

**Region of Waterloo**

**Corporate Services**

**Corporate Finance**

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**To:** Strategic Planning and Budget Committee

**Meeting Date:** November 18, 2025

**Report Title:** 2026 User Fees and Charges

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**1. Recommendation**

For information.

**2. Purpose / Issue:**

To provide information to Council with respect to proposed changes to user fees and charges including water/wastewater user rates that have been incorporated into the preliminary 2026 Budget. Council may pass motions to amend proposed Regional fees and charges and associated 2026 revenue budgets at any time during the budget review process. A resolution to repeal the current Fees and Charges By-law and pass a new Fees and Charges By-law will be included with the General Budget Resolutions.

**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 2026 budget development process, all service areas have reviewed Regional user fees and charges. Appendix A provide a list of fees that are proposed to be introduced or changed during 2026.
- The preliminary 2026 Water and Wastewater Budget includes the following proposed rate increases effective January 1, 2026:
  - Wholesale water and wastewater rates charged to area municipalities:
    - Water Supply: 5.9%
    - Wastewater Treatment: 5.9%

- Retail rates for customers in Wellesley and North Dumfries:
  - Water distribution: 3.9%
  - Wastewater collection: 4.9%
- The proposed 2026 Transit Services budget does not include a general fare increase. This is aligned to previous communication in the master plan that fares will increase as service increases. The 2026 budget does not include transit service increases. Select user fee increases are based on contractual agreements and to align pricing across programs.
- Waste Management has proposed to increase the fee per visit, general refuse/garbage fee, special handling load rate, and the recyclables/diversion tipping fee. While proposing one new fee, delivery of new/additional green (organics) cart.
- Transportation has proposed new work permit fees and increases to roads and traffic collision summaries, count fees, special signal requests, access agreements and Waterloo spur agreements.
- Airport proposed fee changes include increases to aircraft operating fees for based flight schools, passenger facilitation fee, apron parking, aviation fuel surcharge and landing fees.
- Regional Growth, Development and Sustainability Services has completed a comprehensive review of current fees. Fees in this area are a cost recovery to activity to rationalize fees to reflect roles and responsibilities following the proclamation of Bill 23. This study is recommending moderate increases to some fees while other fees have been reduced or eliminated.
- Minor changes to fees and charges are proposed for Seniors' Services, Cultural Services, Region of Waterloo Library, Public Health Programs and Paramedic Services. Appendix A provides a list of fees that are proposed to be introduced or changed during 2026.

## **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 24-052, (A By-law to Establish Fees and Charges for the Regional Municipality of Waterloo and repeal By-law 23-062, as Amended). This by-law is updated annually to incorporate new or revised fees adopted by Regional Council.

As part of the 2026 budget process, all service areas have reviewed their fees and charges and, where appropriate, are proposing changes. This report will highlight any significant changes. Appendix A provides a list of fees that are proposed to be introduced or changed during 2026. Most fee changes are the result inflation, to keep

pace on cost recovery or contract obligations. Highlighted below are certain program area fee changes that either don't align to that general statement or are of high interest to residents.

### a) Public Transit Fares

The proposed 2026 Transit Services budget does not include a general fare increase. Select increases are based on contractual agreements and to align pricing across programs:

- U-Pass: mandatory fee for all eligible students per school term for Conestoga College, University of Waterloo, and Wilfrid Laurier University students. U-Pass price increases from \$124.91 to \$131.14 effective September 1, 2026 as outlined in U-Pass agreements.
- Two-ride GRT EasyGO ticket: price increase from \$5 to \$6 to align with stored value and recover costs, effective July 1, 2026. Eligible agencies can choose to continue to purchase the two-ride product or save with single ticket options using GRT Pay.
- MobilityPLUS Taxi Coupons: price increase from \$30 to \$40 per \$60 taxi coupon book, effective July 1, 2026. The increase aligns with other transit agencies, recovers costs, and encourages use of existing MobilityPLUS fleet capacity instead of taxis.

Description	Current Fee	Proposed Fee	Change
Cash Fare	\$4.00	No Change	
Stored Value (fare paid with EasyGO fare card or GRT Pay)	\$3.00	No Change	
Monthly Pass	104.00	No Change	
U-Pass	\$124.91	\$131.14	\$6.23
2-Ride GRT EasyGO ticket	\$5.00	\$6.00	\$1.00
MobilityPLUS Taxi Coupons (per \$60 taxi coupon book)	\$30.00	\$40.00	\$10.00

### b) Waste Management fees and charges

Proposed fee changes within Waste Management, effective April 1, 2026, include increases to the fee per visit, general refuse/garbage fee, special handling load rate, and the recyclables/diversion tipping fee.

Waste Management is proposing one new fee, purchase and delivery of new/additional green (organics) effective September 1, 2026. If a household

would like an additional Green Cart, they can request one starting September 1, 2026 during the “cart exchange period”. The fee is for the cost of the cart and delivery.

Fees were determined based on a scan of municipalities, local transfer station rates and increasing operational costs. The proposed fee changes are outlined in the table below.

Description	Current Fee	Proposed Fee	Increase
Minimum fee per visit to landfill and transfer stations	\$12.00 / per visit	\$15.00 / per visit	\$3.00
General Refuse/Garbage fee	\$102.00 / MT	\$120.00 / MT	\$18.00 / MT
Special Handling Load (Waterloo Site only) (includes: stumps, wire, styrofoam and nuisance dust)	\$204.00 / MT	\$240.00 / MT	\$36.00 / MT
Special Handling Load (Waterloo Site only) (asbestos ONLY)	\$385.00 / MT	\$425.00 / MT	\$40.00 / MT
Diversion Fee (recycling, organics, yard waste)	\$51.00 / MT	\$82.50 / MT	\$31.50 / MT
Purchase and delivery of new/additional green (organics) cart	New	\$150.00 per cart	\$150.00

\*MT - Metric Tonne

### c) Transportation fees and charges

The table below includes a list of proposed new fees. Fees associated with provision of data or information are partial cost recovery for administrative efforts to provide the requested data. Additional fees related to work occurring on our regional road network or inspection of transportation infrastructure is geared toward partial cost recovery and to encourage the expeditious completion of work to support public safety, minimal traffic impacts, and infrastructure quality. The fee associated with freight agreements is under current market rates and is a partial cost recovery of the Region’s railway maintenance expenses. Additional increases are proposed for roads and traffic collision summaries, count fees, special signal requests, access agreements and Waterloo spur agreements which can be found in appendix A.

Description	Current Fee	Proposed Fee	Increase
Municipal Consent Application fee (Non refundable)	New	\$150.00	\$150.00
Inspection Fee	New	\$250.00	\$250.00
Work Permit Application Fee (Non Refundable)	New	\$150.00	\$150.00
Work Permit Lane Closure Impact Fee	New	\$150.00/day	\$150.00/day
Work Permit Road Cut Fee	New	\$500.00/day with a 50% surcharge for roads within 1-5 years newly constructed.	\$500.00/day
Work Permit Sidewalk, Path, Trail Closure Fee	New	\$12.00/day	\$12.00/day
Rail Permit	New	\$238.00	\$238.00
Freight Rights Agreement Fee	New	\$75,000.00	\$75,000.00

#### d) Council and Administrative fees and charges

Proposed amendments to Taxi By-law #16-044 as outlined in report in report PDL-CAS-25-016, dated November 13, 2025 include incorporating licensing fees and charges into the Region's 2026 Fees and Charges By-law. This approach will support annual reviews of licensing and enforcement fees, ensuring they are aligned with inflation, allowing for gradual and transparent adjustments when necessary. The proposed fee changes below are comparable with other municipalities.

<b>Application for Taxi Broker Fees - Fleet Size</b>			
<b>Description</b>	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Increase / (Decrease)</b>
1000 to 2999 vehicles (pending approval of report PDL-CAS-25-00)	\$50,000	\$6,000.00	\$(44,000)
Vehicle/Owner and Driver License Fee *paid quarterly for each Taxi service/trip (pending approval of report PDL-CAS-25-00)	\$0.11 per trip	\$0.25 per trip	\$0.14 per trip

#### e) Airport Services fees and charges

In 2025, the Airport Passenger Facilitation fee (PFF) was lowered in the budget in order to enhance airlines financial stability amid changing market conditions and travel patterns. Over time, the goal is to restore this to the prior rate. Airport fees are adjusted annually taking into consideration comparator airports. These fees support reducing the overall tax burden on residents. Several fees, including the real estate and airport water maintenance, are related to recovery of increased costs. YKF's fees remain some of the lowest in Canada, in a strategic effort to attract and retain YKF tenants and expand airline service for the community.

Proposed increases include passenger facilitation fee, landing fees, aviation fuel surcharge, real estate fees and airport water maintenance and service charge. A full list of proposed fee changes can be found in appendix A. Proposed fee changes within Airport Services come into effective January 1, 2026, except for the passenger facilitation fee coming into affect June 1, 2026. The proposed fee changes are outlined in the table below.

<b>Description</b>	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Increase / (Decrease)</b>
Passenger Facilitation Fee	\$7.50	\$10.00	\$2.50
Landing fees (by weight and helicopters)	\$8.50/kg	\$10.00/kg	\$1.50/kg
Aviation Fuel	\$0.05	\$0.06	\$0.01

Description	Current Fee	Proposed Fee	Increase / (Decrease)
Surcharge			
Real Estate Fees	\$500.00	\$750.00	\$250.00
Airport Water Maintenance and Service Charge	\$50.00/month + Township of Woolwich usage and reserve water charges	\$75.00/month + Township of Woolwich usage and reserve water charges	\$25.00/month + Township of Woolwich usage and reserve water charges

#### f) Growth, Development, and Sustainability Services fees and charges

Over the past year, the Growth, Development and Sustainability Services team has worked with Watson and Associates Economists Ltd. to complete a comprehensive review of the Region of Waterloo's Planning Act Application Fees.

The purpose of this review is to rationalize and modernize the Region's development application fees in light of the revised roles and responsibilities introduced by Bill 23, More Homes Built Faster Act, 2022, effective January 1, 2025. The analysis considered both direct and indirect costs, as well as fees from comparable municipalities such as York Region and Niagara Region.

The proposed 2026 fee schedule represents a balanced and evidence-based adjustment—introducing moderate increases in some areas to reflect the staff time and resources required for Regional review of development applications (including infrastructure, transportation, and assets such as the Region of Waterloo International Airport), while reducing or eliminating fees in other areas where Regional involvement is minimal. The proposed framework also allows staff to waive fees where an application does not involve Regional interest or responsibility.

It is important to note that this update does not represent a general fee increase, but rather a rationalization of the fee structure to ensure alignment with Bill 23, cost recovery principles, and Regional service delivery roles. A full list of adjusted fees can be found in appendix A.

#### g) Other service areas

Below is a list of other minor changes to Regional fees and charges which are driven by inflation to maintain cost recovery levels.

- **Seniors' Services:** Increases to the regular day program, cancellation without notice, extended day program, respite program, facility rental and telephone/cable fees.

- **Cultural Services:** Introducing new fees for filming administration, birthday party cancellations, community memberships, various room rental provisions, medium and large group general admission fees, and increases to archival fees, reproduction to historic images, general admission prices and rental fees at various locations. The proposed fee changes are comparable with other municipalities.
- **Region of Waterloo Library:** New fee for Button making Supplies (supplies for 10 buttons).
- **Infectious Diseases, Dental and Sexual Health:** Increases for thermometers and health protection searches.
- **Paramedic Services:** Increases to special event coverage fees.

### Water/Wastewater user rates

Staff are proposing a wholesale water supply rate increase of 5.9% in 2026 and a wastewater treatment rate increase of 5.9%, effective January 1, 2026. This is consistent with the projection provided during the 2025 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, 2026 are outlined in the table below.

Description	Current Rate / m3	Proposed Rate per m3 as of January 1, 2026
Water Supply	\$1.264	\$1.3386
Wastewater Treatment	\$1.5649	\$1.6572

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 4.9% effective January 1, 2026. The water distribution rate and wastewater collection rate are consistent with projections provided during the 2025 budget. The rates to be charged to Wellesley and North Dumfries for water distribution and wastewater collection as of January 1, 2026 are outlined in the table below.

Description	Current Rate / m3	Proposed Rate per m3 as of January 1, 2026
Water Distribution	\$3.51	\$3.65
Wastewater Collection	\$2.63	\$2.76

Additional proposed changes to fees are outlined in Appendix A relating to user rate charges to area municipalities, water meters (19 mm service), sewer surcharge rate and sampling fees.

## 6. Area Municipality Communication and Public/Stakeholder Engagement

The proposed Water and Wastewater user rate adjustments have been reviewed with the effect area municipalities.

## 7. Financial Implications:

The estimated incremental user fee revenue increase in 2026 associated with the proposed fee changes is outlined in the table below (areas with minimal revenue changes have been excluded):

<b>Division</b>	<b>Incremental 2026 revenue (\$000's)</b>
Seniors' Services	\$51
Council and Administrative Services	\$ 492
Cultural Services	\$ 271
Growth, Development, and Sustainability Services	\$ 286
Region of Waterloo Airport	\$ 262
Transportation	\$ 735
Waste Management	\$ 1,717
Water & Wastewater Services	\$ 9,768
<b>Total</b>	<b>\$ 13,582</b>

The estimated incremental revenue identified in the table above have been incorporated into the preliminary 2026 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 will be included along with the General Budget Resolutions.

## 9. Attachments:

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

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