

Town of Cobourg Stormwater Rate Structure Review

Council Presentation June 26, 2024



- The Town of Cobourg (Town) implemented a dedicated stormwater fee in 2022.
- Following the implementation of the dedicated stormwater fee, the Town received several inquiries and feedback from Council and residents.
- The Town retained Watson & Associates Economists Ltd. to identify and review potential refinements of the rate structure to improve equity while fully funding the Town's current and future stormwater infrastructure needs

2022 Stormwater Asset Management Plan and Funding Assessment

Asset Summary (as of 2022)

Cobourg stormwater system:

- Over 70 km of storm sewers
- 3,474 manholes and catch basins
- 6 stormwater ponds
- 3 pump stations
- 65 outlet points
- 4 oil/grit separators

Asset replacement cost:





Lifecycle Management Strategies



Accot Cotogony	Lifecycle Activities				
Assel Calegory	Operating	Capital			
SWM Ponds	 Grass cutting Debris and litter removal Inspections Sediment depth monitoring Structural repairs 	CleanoutRehabilitation			
Stormwater Pipes	FlushingCCTV inspections	Replacement			
Manholes	AdjustmentsMinor repairs	Replacement			
Catch Basins	CleaningAdjustmentsInspections	Replacement			
Oil/Grit Separators	CleaningInspections	Replacement			
Outlet Points		 Replacement (headwall) 			
Pump Stations	MaintenanceInspections	Component replacement			

Stormwater Program – Estimated Annual Cost of Service



Current SW Program: Proposed S \$0.41 million Proposed S S528,016 Signature Signature

- Storm sewer maintenance and repairs
- Catch basin cleanouts
- Street sweeping
- Contracted services (incl. SWM pond maintenance)
- Equipment rentals and operating costs
- Pumping station maintenance and utility costs
- Administration and management

Proposed SW Program:



Proposed program enhancements:

- Regular flushing and CCTV
 inspections of storm sewers
- Analysis of data collected through CCTV inspection program
- Regular inspections of SWM ponds, oil/grit separators, and pump stations
- Regular updates of asset inventory
- Full funding of annual lifecycle costs of infrastructure

Capital Expenditure Forecast 2022-2040 (uninflated \$)



\$2,500,000 \$2,000,000 \$1,500,000 \$1,000,000 \$500,000 \$-2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 SWM Facilities Pump Stations Stormwater Pipes Other Assets - 2022-2032 Average --- Average Annual Lifecycle Cost

Stormwater Assets - Lifecycle Capital Expenditure Forecast (2022-2032)

2032

Financial Forecast





Current Funding Model & Alternatives



Assessment Criteria:

Ease of calculation

Linkage between amount paid and service utilization

Cost of administration

Users' control over charging mechanism

Stormwater Services Cost Share

Residential vs. Non-residential Properties





Average Single Detached House



Small Commercial Property (e.g., fast-food restaurant)



Medium Commercial Property (e.g., car dealership)



Large Commercial Property (e.g., commercial plaza/shopping mall)



Rate Structure Review

Rate Structure Alternatives

Alternative A

Introduces a 10-acre "cap" on the total amount of chargeable land area per property for agricultural/ vacant and residential (low and medium density).

Additionally, residential land in excess of 1 acre would be charged at the vacant/agricultural rate.

Alternative B

Flat fee for all properties up to 1 acre (charged per property/residential unit).

Additional charges would apply to land area over 1 acre for commercial, industrial, and institutional properties.

Alternative C

Maintains existing rate structure for commercial, industrial, and institutional.

Variable flat fee for residential and vacant properties (charged per property/residential unit).

Additional charges would apply to land area over 1 acre for vacant properties (up to 10-acre cap).

Stormwater Services Cost Share

Comparison of Rate structure Alternatives





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Alternative Rate Structure A

Comparison of Annual Stormwater Rates



Current Rate Structure		Alternative Rate Structure A			# of proportion that	
Property Type	Current Rate per Hectare	Property Type	Rate per Hectare	Maximum Charge (based on land area caps)	# of properties that would pay more relative to Current Rate Structure	% of Total
Commercial	\$1,872.70	Commercial	\$2,088.36	N/A	345	100%
Institutional	\$1,560.58	Institutional	\$1,740.30	N/A	26	100%
Industrial	\$1,664.62	Industrial	\$1,856.32	N/A	75	100%
Agricultural/Vacant	\$416.15	Agricultural/Vacant - up to 4.04686 hectares	\$464.08	\$1,878.07	392	93%
Residential (low density)	\$936.35	Residential (low density) - up to 0.40469 hectare	\$1,044.18	\$2,112.83	5,680	99%
		Residential (low density) - 0.40469 to 4.04686 hectares	\$464.08			
Residential (medium density)	\$1,248.46	Residential (medium density) - up to 0.40469 hectare	\$1,392.24	\$2,253.68	535	99%
		Residential (medium density) - 0.40469 to 4.04686 hectares	\$464.08			
Residential (high density)	\$1,560.58	Residential (high density)	\$1,740.30	N/A	1,394	100%
					8 4 4 7	99%

Alternative Rate Structure B

Comparison of Annual Stormwater Rates



Current Rate Structure		Alternative Ra				
Property Type	Current Rate per Hectare	Property Type	Rate per Property/ Residential Unit	Rate per Hectare (for property area over 0.40469 hectares)	# of properties that would pay more relative to Current Rate Structure	% of Total
Commercial	\$1,872.70	Commercial	\$85.49	\$2,060.11	101	29%
Institutional	\$1,560.58	Institutional	\$85.49	\$2,060.11	9	35%
Industrial	\$1,664.62	Industrial	\$85.49	\$2,060.11	34	45%
Agricultural/Vacant	\$416.15	Agricultural/Vacant	\$85.49	N/A	284	68%
Residential (low density)	\$936.35	Residential (low density)	\$85.49	N/A	4,557	79%
Residential (medium density)	\$1,248.46	Residential (medium density)	\$85.49	N/A	522	97%
Residential (high density)	\$1,560.58	Residential (high density)	\$85.49	N/A	1,319	95%
					6,826	80%

Alternative Rate Structure C

Comparison of Annual Stormwater Rates



Current Rate Structure		Alternative Rate Structure C				# of properties that	
Property Type	Current Rate per Hectare	Property Type	Rate per Property/Resid ential Unit	Rate per Hectare	Maximum Charge	would pay more relative to Current Rate Structure	% of Total
Commercial	\$1,872.70	Commercial	N/A	\$2,088.36	N/A	345	100%
Institutional	\$1,560.58	Institutional	N/A	\$1,740.30	N/A	26	100%
Industrial	\$1,664.62	Industrial	N/A	\$1,856.32	N/A	75	100%
Agricultural/Vacant	ant \$416.15	Agricultural/Vacant - up to 0.40469 hectare	\$80.35	N/A	\$80.35	287	68%
		Agricultural/Vacant - larger than 0.40469 hectares	\$80.35	\$464.08	\$1,770.61		
Residential (low density)	\$936.35	Residential (low density)	\$82.60	N/A	\$82.60	4,435	77%
Residential (medium density)	\$1,248.46	Residential (medium density)	\$42.46	N/A	\$42.46	428	79%
Residential (high density)	\$1,560.58	Residential (high density)	\$35.02	N/A	\$35.02	1,010	72%
						6,606	77%

Policy Review

Policy Review



Current Exemptions

- Municipal facilities
- Schools/Education Lands

Additional Exemptions Considered

- Conservation lands
- Rail yards
- Places of Pilgrimage/Worship and Cemeteries
- Farmland/Agricultural

Next Steps



- 1. Receive direction from Council regarding referred rate structure alternative for implementation
- 2. Receive direction from Council regarding exemptions policies
- 3. Address transitional matters (e.g., for properties with a lower charge relative to the current rate structure)
- 4. Update financial model and recast rates for 2025 and beyond

Supplementary Information





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