2026 Draft Budget

User Rate Budget

Water and Wastewater User Rate Budget

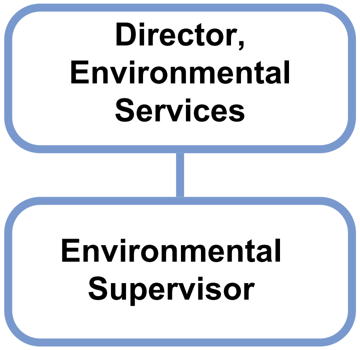
Unlike other municipal services, the production and distribution of safe drinking water and the collection and processing of wastewater are funded by user rates, collected through water and wastewater billing for residents and businesses who use the Town's water.

These systems are highly complex and must comply with stringent provincially mandated performance standards to protect human health and the environment. They include hundreds of kilometers of pipes, numerous wells, pumps, and treatment facilities that are costly to maintain and deteriorate over time. Certified operators and technical staff ensure water quality and wastewater treatment meet provincial and federal safety standards through routine sampling, emergency response, and operation of advanced treatment technologies.

To maintain long-term reliability and affordability, the Town applies comprehensive lifecycle planning and advanced analytics to guide investment decisions. This approach evaluates asset condition, risk of failure, and future demand, helping prioritize upgrades and minimize service disruptions.

The user rate budget reflects both the costs of operating the water and wastewater systems and these investment strategies through contributions to reserves, ensuring systems remain compliant with provincial standards while improving efficiency and sustainability for the future.

Environmental Services



The Environmental Services division is responsible for the delivery of safe, reliable, and sustainable water and wastewater services to over 19,000 residents in Midland. With a strong focus on protecting the Town's vital water systems, the division ensures public health and environmental stewardship through rigorous compliance with all local, provincial, and federal regulations.

Through its commitment to innovation, sustainability, and service excellence, the Environmental Services Division plays a critical role in supporting Midland's growth and ensuring the long-term resilience of its core infrastructure.

Water and Wastewater Services

Division Overview and Key Objectives:

With a primary focus on protecting and safeguarding the Town's vital water systems to ensure the health, safety and sustainability of our community, the Water and Wastewater division provides clean, safe drinking water and efficient wastewater services to 19,000 residents. Through their stringent programs the Water and Wastewater division meets compliance with all local, provincial, and federal regulations. The division also maintains and upgrades core infrastructure to improve service reliability and efficiency and promotes water conservation and education on sustainable practices to the community.

Key successes from the prior budget year:

- Successfully applied for and awarded major grant funding.
- Achieved compliance with water quality standards and environmental regulations.
- Maintained key wastewater treatment plant equipment to enhance efficiency and reduce downtime.
- Implement advanced leak detection technology to reduce water loss and improve system monitoring.

Major Initiatives for the coming budget year:

- Begin planning and design for a new water storage facility to meet future demand.
- Continue towards a digital customer service portal for residents to access water usage data, pay bills, and report issues online.
- UV Treatment Replacements project (pending approval)
- Implementation of ground sensor technology to predict effects on buried water and wastewater infrastructure.

2025 Highlights

120km

of watermain flushed in 2025

47%

of water meters read digitally

340+

Service requests resolved

Rate Supported Summary	*2024 Actuals ($)	2024 Approved Budget ($)	2025 Approved Budget ($)	2026 Base Budget ($)	2026 Change ($)	2026 Change (%)
Revenue						
Draw from Reserve	-45,855	-88,382	-88,382	-45,855	42,527	-48.1%
Fees, Service Charges, and Rentals	-134,095	-64,762	-64,762	-64,762	-	0.0%
Fines and penalties	-44,232	-28,340	-28,340	-28,340	-	0.0%
Interest and Investment Income	-	-400,000	-400,000	-400,000	-	0.0%
Materials & Supplies	-23,336	-10,000	-10,000	-10,000	-	0.0%
Rate Revenue	-8,106,264	-7,734,867	-8,748,766	-9,231,224	-482,458	5.5%
Repairs & Maintenance	-70,625	-70,625	-70,625	-70,625	-	0.0%
Revenue Total	**-8,424,407**	**-8,396,976**	**-9,410,875**	**-9,850,806**	**-439,931**	**4.7%**
Expense						
Salaries & Benefits	1,913,195	2,036,125	2,053,616	2,155,130	101,514	4.9%
Chemicals	195,786	193,500	193,500	193,500	-	0.0%
Debt Servicing	519,704	522,083	522,083	723,653	201,570	38.6%
Fees Expense	30,070	16,267	16,267	16,267	-	0.0%
Fines and penalties	76	-	-	-	-	0.0%
Fuel	24,745	25,539	25,539	25,539	-	0.0%
Insurance	217,569	230,060	230,060	189,390	-40,670	-17.7%
Interdepartment Transfers - Corporate S&B	653,761	860,467	921,529	1,114,188	192,659	20.9%
Licenses expense	8,367	8,726	8,726	8,726	-	0.0%
Materials & Supplies	238,394	254,309	254,309	254,309	-	0.0%
Printing, Advertising & Public Notices	28	580	580	580	-	0.0%
Professional & Contracted Services	764,919	687,250	687,250	687,250	-	0.0%
Protective clothing, uniforms, subscriptions, and memberships	75,568	36,600	36,600	36,600	-	0.0%
Repairs & Maintenance	388,791	256,000	256,000	256,000	-	0.0%
Security	17,869	10,750	10,750	10,750	-	0.0%
Software Support & Licencing	74,712	98,025	98,025	98,025	-	0.0%
Sundry Expense	-	150	150	150	-	0.0%
Taxes	136,771	139,048	139,048	139,048	-	0.0%
Telecommunications	13,628	10,000	10,000	10,000	-	0.0%
Training, travel, meetings, and conferences	68,877	57,100	67,100	67,100	-	0.0%
Transfer to Reserve	2,378,264	2,378,264	3,303,610	3,288,468	-15,142	-0.5%
Utilities	512,107	575,433	575,433	575,433	-	0.0%
Vehicle, Equipment, and Facility Rentals	-88	700	700	700	-	0.0%
Expense Total	**8,233,113**	**8,396,976**	**9,410,875**	**9,850,806**	**439,931**	**4.7%**
Net Expense	**-191,294**	**-**	**-**	**-**	**-**	

*2024 Actuals ($) unaudited

2025 Water and Wastewater User Rates

Operating Budget - 2025 Water and Wastewater Rates

The annual operating cost to provide water and wastewater is approximately $6 million and is funded from user rates, not property taxes. The proposed user rate increases for 2026 are 4% for water and 4% for wastewater. The increase is to fund the replacement of the infrastructure needed to deliver these services. This results in a combined budget transfer to reserves of over $3 million. In addition, any operating surplus is transferred to the respective water and wastewater reserves for capital projects.

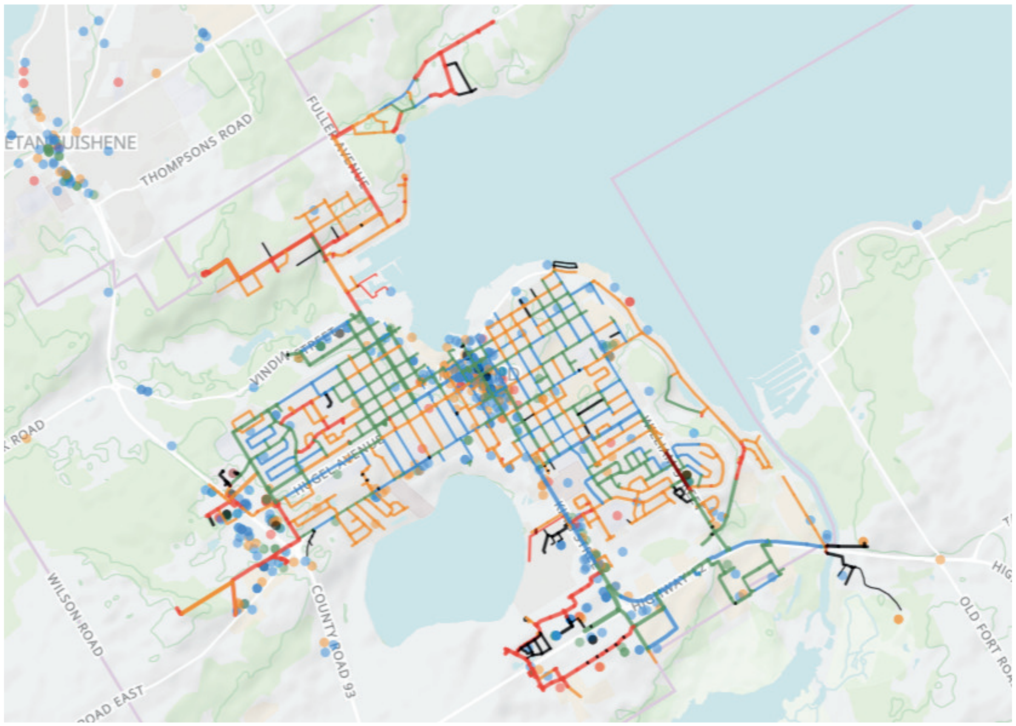
The pipes, pumps and other technologies required to deliver water and wastewater services have limited life spans and are expensive to replace. The user rates collected today need to include a respective charge towards these future capital costs as it is today that the wear and tear of these assets is occurring.

The user rates proposed for 2026 are in the table below. The increases for a typical user are $0.19 and $0.42 per week for water and wastewater respectively.

	Water			Wastewater		
	2025	**2026**	**Increase**	**2025**	**2026**	**Increase**
Monthly Fixed Fee	$14.38	$14.96	4%	$16.39	$17.05	4%
Variable Rate per m3	$1.93	$2.01	4%	$2.18	$2.27	4%
Typical User using 170 m3/yr	$500.31	$520.32	4%	$567.96	$590.68	4%

Water and Wastewater Infrastructure Management

To estimate future financial needs and guide long-term infrastructure planning, the Town has undertaken a comprehensive lifecycle analysis of its water and wastewater systems. This analysis incorporates findings from the recent Water and Wastewater Master Plans and uses advanced modeling to project reserve balances, factoring in Development Charge revenue and debt financing.



The Environmental Services team has adopted award-winning artificial intelligence (AI) tools to support infrastructure decision-making and enhance the accuracy and strategic value of the lifecycle analysis. Working with Cann Forecast, staff integrated historical water and wastewater data—including pipe break history and operational records—into a machine learning platform that identifies assets at highest risk of failure. The system evaluates both the Likelihood of Failure (LoF) and Cost of Failure (CoF) using physical, environmental, and operational factors, as well as socio-economic impacts. This data-driven approach enables the Town to prioritize capital investments, optimize asset renewal schedules, and reduce the risk of service disruptions. The capital plan and 2026 capital project requests can be found in the Capital Budget section.

By integrating AI into lifecycle analysis, Midland is improving the reliability of its infrastructure planning and ensuring that future investments are targeted, sustainable, and aligned with community needs.