it is expected that the total annual cost of the utility will stabilize around \$1.3 million by 2018. After this, expenses will increase each year with inflation.

### **7. How did the Town arrive at an 6% rate increase for 2017?**

The Town worked with a consulting company to assess the infrastructure and revenues of our sewer utility. This study concluded that an increase of 6% makes a significant contribution towards the money required for infrastructure replacement. Lower increases do not provide adequate revenues to perform essential work, which would lead to an unacceptable risk of system failures and service interruptions.

### **8. Will there be ongoing rate increases?**

Although the 8% increase in 2015 and 7% increase in 2016 are a good start, the sanitary sewer utility is still underfunded. Council will revisit rates again in March 2017 to determine what further adjustments need to be made to ensure adequate funding is in place to operate our utility. (See FAQ #6)

### **9. What is the Town doing to keep rates as low as possible?**

The Town is investing in infrastructure replacement, which will avoid the expenses associated with system failures in the future.

As well, the Town is reviewing operational practices and looking for improvements in system efficiencies. An example of this is a recent replacement of the pump controllers at the Prowse Road Lift Station. This has improved efficiency of the pumps, extended pump life and has reduced hydro costs at the Lift Station by approximately 50%.

### **10. Where can I find more information?**

Information is posted on the Town's website ([www.gibsons.ca](http://www.gibsons.ca)). As well, our staff can respond to any questions you may have. Drop by for a visit or give us a call.

