

Region of Waterloo

Corporate Services

Corporate Finance

To: Strategic Planning and Budget Committee

Meeting Date: December 11, 2024

Report Title: 2025 User Fees and Charges Update

1. Recommendation:

That the Regional Municipality of Waterloo repeal By-Law 24-028, (A By-Law to amend By-Law Number 23-062, A By-law to Establish Fees and Charges for the Regional Municipality of Waterloo and repeal By-law 23-009, as Amended) and pass a new Fees and Charges By-law including the new and adjusted fees and charges in the 2025 Budget as set out in report COR-CFN-24-028 dated December 11, 2024.

2. Purpose / Issue:

To approve new and adjusted User Fees and Charges to come into effect at various times throughout the year.

3. Strategic Plan:

This report supports the strategic focus area of a Resilient and Future-ready Organization.

4. Report Highlights:

- Section 391 of the Municipal Act authorizes municipalities to establish and maintain a list of services subject to fees or charges. As part of the 2025 budget development process, all service areas have reviewed Regional user fees and charges.
- The preliminary 2025 Water and Wastewater Budget includes the following proposed rate increases effective January 1, 2025:
 - Wholesale water and wastewater rates charged to area municipalities:
 - Water Supply: 4.9%.
 - Wastewater Treatment: 5.9%.

- Retail rates for customers in Wellesley and North Dumfries:
 - Water distribution: 3.9%.
 - Wastewater collection: 3.9%.
- The proposed 2025 Transit Services budget includes an average fare increase of 2.7%, with detailed increases and effective date varying by fare type. Appendix B provides a list of transit-related housekeeping updates and GRT fees that are proposed to be introduced or changed during 2025.
- Waste Management fees are proposed to increase on April 1, 2025. This includes tipping fees for recyclables (+\$1/MT), general refuse/garbage (+\$2/MT) and the special handling load rate (+\$4/MT).
- Airport proposed fee changes include increases to automobile parking, landing fees, apron parking and snow removal. New fees include lost or stolen parking pass, urea applications and heavy equipment services fees.
- Minor changes to fees and charges are proposed for Seniors' Services, Legal Services, Supportive Housing, Cultural Services, Regional Growth, Development and Sustainability Services, Public Health Programs, Paramedic Services and Transportation. Appendix A provides a list of fees that are proposed to be introduced or changed during 2025.

5. Background:

Section 391 of the Municipal Act authorizes municipalities to establish and maintain a list of services subject to fees or charges. The Region's current by-law is By-Law 24-028, (A By-Law to amend By-Law Number 23-062, A By-law to Establish Fees and Charges for the Regional Municipality of Waterloo and repeal By-law 23-009, as Amended). These by-laws are updated annually to incorporate new or revised fees adopted by Regional Council.

As part of the 2025 budget process, all service areas have reviewed their fees and charges and, where appropriate, are proposing changes to certain fees. Appendix A & B provide a list of fees that are proposed to be introduced or changed during 2025. Certain program area fee changes are highlighted below.

a) Public Transit Fares.

The proposed 2025 Transit Services budget includes an average fare increase of 2.7%, with detailed increases varying by fare type, and most coming into effect July 1, 2025.

Proposed Transit fare changes include the following (a full list of proposed changes is included in Appendix B):

Description	Current Fee	Proposed Fee	Change
Cash Fare	\$3.75	\$4.00	\$0.25
EasyGo Fare Card	\$5.00	\$4.00	-\$1.00
Stored Value	\$3.00	No change	No change
Monthly Pass	\$96.00	\$100.00	\$4.00

GRT has increased the transfer time from 90 minutes to 120 minutes on any single trip. While the Cash Fare is proposed to increase, GRT is supporting the transition to more affordable single-trip transit products by maintaining Stored Value fees and reducing the price of the EasyGO fare card, which will be the same price as Cash Fare and no longer requires a minimum load. GRT is also launching mobile payment options for more ways to pay for transit trips. These proposed changes will enable GRT to carry out targeted promotion of the EasyGO fare card or mobile payment for any customer impacted by Cash Fare changes.

As noted in report RSC-SPR-24-001 dated November 29, 2024, staff are proposing the below changes to the fees and charges since report COR-CFN-24-020 dated October 30, 2024 was presented to Council. Several fare products are automatically adjusted when a price change to the Monthly Pass fare occurs.

Description	Proposed Fee on October 30	Proposed Fee on November 29	Change
Monthly Pass	\$100.00	\$104.00	\$4.00
Summer Pass (July and August)	\$170.00	\$176.00	\$6.00
Affordable Transit Program (ATP) – Monthly Pass (Only available to ATP participants)	\$50.00	\$52.00	\$2.00
TravelWise Corporate - Monthly Pass (Only available to TravelWise Program participants)	\$85.00	\$88.00	\$3.00

b) Waste Management fees and charges

Proposed fee changes within Waste Management, effective April 1, 2025, include increases to tipping fees for recyclables and general refuse/garbage and the special handling load rate. The proposed fee changes are outlined in the table below.

Description	Current Fee	Proposed Fee	Increase
Waste tipping fee	\$100.00 / MT	\$102.00 / MT	\$2.00 / MT
Recyclables tipping fee	\$50.00 / MT	\$51.00 / MT	\$1.00 / MT
Special handling fee	\$ 200.00 / MT	\$204.00 / MT	\$4.00 / MT

*MT - Metric Tonne.

The foregoing fee changes for Waste Management are projected to increase 2025 revenue by \$195,000.

c) Airport Services fees and charges.

Proposed fee changes include increases to automobile parking, landing fees, apron parking and snow removal. New fees included in the 2025 preliminary budget include, lost or stolen parking pass and area applications and heavy equipment services fees. Subject to Council approval, these fees would come into effect on January 1, 2025 and are expected to generate \$557,000 in revenue which has been reflected in the preliminary 2025 operating budget.

d) Children Services.

To support the transition to \$10 per day average fees by the end of 2025-26, families with children aged 0-5 in the licensed Home Child Care program would see childcare base fees capped at \$22 per day effective January 1, 2025. The reduced fees are legislatively required and fully supported through provincial Canada-wide Early Learning and Child Care funding with no required municipal cost-share.

e) Water/Wastewater user rates.

Staff are proposing a wholesale water supply rate increase of 4.9% in 2025 and a wastewater rate increase of 5.9%, effective January 1, 2025. This is consistent with the projection provided during the 2024 budget. The proposed water and wastewater rates will assist with maintaining the long-term financial sustainability of the program. The rates to be charged to area municipalities for water supplied and wastewater treated as of January 1, 2025 are outlined in the table below.

Description	Current Rate / m3	Proposed Rate per m3 as of January 1, 2025
Water Supply	\$1.205	\$1.264
Wastewater Treatment	\$1.4777	\$1.5649

For retail customers in Wellesley and North Dumfries, staff propose a water distribution rate increase of 3.9% and a wastewater collection rate increase of 3.9% effective January 1, 2025. The water distribution rate is consistent with

projections provided during the 2024 budget. Wastewater collection was projected at 4.9% in the 2024 budget. The rates to be charged to Wellesley and North Dumfries for water distribution and wastewater collection as of January 1, 2025 are outlined in the table below.

Description	Current Rate / m3	Proposed Rate per m3 as of January 1, 2025
Water Distribution	\$3.38	\$3.51
Wastewater Collection	\$2.53	\$2.63

The water distribution and wastewater collection monthly fixed rates are proposed to increase by \$1.00 as of January 1, 2025. The monthly fixed rates to be charged to Wellesley and North Dumfries for water distribution and wastewater collection are outlined in the table below.

Description	Current Rate	Proposed Rate as of January 1, 2025
Water Distribution	\$11.00	\$12.00
Wastewater Collection	\$10.00	\$11.00

Additional proposed changes to fees are outlined in Appendix A relating to user rate charges to area municipalities, the rates and fixed fees for the distribution and collection systems in the Townships of Wellesley and North Dumfries, water meters (19 mm service), sewer surcharge rate and sampling fees.

f) Below are adjustments since report COR-CFN-24-020 dated October 30, 2024:

Housing Services (Waterloo Region Housing) - Introduction of a monthly parking space fee of \$50 per month (and an extra \$50 for an additional space) for tenants occupying the Low-End Market (LEM) units in Waterloo Regional Housing Revitalization projects.

Supportive Housing – Sunnyside Home– Increase to monthly parking for a secondary vehicle.

Provincial Offences Court: To match the current fees regulated by Ministry of Attorney General (MAG), increases to transcription (printed and electronic), subsequent copies and noting the \$25 minimum charge per transcript.

Transportation: Introduction of the Crane Swing Fee which allows the erection and use of a construction crane that may swing over Regional Roads, and/or the ION LRT tracks.

Children's: Increase to the daily rates for school age care (children over the age of 6 years). The proposed changes will see increases between 2.6 - 7.7% across the 4 rate categories and will reflect a fixed increase of \$2.00 per day in each rate category. These rates align with market rates for school age care in our community. This rate increase will have no direct impact on low income families in receipt of child care subsidy. 100% of this increase will go to caregiver compensation. This will support caregivers to purchase materials and equipment to provide high quality child care to school age children in their programs. Providing this increase to caregiver compensation also incentivizes caregivers to provide child care to school age children which is in demand across our community.

Council and Administrative Services: Removal of the research time fee as well as note and header clarification.

Facilities Management and Waterloo Region Emergency Services Training and Research Complex (WRESTRC)- Bylaw update to reflect internal structure changes in 2024.

g) Other service areas.

Other minor changes to Regional fees and charges are proposed as follows:

- **Seniors' Services:** Increases to the Regular Day Program, Extended Day Program and telephone/cable fees.
- **Supportive housing:** Increases to use of washing machine fees with extended time and lunch visits.
- **Legal Services:** Increases to the sale of surplus land to external party agreement, full/partial closure of Regional road application and development agreements, site plan agreements, and any amending agreements fees.
- **Cultural Services:** Updates to the by-law for consistency across the museum locations on areas such as: general admission, room rental, education programs, and camp fees; creation of new rental fees for underutilized and new facilities (i.e. covered pavilion, outdoor amphitheatre); travel trade tour market admissions; and increases to archival fees, offsite outreach programs, and birthday parties to reflect true cost of service.
- **Waterloo Region Library:** New fee introduced for cassette tapes – memory lab and the removal of fees for public health kits and cost recovery for photos.
- **Regional Growth, Development and Sustainability Services:** New fee introduced for engineering review.
- **Infectious Diseases, Dental and Sexual Health:** Increases for thermometers.
- **Paramedic Services:** Increases to special event coverage fees.

- **Transportation:** Increases to fees for roads and traffic collision summaries, count fees, permit fees, special signal requests and Waterloo spur agreements.

6. Area Municipality Communication and Public/Stakeholder Engagement:

Nil.

7. Financial Implications:

The estimated incremental user fee revenue increase in 2025 associated with the proposed fee changes is outlined in the table below (areas with minimal revenue changes have been excluded):

Division	Incremental 2025 revenue (\$000's)
Airport	\$557
Grand River Transit	\$320
Legal Services	\$2
Transportation	\$10
Waste Management	\$195
Water Services	\$8,599
Total	\$9,683

The estimated incremental revenue identified in the table above have been incorporated into the preliminary 2025 operating budget. Should Council decide to change these or any other fee or charge listed under the by-law during the budget process, the proposed changes listed herein would be updated.

8. Conclusion / Next Steps:

A resolution to repeal the current Fees and Charges By-law and user rate by-laws and pass a new consolidated Fees and Charges By-law is included along with the General Budget Resolutions on December 11, 2024.

Attachments:

Appendix A: Proposed Changes to the Fees and Charges By-Law.

Appendix B: Proposed Changes and Housekeeping Updates to the Fees and Charge By-Law as Presented on October 30, 2024.

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