

Order No. 34/18

**TOWN OF THE PAS
WATER AND WASTEWATER UTILITY RATES
April 1, 2018, January 1, 2019 and 2020**

March 6, 2018

BEFORE: Shawn McCutcheon, Panel Chair
Marilyn Kapitany, B.Sc. (Hons), M.Sc., Member

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1.0 Summary

By this Order, the Public Utilities Board (Board) approves the revised water and wastewater rates for the Town of The Pas (Town) Water and Wastewater Utility (Utility), effective April 1, 2018, January 1, 2019 and January 1, 2020.

The approved rates are as follows:

	Current By-Law 4421	By-Law 4550 April 1, 2018	By-Law 4550 January 1, 2019	By-Law 4550 January 1, 2020
Water (\$/1,000 gallons) - First 20,000 gallons	\$ 11.65	\$ 11.68	\$ 11.71	\$ 11.74
Water (\$/1,000 gallons) - Over 20,000 gallons	\$ 7.10	\$ 8.40	\$ 9.93	\$ 11.74
Wastewater (\$/1,000 gallons)	\$ 3.55	\$ 3.68	\$ 3.81	\$ 3.94
Quarterly service charge	\$ 17.85	\$ 26.06	\$ 34.27	\$ 42.47
Minimum quarterly*	\$ 63.45	\$ 72.14	\$ 80.83	\$ 89.51
Bulk water rate (\$/1,000 gallons)	\$ 12.35	\$ 14.00	\$ 14.00	\$ 14.00
Reconnection	\$ 25.00	\$ 50.00	\$ 50.00	\$ 50.00
Temporary shut off	\$ 25.00	\$ 30.00	\$ 30.00	\$ 30.00
*Based on 3,000 gallons				

Details of other rates may be found in the attached Schedule "A".

Rationale for the Board's decisions may be found under "Board Findings".

2.0 Background

The Town owns and operates a water and wastewater utility serving 1,887 customers. Of the total number of customers, 1,886 are water and wastewater customers and the remaining one (1) is a water only customer. The major type of customer is the single-family residential home, primarily being serviced by 5/8 inch (15mm) water meters.

Water Supply/Distribution and Wastewater Collection/Treatment

The existing water treatment plant (WTP) and wastewater lagoon (lagoon) were constructed in 1971 and have been upgraded since that time. In 2011, the Town spent \$2.6 million upgrading the Water Treatment Plant.

In a 2013 Infrastructure Report, prepared by the Town's engineering consultants, recommended over \$23 million of water and wastewater line infrastructure upgrades.

Larose Avenue water and wastewater main renewal was determined to be the highest priority with an estimated costs of \$3.8 million. The consultants indicated that there had been 12 breaks in this section of water line from 2007 to 2012 and freezing in this area is an issue.

The 2015 Water Treatment Engineering Assessment had indicated key areas that the Town's WTP must upgrade to improve treatment efficiency and meet required fire flow demand.

There is also an Environmental Protection Order that requires the Town to improve wastewater treatment efficiency. A wastewater assessment study, done by AECOM in April 2010, indicated that upgrade scenarios based on loading were to be designed for future flows, to control sludge accumulation, and to decrease the phosphorous and TSS levels in the effluent. The estimated cost of these upgrades in 2010 was \$20.4 million.

The Town advised that the lagoon was also undergoing a feasibility study with the help of Manitoba Water Stewardship Board to help bring the lagoon into compliance. The lagoon discharges into Grace Lake, and Grace Lake discharges into the Saskatchewan River.

Unaccounted for Water

The acceptable percentage of unaccounted water is 10%. If the percentage is above this the applicant is to explain why and the plan to remedy.

The Town's unaccounted for water is 31%. The Town has very high water loss rates due to water main breaks and water lines left running to prevent freezing. 33% of treated water produced is used to prevent line freezing.

The Town had included in its capital projects utility line replacements to address the issue of unaccounted for water.

3.0 Application

On July 4, 2016, the Town applied for revised water and wastewater rates, to be effective January 1, 2017 as set out in By-law No. 4550 having had first reading on June 13, 2016. The application was supported by a rate study prepared by the Town's consultant. Rates were last reviewed in 2010 in Board Order No. 87/10.

A Public Notice of Application was issued on May 18, 2017 affording customers the opportunity to comment to both the Board and Town with respect to the proposed rate increases. The Board received one (1) response.

When reviewing an application, the Board has at its disposal two approaches, either a paper or a public hearing review. After the publication of the Notice of Application, the Board will consider the application and stakeholder responses, and determine which method of review is most appropriate.

Whenever reasonable, the Board will review the application using a paper review process, which saves the cost of a public hearing process. The Board has chosen this option for this application.

The rates were calculated based on the following revenue projections:

	Actual	Actual	Budgeted	Forecast			
	2013	2014	2015	2016	2017	2018	2019
General							
<i>Expenses:</i>							
Administration	\$ 289,730	\$ 292,184	\$ 276,063	\$ 281,584	\$ 287,216	\$ 292,960	\$298,819
Training costs	\$ 55,950	\$ 20,730	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Billing & collection	\$ 60,459	\$ 70,634	\$ 41,535	\$ 42,366	\$ 43,213	\$ 44,077	\$ 44,959
Total general expenses	\$ 406,139	\$ 383,548	\$ 337,598	\$ 343,950	\$ 350,429	\$ 357,037	\$363,778
<i>Revenue</i>							
Penalties	\$ 71,567	\$ 38,748	\$ 43,138	\$ 43,138	\$ 43,138	\$ 43,138	\$ 43,138
Other income	\$ 150	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -
Total general revenue	\$ 71,717	\$ 39,148	\$ 43,138	\$ 43,138	\$ 43,138	\$ 43,138	\$ 43,138
Net costs general	\$ 334,422	\$ 344,400	\$ 294,460	\$ 300,812	\$ 307,291	\$ 313,899	\$320,640
Water							
<i>Expenses</i>							
Purification and treatment	\$ 445,211	\$ 481,536	\$ 463,374	\$ 472,641	\$ 482,094	\$ 491,736	\$501,570
Transmission and distribution	\$ 600,517	\$ 849,160	\$ 724,839	\$ 739,335	\$ 754,122	\$ 769,204	\$784,589
Amortization	\$ 293,136	\$ 283,572	\$ 283,572	\$ 288,801	\$ 287,772	\$ 287,498	\$277,893
Total water expenses	\$ 1,338,864	\$ 1,614,268	\$ 1,471,785	\$ 1,500,777	\$ 1,523,988	\$ 1,548,438	\$1,564,052
<i>Revenue</i>							
Bulk water fees	\$ 5,134	\$ 5,388	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Hydrant rentals	\$ 26,700	\$ 26,700	\$ 26,700	\$ 26,700	\$ 26,700	\$ 26,700	\$ 26,700
Total water revenue	\$ 31,834	\$ 32,088	\$ 31,700	\$ 31,700	\$ 31,700	\$ 31,700	\$ 31,700
Net rate costs - Water	\$ 1,307,030	\$ 1,582,180	\$ 1,440,085	\$ 1,469,077	\$ 1,492,288	\$ 1,516,738	\$1,532,352
Wastewater							
<i>Expenses</i>							
Collection system costs	\$ 108,481	\$ 175,206	\$ 148,238	\$ 146,203	\$ 149,127	\$ 152,109	\$ 155,152
Treatment and disposal costs	\$ 58,723	\$ 48,647	\$ 49,752	\$ 50,747	\$ 51,762	\$ 52,797	\$ 53,853
Lift station	\$ 114,957	\$ 84,360	\$ 71,179	\$ 72,603	\$ 74,055	\$ 75,536	\$ 77,046
Amortization	\$ 219,103	\$ 185,786	\$ 185,786	\$ 175,872	\$ 163,729	\$ 163,729	\$ 163,993
Total wastewater expenses	\$ 501,264	\$ 493,999	\$ 454,955	\$ 445,425	\$ 438,673	\$ 444,171	\$450,044
<i>Revenue</i>							
Lagoon tipping fess	\$ 4,815	\$ 4,815	\$ 2,710	\$ 2,710	\$ 2,710	\$ 2,710	\$ 2,710
Total wastewater revenue	\$ 4,815	\$ 4,815	\$ 2,710	\$ 2,710	\$ 2,710	\$ 2,710	\$ 2,710
Net rate costs - wastewater	\$ 496,449	\$ 489,184	\$ 452,245	\$ 442,715	\$ 435,963	\$ 441,461	\$447,334

An inflation rate of 2% was used in all calculations.

In 2014, the Town had an abnormal amount of water breaks which included a main freezing on Larose that had to be repaired. This increased the chemical dosing at the WTP, material, labour, and benefits account for the higher costs. In 2015, the Town budgeted to try to trim monies in areas that were not required, however, the 2015 budgeted amount was significantly less than 2013 and 2014 actual amounts.

The Town has capital projects identified for the utility line replacements of \$500,000 in 2017, \$500,000 in 2018 and \$334,000 in 2019.

The Town currently has a 2-step water rate that was reduced from a 3-step water rate in 2010. The Town's application compresses the 2-step water rate by approximately 18% per year and results in a unitary water rate by 2019.

Working Capital Surplus/Deficit

Board Order No. 93/09 established that utilities should maintain a minimum working capital surplus, in an amount equal to 20% of annual expenses. The working capital surplus is defined as the Utility fund balance, excluding any capital related items plus Utility reserves.

As per the 2015 audited financial statements, the most recent information available, the working capital surplus at December 31, 2015 was:

	2014	2015
Accumulated Fund Surplus	\$8,346,379	\$7,883,137
Deduct Tangible Capital Assets	\$8,239,011	\$7,797,739
Add Long-Term Debt	\$0	\$0
Add Utility Reserves	\$1,072,250	\$1,257,073
Equals Working Capital Surplus	\$1,179,618	\$1,342,471
Operating expenses	\$2,673,222	\$2,198,899
20% of operating expenses (Target)	\$534,644	\$439,780

Cost allocation methodology

The Board requires all municipalities to review the costs shared between the general operations of the Municipality and the Utility, and to allocate appropriate and reasonable costs to the Utility, based on a policy known as a Cost Allocation Methodology. This policy must be submitted to the Board for approval and cannot be changed without receiving approval from the Board. The Board's requirements regarding cost allocation methodologies can be found in Board Order No. 93/09.

- A) **Shared Overhead:** Includes all direct and in-direct costs related to the administration of the utility.

Direct Overhead Costs: Not Shared

- (1) Meter reading – Wages, benefits, and vehicle – 100% directly charged to utility - based
- (2) Postage on billings - 100% directly charged to utility – budget of \$3,700
- (3) Telephone - 100% directly charged to utility – budget of \$6,000

Direct Overhead Costs: Shared

- (1) Billing, receipting and collection – Wages and benefits – included in flat internal administration charge of \$43,250 per year
- (2) Accounts payable, payroll, human resources – Wages and benefits - included in flat internal administration charge of \$43,250 per year

In-Direct Overhead Costs: Shared

- (1) General administrative costs – CAO salaries and benefits, and Council costs - included in flat internal administration charge of \$43,250 per year
- (2) Audit - allocated a flat charge of \$850 per year
- (3) Shared office costs

- a. Legal - included in flat internal administration charge of \$43,250 per year
 - b. Lease costs – photocopier - included in flat internal administration charge of \$43,250 per year
 - c. Photocopying - included in flat internal administration charge of \$43,250 per year
 - d. Utilities – heat - included in flat internal administration charge of \$43,250 per year
- (4) Salaries, Wages, and benefits – fixed % based on approximate time spent on utility matters
- a. Municipal Superintendent – 50% charged to utility
 - b. Assistant Superintendent – 45% charged to utility
 - c. Clerk – 38% charged to utility
 - d. Purchasing agent - 40% charged to utility
 - e. Workplace Health and Safety Officer – 50% charged to utility

B) Shared Direct Operating Costs:

Includes all costs directly attributable to the maintenance and repair of the utility. Direct equipment costs and direct labor costs that are directly attributable to the maintenance and repair of the utility are charged to the utility at 100%. There are no direct operating costs that are shared.

C) Shared Capital Costs

There are no shared capital costs that are directly charged to the utility.

Contingency Allowance and Utility Reserves

As per the Board's Guidelines, a yearly allowance equal to 10% of the variable operating costs is recommended for a contingency allowance.

There is a contingency allowance of 10% of net rate costs less amortization expenses included in the Town's rate study. This equates to \$125,359 for water and \$28,334 for wastewater.

There is also an annual transfer to Utility Reserve of \$300,000 proposed by the Town.

The Town indicated that with the large future capital works required for the lagoon (\$20.4 million) and utility main upgrades (\$23 million), the Town will require funding from its Utility Reserve and Working Capital Surplus over the next few years for these capital projects.

4.0 Board Findings

The Board has reviewed the application and the projections presented by the Town in its rate application.

A public notice was issued on May 18, 2017 affording customers the opportunity to comment to both the Board and Town with respect to the proposed rate changes. The Board received one (1) response from stakeholders.

The Board finds that the revenue estimates provided are acceptable and will approve the rates for 2018 and 2019 effective April 1, 2018, January 1, 2019 and January 1, 2020.

The Board is generally not supportive of retroactive rate increases, and approves them only in circumstances where it is in the best interest of all parties.

The Board will approve the revised Cost Allocation Methodology, and reminds the Town that this methodology must be used consistently, and requires Board approval should any further changes be considered.

Accordingly, the Town has included \$153,693 of contingency and \$300,000 annual transfer to reserves to fund its capital projects.

The Board is sensitive to customer reaction to the magnitude of the rate increases, however, must consider the sustainability of the Utility when approving rates.

In reviewing the Town's 2014 and 2015 audited financial statements, the Town had incurred deficits. The Board will ask the Town to file an application for the recovery of 2014 and 2015 deficits.

The Board discourages the use of step or block rates. Where they exist, the Board recommends that utilities consider a plan for phasing them out. The Board acknowledges the Town's decision to phase out block rates by the end of 2019.

The Town's application reflected capital grants adjustments as required by Board Order 93/09 whereas, the audited financial statements did not reflect these in the notes section for the Public Utilities Board. The Board recommends that the Town talk to its auditors with regards to Section 3.19 (Financial Statement Note Disclosures – Public Utilities Board) in the PSAB GAAP for Manitoba Municipalities.

The Board will encourage the Town to further address its unaccounted for water and implement solutions to bring it closer to the acceptable percentage of 10%.

Board decisions may be appealed in accordance with the provisions of Section 58 of The Public Utilities Board Act, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure (Rules). The Board's Rules may be viewed on the Board's website at www.pubmanitoba.ca.

5.0 IT IS HEREBY ORDERED THAT:

1. The revised water and wastewater rates for the Town of The Pas, Water and Wastewater Utility, BE AND ARE HEREBY APPROVED in accordance with the attached Schedule “A”, effective April 1, 2018, January 1, 2019 and January 1, 2020.
2. The cost allocation methodology for shared services and equipment as submitted by the Town of The Pas BE AND IS HEREBY APPROVED.
3. The Town of The Pas is to provide a notice to its customers, including the decisions found in this Order, in the next quarterly billing with a copy provided to the Public Utilities Board.
4. The Town of The Pas amend its water and wastewater rate By-law to reflect the decisions in this Order and submit a copy to the Board once it has received third and final reading.
5. The Town of The Pas file an application to recover 2014 and 2015 operating deficits, as well as any future deficits.
6. The Town of The Pas review its water and wastewater rates for adequacy and file a report with the Public Utilities Board, as well as an application for revised rates if required, by no later than June 30, 2021.

Fees payable upon this Order - \$500.00

THE PUBLIC UTILITIES BOARD

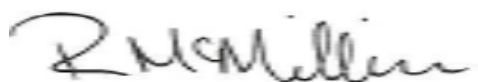
“Shawn McCutcheon”

Panel Chair

“Rachel McMillin, B.Sc.”

Acting Secretary

Certified a true copy of Order No. 34/18 issued by
The Public Utilities Board



Acting Secretary

**Town of The Pas
Water and Wastewater Utility Rates
By-Law No. 4550**

Schedule "A"

1. Schedule of Commodity Rates & April 1, 2018
1,000 Gallons per quarter

	<u>Water</u>	<u>Sewer</u>	<u>Combined</u>
First 20,000 Gallons	\$11.68	\$3.68	\$15.36
Over 20,000 Gallons	\$8.40	\$3.68	\$12.08

Quarterly Service Charge \$26.06

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the water allowance as listed.

a. Water & Sewer Customers

<u>Meter Size</u>	<u>Group Capacity Ratio</u>	<u>Water Included Gallons</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Sewer Commodity Charge</u>	<u>Water & Sewer Total Quarterly Minimum</u>
5/8 inch	1	3,000	\$26.06	\$35.04	\$11.04	\$72.14
3/4 inch	2	6,000	\$26.06	\$70.08	\$22.08	\$118.22
1 inch	4	12,000	\$26.06	\$140.16	\$44.16	\$210.38
1 ½ inch	10	30,000	\$26.06	\$317.60	\$110.40	\$454.06
2 inch	25	75,000	\$26.06	\$695.60	\$276.00	\$997.66
3 inch	45	135,000	\$26.06	\$1,199.60	\$496.80	\$1,722.46
4 inch	90	270,000	\$26.06	\$2,333.60	\$993.60	\$3,353.26

b. Water Only Customers

The minimum charge will be the same for each meter size as shown above but the Sewer Commodity Charge will be excluded.

c. Sewer Only Customers:

The minimum charge will be the same for each meter size as shown above but the Water Commodity Charge will be excluded.

3. Bulk Water Rate

All water sold in bulk by the Town of The Pas shall be charged for at the rate of \$14.00 per thousand gallons.

1. Schedule of Commodity Rates & January 1, 2019

1,000 Gallons per quarter

	<u>Water</u>	<u>Sewer</u>	<u>Combined</u>
First 20,000 Gallons	\$11.71	\$3.81	\$15.52
Over 20,000 Gallons	\$9.93	\$3.81	\$13.74

Quarterly Service Charge \$34.27

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the water allowance as listed.

a. **Water & Sewer Customers**

<u>Meter Size</u>	<u>Ratio</u>	<u>Water Capacity Included Gallons</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Sewer Commodity Charge</u>	<u>Water & Sewer Total Quarterly Minimum</u>
5/8 inch	1	3,000	\$34.27	\$35.13	\$11.43	\$80.83
3/4 inch	2	6,000	\$34.27	\$70.26	\$22.86	\$127.39
1 inch	4	12,000	\$34.27	\$140.52	\$45.72	\$220.51
1 ½ inch	10	30,000	\$34.27	\$333.50	\$114.30	\$482.07
2 inch	25	75,000	\$34.27	780.35	\$285.75	\$1,100.37
3 inch	45	135,000	\$34.27	\$1,376.15	\$514.35	\$1,924.77
4 inch	90	270,000	\$34.27	\$2,716.70	\$1,028.70	\$3,779.67

b. **Water Only Customers**

The minimum charge will be the same for each meter size as shown above but the Sewer Commodity Charge will be excluded.

c. Sewer Only Customers:

The minimum charge will be the same for each meter size as shown above but the Water Commodity Charge will be excluded.

3. Bulk Water Rate

All water sold in bulk by the Town of The Pas shall be charged for at the rate of \$14.00 per thousand gallons.

1. Schedule of Commodity Rates & January 1, 2020

1,000 Gallons per quarter

	<u>Water</u>	<u>Sewer</u>	<u>Combined</u>
First 20,000 Gallons	\$11.74	\$3.94	\$15.68
Over 20,000 Gallons	\$11.74	\$3.94	\$15.68

Quarterly Service Charge \$42.47

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the water allowance as listed.

a. Water & Sewer Customers

<u>Meter Size</u>	<u>Group Capacity Ratio</u>	<u>Water Included Gallons</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Sewer Commodity Charge</u>	<u>Water & Sewer Total Quarterly Minimum</u>
5/8 inch	1	3,000	\$42.47	\$35.22	\$11.82	\$89.51
3/4 inch	2	6,000	\$42.47	\$70.44	\$23.64	\$136.55
1 inch	4	12,000	\$42.47	\$140.88	\$47.28	\$230.63
1 ½ inch	10	30,000	\$42.47	\$352.20	\$118.20	\$512.87
2 inch	25	75,000	\$42.47	\$880.50	\$295.50	\$1,218.47
3 inch	45	135,000	\$42.47	\$1,584.90	\$531.90	\$2,159.27
4 inch	90	270,000	\$42.47	\$3,169.80	\$1,063.80	\$4,276.07

b. Water Only Customers

The minimum charge will be the same for each meter size as shown above but the Sewer Commodity Charge will be excluded.

c. Sewer Only Customers:

The minimum charge will be the same for each meter size as shown above but the Water Commodity Charge will be excluded.

3. Bulk Water Rate

All water sold in bulk by the Town of The Pas shall be charged for at the rate of \$14.00 per thousand gallons.

The following clauses take effect April 1, 2018:

4. Service To Customers Outside Town Limits

The Council of the Town of The Pas may sign Agreements with customers for the provision of water and sewer services to properties located outside the boundaries of the Town of The Pas. Such Agreements shall provide for payment of the appropriate rates set out in the Schedule, as well as a surcharge, set by Resolution of Council, which shall be equivalent to the frontage levy, general taxes, and special taxes for the Utility purposes in effect at the time or may be in effect from time to time, and which would be levied on the property concerned if it were within Town boundaries. In addition, all costs of connecting to the Utility's mains, and installing and maintaining service connections, will be paid by the customer.

5. Billings And Penalties

Accounts shall be billed quarterly and the due date shall be due and payable thirty days (30) after the due date of billing.

A late payment charge of 1.25% per month shall be charged on the dollar amount owing after the billing due date.

6. Disconnection

The Public Utilities Board has approved the Conditions Precedent to be followed by the Town of The Pas with respect to disconnection of service for non-payment including such matters as notice and the right to appeal such action to The Public Utilities Board. A copy of the conditions precedent is available for inspection at the Town of The Pas office.

7. Reconnection

Any service disconnected due to non-payment of account shall not be reconnected until all arrears, penalties, and a reconnection fee of \$50.00 have been paid.

8. Outstanding Bills

Pursuant to Section 252(2) of The *Municipal Act*, the amount of all outstanding charges for water and sewer services are a lien and charge upon the land serviced and shall be collected in the same manner in which ordinary taxes upon the land are collectible, and with like remedies.

9. Temporary Shutoff

If a temporary shutoff is required by any user for the purpose of repairs to the equipment within his/her premises, or for any other cause, where Town of The Pas staff must visit the premises for such a purpose, a charge of thirty dollars (\$30) shall be made for such service, said sum to be paid by said user with his/her next bill for water used.

10. Moving of a Meter

In any case where a user is moving from one residence to another and requires the service disconnected in said residence, a final billing will be generated for the customer. A new account is then created and the prepayment is applied to the new location.

11. Hydrant Charges

The Town of The Pas shall pay an annual hydrant rental charge computed at the rate of one hundred and fifty dollars (\$150) for each hydrant in use in the Town of The Pas as at January 1 of each and every year.

12. Water Allowance Due To Line Freezing

Where, at the request of Municipal Superintendent, a customer is allowed to run water continuously for any period of time to prevent the water lines in the water system from freezing, the charge to that customer for the current quarter shall be the average of billings for the last two quarters for the same customer, or the same premises if the occupant has changed.

13. Damaged Water Meter

If the water meter of a customer is damaged and/or fails to register during any quarter, the amount of water consumption shall be taken to be the average of the two preceding quarters as shown by their respective readings.

14. Sewer Surcharges

a) There may be levied annually, in addition to the rates set forth above, a special surcharge on sewage having a Biochemical Oxygen Demand in excess of 300 parts per million, to be set by Resolution of Council.

b) A special surcharge for substances requiring special treatment shall be charged based on the actual costs of treatment required for the particular sewage or industrial waste.

15. Meter Testing

That in any case where a utility customer requests that a meter be tested for accuracy, the customer will provide the Town of The Pas with a deposit of \$200. The Town will then remove the subject meter and send it to an independent lab for testing. If the meter is found to be faulty, all costs associated with the testing process will be borne by the Town and the deposit will be refunded to the customer. If the meter is found to be in proper working order, all costs associated with the testing process will be borne by the customer and the customer will be billed or refunded any balance owing.

16. Cross Connections

No customer or person shall connect, cause to be connected or allow to remain connected any piping, fixture, fitting, container or appliance in a manner which under any circumstances may allow water, wastewater or any harmful liquid or substance to enter the Town of the Pas water system.

If a condition is found to exist which, in the opinion of the Town, is contrary to the aforesaid, the Town may either:

Shut off the service or services; or

Give notice to the customer to correct the fault at his or her own expense within a specified time period.

17. Conditions of Disrepair

In the event that there are conditions of disrepair in the sewer and water works on a property that detrimentally affects the system as a whole and, upon the failure of the owner of the property to correct the condition within a reasonable time, the Town of The Pas, or its agents, may enter the property, effect repairs and charge the cost thereof against the subject property as ordinary taxes.

18. Authorization For Officer To Enter Upon Premises

The Municipal Superintendent, or other employee authorized by the Town of The Pas in the absence of the Municipal Superintendent, shall be authorized to enter upon any premise for the purpose of:

Affixing to any pipe, wire or apparatus connected with any such utility, a meter or any other measuring or testing device; or taking readings from, repairing, inspecting or removing any meter or apparatus belonging to the Town.