

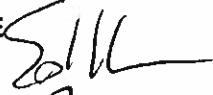


TO: GENERAL COMMITTEE

SUBJECT: WATER AND WASTEWATER BILLING AND COLLECTION POLICY

PREPARED BY AND KEY CONTACT: D. MCKINNON, CGA, DIRECTOR OF FINANCE, ext. 5130 

SUBMITTED BY: D. MCKINNON, CGA, DIRECTOR OF FINANCE 

COMMISSIONER APPROVAL: E. ARCHER, CMA, GENERAL MANAGER OF CORPORATE SERVICES 

CHIEF ADMINISTRATIVE OFFICER APPROVAL: JON M. BABULIC, CHIEF ADMINISTRATIVE OFFICER 

RECOMMENDED MOTION

1. That the Water and Wastewater Billing and Collection By-law attached as Appendix A to FIN005-11 be enacted effective October 1, 2011.
2. That the Water and Wastewater Policies attached to FIN005-011 as Appendix B be in effect until September 30, 2011.

PURPOSE & BACKGROUND

3. The purpose of this report is to establish a water and wastewater billing and collection policy in preparation for the transfer of the responsibility for the billing and collection of water and wastewater charges from PowerStream to the City effective October 1, 2011.
4. In March of 2010, Council approved by motion 10-G-119, the development of an in-house water and wastewater billing and collection program based on a business case that described the cost savings and anticipated improvements to customer service. Generally, in addition to a variety of customer service improvements, the in-house program will reduce costs for this service by \$600,000 per year.
5. On February 21, Council received a memo which provided an update on the status of the overall Water and Wastewater Billing Project, including the implementation of the AMI meter reading system.
6. The approval of the water and wastewater billing and collection policy is required at this time in order to allow for the development of policies and procedures and the configuration of the billing and collection system in accordance with approved policies.
7. The proposed water and wastewater billing and collection policy is based on basic principles of fairness, consistency and fiscal responsibility. It provides a foundation for a framework of efficient, best-in-class practices and work processes to ensure that the anticipated level of customer service can be delivered.

ANALYSIS

8. The proposed policy was developed based on the research conducted on the water and wastewater billing policies of seventeen municipalities. The proposed Policy is attached as Appendix A, however, the key policy elements are highlighted below.
9. **General:** The foundation for the water and wastewater billing and collection policy is that all properties must have a meter installed prior to occupancy and that all water that flows through the water meter will be billed. This means that in the event of a leak, the owner is still responsible for paying for the related charges. Fortunately, with the AMI meter reading system the City is in the process of implementing, there will be an opportunity to notify property owners of high consumption patterns much earlier which should reduce the frequency and potential for unusually high water bills due to leaks.

In the event of billing disputes, the reading on the meter register will be the sole evidence of the quantity of water that flowed through the meter. Property owners may request that meters be tested but charges will only be adjusted if the meter testing results indicate that the meter is inaccurate.

10. **Billing frequency:** When Powerstream began providing billing and collection services to the City of Barrie it advised the City that the monthly billing practice could not be maintained under the current contract price. It was agreed that meters would continue to be read monthly for the purpose of calculating consumption charges under the graduated rate structure but billed bi-monthly. In order to improve the efficiency of the billing program and avoid the need for costly billing software customization, it is being recommended that the variable rates be calculated on a bi-monthly basis to align with the billing frequency. The impact on a range of residential customers was analyzed and it was determined that unless a customer had highly volatile consumption patterns the impact of moving to a bi-monthly billing calculation would be minimal. A review of residential consumption data indicates very few would notice any change from switching to bi-monthly bill calculation.
11. **Tenant Billing:** The proposed policy allows for tenant billing provided that the property owner signs an authorization form that clearly indicates the owner will be fully responsible for any unpaid charges incurred by their tenants. This option is not allowed if there are multiple tenants residing at one property with only one meter. Most municipalities will bill tenants however there is some variance with respect to how tenant accounts are managed. The recommended approach protects the interests of the City by ensuring that the owner recognizes that they are ultimately responsible for unpaid amounts and avoids the administration of using a deposit system and Collection Agencies in the event that tenants do not pay.
12. **Collection Policies:** The proposed policy includes a penalty charge of 1.25% for late payments and a monthly interest charge of 1.25% for as long as accounts remain in arrears. This is consistent with the treatment of property tax accounts however, it is low based on the policies of other municipalities which ranged from 1.25% - 5%.

In addition to the penalty and interest charges, the policy recommends a 42 day collection cycle which includes the issuance of a reminder notice fourteen days following the due date, a final notice fourteen days after the reminder and the transfer of any outstanding arrears at least fourteen days following the final notice.

The survey indicated that 5 of the 17 municipalities transfer outstanding charges to taxes at the end of the collection cycle. The remaining municipalities use water shut off procedures following the series of notices. In these circumstances, the water would

remain off until such time as the outstanding balance on the account is paid. While this is an effective collection mechanism it is administratively burdensome on both the Finance Departments and Operations and would represent a significant change from the current process. Given that the Municipal Act, 2001 defines water and wastewater related charges as having priority lien status and can be collected as taxes, the recommended approach is deemed to be both an efficient and effective collection mechanism. Despite the recommended approach, the policy still allows for the shut off of water for collection in some circumstances.

13. **Meter Management:** The proposed policy includes several components that are intended to ensure that meters are installed prior to occupancy and to provide the City with the opportunity to ensure that meters are in good working order at all times. The objective of these components is to ensure that billings are based on actual meter reads and to minimize the requirement to base billings on unmetered rates (flat rates) or estimated consumption.

When there are instances of properties being occupied without a meter or when occupants are not responding to requests from the City to access the meter for maintenances purposes or to make the necessary repairs to the private plumbing system to allow City staff to service the meter, a series of notices will be sent to the occupant. The notices would be similar to the notices issued under the collection cycle but would include a notice posted on the door of the building indicating when the water will be shut off and the reason for the shut off and the final step would be shutting off the water on that day.

If a property does not have a meter, billings will be based on an unmetered rate and will commence as of the date of occupancy. If a meter stops registering, billings will be based on the consumption history for that property. The proposed policy allows for the amounts billed using the unmetered rate or estimated consumption to be recalculated retroactively for a period of one year, once actual reads have been collected for one year and the consumption is at least 20% less than the consumption billed based on the unmetered rate or estimates. If water and wastewater charges require adjustment because the requirements of the by-law have not been met, the City may retroactively calculate charges back to the date when the violation first occurred. An example of this could be a property that became occupied and no meter was installed and the City became aware of the situation after two years. In this instance a bill would be issued based on the unmetered rate for a two year period.

14. **Water and Wastewater Billing Exceptions:** The current water and wastewater policies include Class I, Class II and Class III exemptions. Class I exemptions were provided when a customer was using the City's water supply but had an on site septic system. The proposed policy refers to this as a Water Only Account. Similarly, a Class II exemption was provided when a customer was using the City's wastewater system but utilized a private well for the supply of water. These are now referred to as Wastewater Only Accounts.

The Class III exemptions were provided to customers who could demonstrate that not all water consumed was being discharged into the wastewater system because it was either being used in a manufacturing process or for irrigation purposes. The proposed policy recommends that the Class III exemption for irrigation purposes be phased out over a five year period. Given the effective date of the By-law, the phase out approach would commence in 2012. In 2010, there were 113 properties receiving the Class III exemption for irrigation purposes and collectively received an exemption for 91,209 m3 which represents approximately \$108,000. Of the municipalities surveyed nine did not have a formal irrigation program and two had informal programs accessible by appeal.

The Class III exemption for water used in a manufacturing process will be maintained, however, it will need to be re-applied for upon tenancy and ownership changes.

Proposed Fees and Charges

15. The Safe Drinking Water Act, 2002 and related regulations require municipalities to make plans to ensure the long term financial sustainability of their drinking water systems. In June of 2010, staff prepared a report for Council that proposed a six year financial plan for water and wastewater services that required rate increases of, on average, 13% and 19% respectively, however, it was noted in the report that these rates would need to be revisited as there were still many unknowns, particularly with respect to operational costs of the Surface Water Treatment Plant and asset renewal requirements.
16. During the development of the water and wastewater billing and collection policy, efforts were made to identify instances where services were being delivered that directly benefited specific customers rather than the broad customer base in order to relieve some of the pressure on the water and wastewater rates.
17. The proposed policy includes fees and charges that support this objective and also reflect the types and amounts of fees that are being charged by other municipalities.
 - a) **New Account Fee (\$30):** This fee is intended to cover the cost of the activities associated with creating new accounts when either ownership or tenancy changes which would include activities such as the creation of the new account, final billing, collection of the final billing and correspondence with lawyers. This fee would not be charged to the initial account established by builders.
 - b) **Dishonoured Payment Fee (\$35):** This fee is charged to customers when a payment is dishonoured by a bank and returned to the City for any reason. The proposed rate is based on the rate charged for dishonoured tax payments.
 - c) **Missed appointment Fee (\$70):** This fee is charged to customers who have established an appointment for a service call and are not at the property when the technician arrives. The fee is in recognition that the time taken to attend the property could have been spent on other service calls or operational maintenance issues.
 - d) **Plumbing Not Ready Fee (\$70):** This fee is charged to builders when they have arranged for a water meter to be installed but when the technician arrives, the plumbing is not ready for the meter installation or access cannot be given to install the meter.
 - e) **Leaking meter (false alarm) fee (\$70):** When calls are received from customers who believe they have a leaking meter, operations staff walk them through a series of simple checks to determine whether the meter is in fact leaking or whether it is simply condensation. If after the checks are completed, there is still a risk that the meter is leaking operations staff treat the service call as a priority above other work. This fee is charged when the service call is conducted and there is no leak in recognition that it could have been avoided and technicians were re-directed from regularly scheduled work.
 - f) **Water On/Off Fee (\$70/ hour + Overtime if applicable.):** This fee is charged when water is turned off for any reason including at the request of the owner, for collection purposes and in conjunction with the meter management initiatives

described above. An after hours rate will be charged that reflects applicable overtime rates if the work is conducted outside normal business hours.

Transition Issues

18. Currently variable and fixed water and wastewater rates are established in two separate by-laws. For consistency, these rates will now be in the City's user fee by-law that is established as part of the annual business plan approval process but the procedures associated with those by-laws will continue until this policy comes into force on October 1, 2010. The existing procedures are attached as Appendix B for your reference.
19. In order to reflect the change of calculating the variable consumption charges on a bi-monthly basis, the consumption thresholds included in the rate schedule will be amended prior to the City assuming the responsibility for the billing and collection program on October 1, 2011.
20. Similarly, the City's user fee by-law will be amended to incorporate the proposed new fees with an effective date of October 1, 2011.

ENVIRONMENTAL MATTERS

21. There are no environmental matters related to the recommendation.

ALTERNATIVES

22. There are two alternatives available for consideration by General Committee:

Alternative #1 General Committee could decide not to support the proposed water and wastewater billing and collection policy and direct staff to make revisions and report back at a later date.

This alternative is not recommended as the policy has been developed based on best practices in other municipalities and delays in finalizing the policy could impact the City's ability to complete the transition by October 1, 2011.

Alternative #2 General Committee could choose to support a water shut off policy for collection purposes.

This alternative is not recommended as the transfer to tax approach is allowable under the Municipal Act, 2001 and it is more efficient than utilizing a water shut off policy. The utilization of a water shut off policy would represent a significant change from the current approach to collections and would likely be met with a tremendous amount of resistance from the City's customers.

FINANCIAL

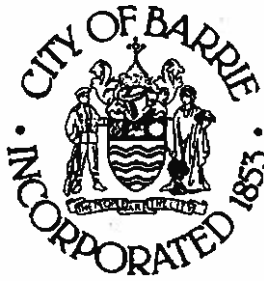
23. The recommendation to phase out the irrigation aspect of the Class III wastewater exemption will ultimately lead to increased revenue collections for the wastewater service of approximately \$108,000.
24. There are no other direct financial implications related to the recommendations in this report.

LINKAGE TO COUNCIL STRATEGIC PRIORITIES

25. The 2010-2014 Council's Strategic Priorities have not been established as of the time of writing of this report.

APPENDIX A

Proposed Water and Wastewater Billing and Collection Policy



DRAFT

BY-LAW NUMBER 2010-XXX

A by-law respecting the billing and collection of water and wastewater services for the City of Barrie.

WHEREAS the Municipal Act, 2001, S.O. 2001, c. 25, Section 9, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under the Act;

AND WHEREAS the Municipal Act, 2001, S.O. 2001, c. 25, Section 8(1), provides that Sections 8 and 11 shall be interpreted broadly so as to confer broad authority on municipalities to (a) enable municipalities to govern their affairs as they consider appropriate and, (b) enhance their ability to respond to municipal issues;

AND WHEREAS the Municipal Act, 2001, S.O. 2001, c. 25, Section 11, provides that a single tier municipality may pass by-laws respecting matters within the spheres of jurisdiction set out therein, *inter alia*; public utilities;

AND WHEREAS the Municipal Act, 2011, S.O. 2001, c.25, Section 80, provides that a municipality may at reasonable times enter on land to which it supplies a public utility, to inspect, repair, alter or disconnect the service pipe, wire, machinery, equipment and other works; to inspect, install, repair, replace or alter a public utility meter and for such purposes, to shut off or reduce the supply of the public utility to the land; and, if a customer discontinues the use of a public utility on land or the municipality lawfully decides to cease supplying the public utility to land, to shut off the supply of the public utility; remove any property of the municipality or determine whether the public utility has been or is being unlawfully used;

AND WHEREAS the Municipal Act, 2011, S.O. 2001, c.25, Section 81 provides that a municipality may shut off the supply of a public utility to land if fees and charges payable by the owners or occupants of the land for the supply of the public utility are overdue, subject to the municipality providing reasonable notice of the proposed shut-off to the owners and occupants of the land by personal service or prepaid mail or posting the notice on the land in a conspicuous place.

AND WHEREAS the City operates and maintains a municipal waterworks and wastewater system within its municipal boundaries;

AND WHEREAS the Council of the City deems it expedient to make certain rules and regulations concerning the said waterworks and wastewater system, in accordance with the Municipal Act, 2001;

AND WHEREAS pursuant to section 80 of the Municipal Act, 2001, a municipality may at reasonable times enter on land to which it supplies a public utility, to inspect, repair, alter or disconnect the service pipe, wire, machinery, equipment and other works; to inspect, install, repair, replace or alter a public utility meter and for such purposes, to shut off or reduce the supply of the public utility to the land; and, if a customer discontinues the use of a public utility on land or the municipality lawfully decides to cease supplying the public utility to land, to shut off the supply of the public utility; remove any property of the municipality or determine whether the public utility has been or is being unlawfully used;

AND WHEREAS pursuant to section 81 of the Municipal Act, 2001, a municipality may shut off the supply of a public utility to land if fees and charges payable by the owners or occupants of the land for the supply of the public utility are overdue, subject to the municipality providing reasonable notice of the proposed shut-off to the owners and occupants of the land by personal service or prepaid mail or posting the notice on the land in a conspicuous place:

NOW THEREFORE the Council of The Corporation of the City of Barrie hereby enacts as follows:

DEFINITIONS

1. In this by-law:
 - a. "City" shall mean The Corporation of the City of Barrie and its employees;
 - b. "condominium" shall mean all residential or non-residential properties with more than one unit and each unit may be separately owned.
 - c. "contractor" shall mean a person, partnership, or corporation who contracts to undertake the execution of work authorized by the owner or the City to install or maintain watermains, service watermains, sewer laterals, meters, services, hydrants and other appurtenances.
 - d. "Council" shall mean the Council of The Corporation of the City of Barrie
 - e. "curb stop valve" shall mean the valve on the water service owned and used by the City to shut off or turn on the water supply from the City's drinking water system to any property by way of the private water service.
 - f. "customer" shall mean any person who takes water from the City or receives water and wastewater related services from the City.
 - g. "Director of Operations" shall mean the Director of Operations or his or her delegate.
 - h. "drinking water system" shall mean a system of works, excluding plumbing, that is established for the purpose of providing users of the system with drinking water and that includes any thing used for the collection, production, treatment, storage, supply or distribution of water, any thing related to the management of residue from the treatment process or the management of the discharge of a substance into the natural environment from the treatment system and a well or intake that serves as the source or entry point of raw water supply for the system.
 - i. "Fees By-law" shall mean the Fees By-law.
 - j. "meter" shall mean the water meter and all equipment, cabling and automatic meter reading devices supplied and owned by the City, however, funded, to measure the quantity of water used by the customer for billing purposes.
 - k. "property" includes both public and private lands, building, structures, boats or vehicles located in the City and which may be entitled to a water service.

- l. "occupant" shall include any lessee, tenant, inmate, owner, the agent of a lessee, tenant or owner, or any person in possession of a property.
- m. "owner" shall include any person or any firm or corporation that is the registered owner of the property under consideration or any agent thereof, a person entitled to a limited estate in land, a trustee in whom land is vested, a committee of the estate of a mentally incompetent person, an executor, an administrator or a guardian.
- n. "plumbing system" shall mean the system of connected piping, fittings, valves, equipment, fixtures and appurtenances contained in plumbing that begins, is located and is connected immediately before and after the meter.
- o. "potable water" shall mean water as defined by the Safe Drinking Water Act and its Regulations.
- p. "private water meter" shall mean a meter purchased and installed by the customer for secondary measurement of water consumption for the purpose of calculation exemptions.
- q. "private water service" shall mean a pipe connected to a water service and installed on private property for the purpose of supplying any property in the City with water.
- r. "Treasurer" shall mean the Treasurer of The Corporation of The City of Barrie or his or her delegate(s).
- s. "unit" shall mean a residential, commercial or industrial establishment which is separated or is capable of being separated from another establishment on the assessment roll.
- t. "wastewater rate" shall mean a charge for the operation and maintenance of the wastewater system and the purchase of wastewater services applied to the metered usage of water and shall include a charge for depreciation, deferred maintenance, or a reserve fund for any such purpose permitted by by-law as deemed expedient by Council. The rate may include a charge for the capital cost of the wastewater system and alterations or extensions to it which includes a debt charge but does not include charges imposed under the Municipal Act, 2001 for local improvements.
- u. "wastewater system" shall mean the buildings, structures, plant, machinery, equipment, appurtenances, devices, conduits, outlets, underground pipelines, and installations and other works designated for the collection and transmission of domestic, commercial and/or industrial wastewater and includes lands appropriated for such usage but does not include plumbing to which the Building Code Act, 2006, or any amendments thereto apply.
- v. "wastewater works" means any works for the collection, transmission, treatment or disposal of wastewater, or any part of such works, but does not include plumbing to which the Building Code Act, 2006 applies.
- w. "water" shall mean potable water supplied by the City.
- x. "watermain" shall mean any system of pipes and appurtenances used for the distribution of drinking water, but does not include plumbing or a plumbing facility..
- y. "water service" shall mean the pipe and fittings owned by the City which conveys potable water from a drinking water system established by the City and situated between the connection on a watermain and the street line.
- z. "water rate" means a charge for the operation and maintenance of the drinking water system and the purchase of water and shall include a charge for depreciation, deferred maintenance, or a reserve fund for any such purpose permitted by by-law as deemed expedient by Council. The rate may include a charge for the capital cost of the drinking water system and alterations or extensions to it which includes a debt

charge but does not include charges imposed under the Municipal Act, 2001 for local improvements.

RESPONSIBILITIES

2. For the purpose of this By-Law the Director of Operations is responsible for:
 - a. The general operation, management and supervision of the drinking water system and the wastewater works owned by the City
 - b. The enforcement of the provisions of this By-law other than those dealing with the billing and collection of water and wastewater related charges.
 - c. The management of the billing exceptions program
 - d. The performance of other duties as may from time to time be given to him or her by the Council.
3. For the purpose of this By-law the Treasurer is responsible for:
 - a. The operation, management and supervision of the billing and collection of water and wastewater related charges.
 - b. The enforcement of the provisions of this By-law relating to the billing and collection of water and wastewater charges.
 - c. The performance of such other duties as may from time to time be given to him or her by the Council.

RULES AND REGULATIONS

4. The rules and regulations set out in this By-law shall govern and regulate the billing and collection of water and wastewater related charges.
5. Every such owner by applying for or accepting a supply of water from the City or discharging wastewater into the system shall be deemed to have expressed his or her consent to be bound by the said rules and regulations.
6. If the City becomes aware of any substantial defect including but not limited to damage to persons or property or issues that may impact water quality, the City at its discretion may turn off the water supply to the property. The City will turn on the water supply once it has been satisfied that the defect has been rectified. The turning on of the water supply is subject to the rates as specified in the Fees By-law.

WATER SUPPLY

7. Once water supply is live with respect to a property or building, the owner is subject to charges as outlined in this by-law.

WATER METER INSTALLATION

8. In accordance with the City's Water Distribution Specifications:
 - a. Not more than one meter shall be placed in each commercial building, industrial building, condominium, apartment, house or other structure for billing purposes.
 - b. The owners shall provide a capital contribution to the City for meters up to and including 50 mm for the meter, automated remote reading device and installation of the water meter prior to building permit issuance. These meters and associated automated reading devices shall be supplied and installed by the City unless otherwise provided by agreement, and shall remain the property of the City.

- c. All meters larger than 50mm and automated remote reading devices shall be supplied and installed by the Owner in accordance with the City's standards and specifications and will become the property of the City at the time of occupancy.
 - d. All meters shall be installed prior to occupancy.
9. If a request is made to the City to install a meter and the plumbing has not been completed in accordance with the Building Code Act, 2006, a plumbing not ready charge in the amount specified in the Fees By-law shall be applied.
10. If an owner does not respond to requests made by the City to install a meter the water supply may be turned off until such time as the owner makes suitable arrangements to have the meter installed. The charges set out in the Fees By-law for turning the water on and off shall apply.

UNAUTHORIZED INTERFERENCE WITH METER

11. No person, except a person authorized by the City for that purpose, shall be permitted to open, or in any way whatsoever to tamper with any meter, or with the seals placed thereon, or do any manner of thing which may interfere with the proper registration of the quantity of water passing through such meter.
12. Should any person change, tamper with or otherwise interfere, in any way whatsoever, with any meter placed in any building or property, the Director of Operations may forthwith, upon providing reasonable notice, shut off the water to such building or property, and the water shall not be turned on to such building or property without the express consent of the Director of Operations and the rate for turning water on and off as specified in the Fees By-law shall be applied to the account.

METER REPAIRS AND MAINTENANCE

13. The entire cost of maintaining and repairing meters shall be paid for by the City unless such meter is damaged by the carelessness or neglect of the owner or occupant of the property on which such meter is installed and in that event the owner of the property shall pay to the City the cost of making the necessary repair to such meter.
14. If an owner does not respond to requests made by the City to gain access to the meter for any reason, the water supply may be turned off until such time as the owner makes suitable arrangements to have the meter inspected, repaired or installed. The charges specified in the Fees By-law for turning the water on and off shall apply.
15. If, in the opinion of the City the condition of the private water service and of the plumbing system on such piping is such that the meter cannot be safely removed for the purpose of testing, replacing, repairing or testing in place without fear of damage to the private water service the City may require the owner or occupant to make such repairs as may be deemed necessary to facilitate the removal or testing of the meter at their expense.
16. If, upon notification, the owner does not comply with the City's request to make repairs in accordance with Section 14, then the water supply to the property may be turned off at the curb stop valve during removal, replacement, repair and testing of the meter and the owner shall pay the rate for turning water on and off as specified in Fees By-law. The City shall not be held responsible for any damages to the owner's property arising from such work.
17. Any missed appointments for meter inspections, repairs, maintenance, or testing shall be charged a fee as specified in the Fees By-law.
18. Any leaks that may develop at the meter or its couplings must be reported immediately to the City. If an owner reports that a meter or its couplings are leaking and it is determined that the meter or coupling is not leaking or is leaking from the private water service or plumbing system, a service call fee as specified in the Fees By-law shall be applied to the water account.

WATER AND WASTEWATER BILLING

19. All properties connected to the drinking water system shall be metered
20. Every owner of land connected to the City of Barrie water or wastewater works shall pay water and wastewater charges based on metered water consumption and fixed charges at the rates specified in the Fees By-law, unless the owner meets the criteria for a Water and Wastewater Billing Exception as defined in this by-law. .
21. All residential water and wastewater bills will be calculated and billed based on bi-monthly meter readings.
22. All non-residential water and wastewater bills will be calculated and billed based on monthly meter readings.
23. All water passing through the meter shall be charged for whether used or wasted.
24. In the event of a dispute, the reading of the meter register shall be the sole evidence of the quantity of water supplied to a property owner unless the meter is proven to be defective through a meter test conducted by the City.
25. In instances where there is a discrepancy between the meter register and the remote reading device, the reading taken from the meter register will be deemed to be correct.
26. If a property is occupied prior to a meter being installed, the owner shall be retroactively charged for water and wastewater services at the unmetered rate for water and/or wastewater as specified in the Fees By-law back to the date of occupancy as determined by the Treasurer and the decision of the Treasurer shall be final.
27. Where a property receives water and/or wastewater services but does not have a meter, an unmetered rate water and/or wastewater usage charge as set out in the Fees By-law shall be billed. The unmetered rate amount so billed may be retroactively adjusted up to one year by the Treasurer should the subsequent metered consumption over the period of one year indicate consumption at a level that is at least 20% less than the consumption utilized to determine the unmetered rate charges.
28. If a meter fails to register or a read is not collected for any other reason, the customer shall be charged on the basis of a reasonable estimate as determined by the Treasurer derived from previous consumption at the property where available.
29. If a billing calculation error is made, the account may be retroactively recalculated for a period not exceeding one year from the date of detection with resulting credits or charges being applied to the account.
30. If water and wastewater charges are added or require adjustment as a result of the provisions of this by-law not being met, the charges may be readjusted retroactively to the date at which it is determined, in the opinion of the Treasurer, that the provisions were violated and the decision of the Treasurer shall be final.
31. If water is supplied to only one party in a property, and the owner requests that the occupant be billed directly, the City will do so as a convenience to the owner under the following conditions:
 - a. The owner assumes full responsibility for all charges applied to the account for the provision of water and wastewater services in the event that the occupant fails to pay
 - b. An authorization form be completed and signed by the owner and returned to the City
32. Upon reasonable notice to the owner, the City may at any time and for any reason, discontinue billing the occupant and bill the owner directly for the water and wastewater charges of the occupant.

33. If water is supplied to more than one party through a single meter, the account for the water and wastewater supply shall be billed to the owner of the property
34. All fees charged under this by-law are deemed to represent the cost of providing water and wastewater services and therefore are considered a lien on the land.

WATER AND WASTEWATER BILLING EXCEPTIONS

35. Properties connected to the municipal wastewater works will not be eligible for the water only rate solely by the fact that the owner chooses not to utilize the wastewater connection. Properties will be deemed connected when the building wastewater connection extends from the municipal main and terminates within the building.
36. Properties connected to the municipal wastewater works that have private water supplies and that have not met the criteria for the wastewater only rate will be deemed to be generating water and wastewater in accordance with total daily design wastewater flows listed in Subsection 8.2.1.3 of the Ontario Building Code or, for uses not listed in Subsection 8.2.1.3, such other rate as is deemed appropriate by the Operations Department.
37. No exemptions from the water rate shall be permitted solely because of tax exempt status under the Assessment Act.
38. Properties will be eligible for the water only or wastewater only rates as specified in the Fees By-law under the conditions outlined in this section.
39. The Water Only rate applies to those properties connected to the municipal drinking water system and that use an on-site wastewater system (e.g. septic tank and tiles or a holding tank).
 - a. The owner must demonstrate that the property does not have a connection to the municipal wastewater works available and,
 - b. The owner shall submit a completed Water Only application and fee, including wastewater system approval under Part VIII of the Ontario Building Code or a Use permit under Part VIII of the Environmental Protection Act, R.S.O. 1990 or its predecessors and,
 - c. The Owner will, upon availability of wastewater connection, notify the City and the Water Only rate status will be discontinued.
 - d. The City reserves the right to verify the continued validity of the Water Only rate status.
40. The Wastewater Only rate applies to those properties connected to the municipal wastewater works that use a private water supply.
 - a. The owner shall obtain the required permits and submit a Wastewater Only rate application and fee including a lot flow diagram to the Finance Department and,
 - b. The owner will provide a meter, approved by the Operations Department, to measure water consumption for the calculation of wastewater charges.
 - c. The meter installation shall be approved by the Operations Department.
41. A Class III Exemption is available to Industrial, Commercial and/or Institutional water users who redirect a minimum of 100 m³ of water per month away from the municipal wastewater works due to evaporative losses in HVAC systems, water consumed in product, irrigation and once through cooling water.
 - a. For the purpose of this policy, multi-residential units using a single water supply will be considered as a commercial water user.

- b. Owners currently registered for a Class III Exemption relating to irrigation will be phased out over a period of five years from the date of the enactment of this by-law.
- c. To continue to be eligible for the Class III Exemption for process related exemptions and for the five remaining years of the irrigation exemption program:
 - i. Water returned to the municipal storm or wastewater works shall comply with current Sewer Use by-law limits.
 - ii. All exemption meters or other measuring devices shall be provided and maintained by the applicant. Failure to use approved water volume measuring devices that yield accurate readings will result in wastewater use charges according to the Fees By-law unless alternative consumption measurements are approved by the Director of Operations.
 - iii. Applicant must ensure that all other legislative requirements are met and that all necessary permits have been obtained.
- d. The Class III exemptions for both process and irrigation reasons, will be automatically discontinued in the event of a change in ownership, tenancy or related plumbing system. In the case of the process exemption, the new owner will need to re-apply to become eligible for the exemption.
- e. Applicants for this program shall submit a completed Class III exemption application, including the schematics of piping and metering to the Operation Centre. Any proposed changes must be approved by the Operations Department.

FINAL BILLING

- 42. When a customer proposes to vacate the property supplied by water he or she shall request a final reading at least five days before vacating the property.
- 43. An owner or agent may request a certificate from the Treasurer showing the amount of water and wastewater charges outstanding against the property, if any and the period for which they apply, at any time.
- 44. An owner or occupant or their agent, who commences to occupy a property provided with water and wastewater service shall forthwith notify the City so a new account can be created.
- 45. All ownership and occupancy changes shall be subject to a new account fee in the amount specified in the Fees By-law.
- 46. The new account fee shall not be applied to builders unless the property is occupied by the builder.
- 47. If the final billing of the previous occupant remains outstanding, such charges are a lien on the land and shall be transferred to the property tax account in accordance with the provisions of the *Municipal Act, 2001*.

FIRE PROTECTION BILLINGS

- 48. An annual charge for each private fire hydrant supplied with water from the municipal system will be applied to the account as specified in the Fees By-law.
- 49. An annual charge for each private connection made to the municipal drinking water system to supply automatic sprinkler systems, standpipes or other fire protection systems will be applied to the account as specified in the Fees By-law.

COLLECTIONS

50. Payments are due on the date indicated on the water bills and will be at least 21 days following the billing date.
51. Payments by mail will be processed as of the date the payment is received.
52. Partial payments received on accounts that are in arrears, in each instance, shall be applied to penalties and interest first and then water and wastewater charges.
53. A service charge shall be applied in accordance with the Fees By-law, if a payment is dishonoured by the bank for any reason.
54. All unpaid fees and charges will be charged a penalty at a rate of 1.25% as of the payment due date.
55. All unpaid fees and charges will be charged interest at a rate of 1.25% on the first day of each month for as long as the amounts remain unpaid.
56. All fees and charges relating to the supply of water and wastewater services or for any other expenses, fees or charges provided for in this by-law shall be paid by the owner or occupant of the property.
57. If the fees and charges are not paid by the owner or occupant for any reason, the City may transfer the unpaid fees and charges to the property tax account in accordance with the provisions of the *Municipal Act, 2001*.
58. Prior to transferring unpaid fees and charges to the property tax account the City shall:
 - a. Issue a reminder notice at least 14 days following the due date
 - b. Issue a final notice at least 14 days from the issuance of the reminder notices. If the property is tenanted, a final notice will also be sent to the owner.
59. The unpaid fees and charges will be transferred to the property tax account at least 14 days following the final notice. A notice will be sent to the owner of the property owner indicating the amount applied to the property tax account at that time of transfer.
60. Notwithstanding section 60, the City reserves the right to shut off the supply of water to any premise that has unpaid fees and charges. The City shall restore the supply of water upon payment to the City of such overdue amounts plus any applicable service charges, penalties and interest.

DISCONTINUANCE OF USE OF WATER

61. Any customer wishing to discontinue the use of water supplied from the City's drinking water system, must give notice thereof to the City or the water and wastewater charges will continue to be calculated in accordance with this by-law until such notice is given or the water is turned off.

RESPONSIBILITIES OF PROPERTY OWNER

62. It is the owner's responsibility to ensure that all meters, fixtures and pipes of every kind used in connection with the supply of water are readily accessible and free from obstruction at all times.
63. It is the owner's responsibility to maintain in proper working order and good repair, at its own expense, the private water services, plumbing system and all its fixtures and appurtenances.
64. All private water services including the meter shall be properly protected from frost and any other damage at the expense and risk of the owner of the property being serviced.

65. The owner shall be responsible for the water loss caused by a leak in the private water service and the charge for such water loss shall be determined by the Director of Operations, shall be paid by the owner upon demand by the City, and the City shall not be held responsible for any damages arising from such leakage.
66. When any property is left vacant or without heat, it is the owner's responsibility to shut off the water supply from within the property and to drain the piping therein.
67. The owner or occupant may apply in writing to the City to have the curb stop valve turned off to stop water supply. The valve will be turned on only at the owner's request and in the owner's presence. The owner shall pay for this service at the rate as specified in the Fees By-law.
68. When any property left vacant, unattended or without heat, where the water supply has not been shut off, suffers damage to it and its contents from a leaking or burst water pipe, neither the owner nor occupant shall have a claim against the City.
69. Should the Director of Operations become aware of such leaking or burst pipes, the Director of Operations shall turn off the curb stop valve, and the water supply shall not be turned on until the Director of Operations, in his/her discretion, shall consider it advisable. The owner shall pay for this service at the rate as specified in the Fees By-law.
70. Thawing out frozen private water services shall be the owner's responsibility and expense. Where any employee of the City assists the owner in the thawing of frozen pipes on the owner's property, all such assistance work will be considered to be at the owner's risk, and the owner shall have no claim against the City by reason of such work.

PROHIBITIONS

71. No person shall willfully hinder or interrupt, or cause or procure to be hindered or interrupted, the City or any of its officers, contractors, agents, servants or workers, in the exercise of any of the power conferred by this By-Law.
72. No person shall willfully or maliciously tamper with or damage any meter, water service or any appurtenances belonging to the City or willfully impair or knowingly suffers the same to be altered or impaired, so that the meter indicates less than the actual amount of the water that passes through it.
73. No person shall willfully let off or discharge water so that the water runs waste or useless of the works.
74. No person shall being an owner or occupant or other supplied with water from the drinking water system, improperly waste the water or, without the consent of the City, lend, sell, or dispose of the water, give it away, permit it to be taken or carried away, use or apply it to the use or benefit of another, or to any use and benefit other than his or her own.
75. No person shall without lawful authority, willfully open or close any valve or hydrant, or obstruct the free access to any hydrant, valve, chamber or pipe by placing on it any building material, rubbish or other obstruction.
76. No person shall use any water supplied or made available for any land or building for the purposes of construction as approved by the Director of Operations or for the protection of property or person from fire or preventing fires or the spreading of fires, for any other purpose.
77. No person shall throw or deposit any injurious or offensive matter into the water, drinking water system or wastewater system, or upon the ice if the water is frozen, or in any way foul the water or commit any willful damage or injury to the works, pipes or water, or encourage the same to be done.

78. No person shall willfully alter any meter placed upon any service pipe or connected therewith, within or without any building or other place, so as to lessen or alter the amount of water registered.
79. No person shall lay or cause to be laid any pipe or watermain to connect with any pipe or watermain of the waterworks, or in any way obtain or use the water without the consent of the Director of Operations.

ENFORCEMENT

80. The Director of Operations may, at all reasonable times, enter and inspect a property to determine whether there is any unlawful use of the drinking water system or wastewater works and to provide for the enforcement of this by-law.
81. All water used on property within the City, except water used for fire fighting purposes, or water authorized by the Director of Operations, for construction or other purposes, shall pass through the meter supplied by the City for use upon such property, and in addition to whatever other remedies the City may have by law in respect to infringement of this By-Law, the City may, upon ascertaining that water has been unlawfully used they may shut off and stop the supply of water without notice.
82. Every person who willfully or maliciously damages or causes damage to any meter, water service or any appurtenances belonging to the City or willfully impairs or knowingly suffers the same to be altered or impaired, so that the meter indicates less than the actual amount of the water that passes through it, is guilty of an offence and on conviction is liable to a fine, to the use of the City, and for any expenses of repairing or replacing the meter, water service or any appurtenances and double the value of the surplus water so consumed, all of which is recoverable under the Provincial Offences Act.

PENALTY

83. Every person who contravenes any of the provisions of any section of this by-law and every Director or Officer of a Corporation who knowingly concurs in the contravention of a By-law by the Corporation is guilty of an offence under the provisions of the Municipal Act, 2001 s429
84. For the purpose of continuous offences, every person who contravenes any provision of this By-law and every Director or Officer of a Corporation who knowingly concurs in the contravention of a By-law by the Corporation is guilty of an offence and liable on conviction to a penalty not exceeding \$10,000, exclusive of costs under the provisions of the Municipal Act, 2001, s, 429 (3) as amended. Despite paragraph 1, the total of all daily fines for the offence is not limited to \$100,000.

85. For the purpose of multiple offences, every person who contravenes any provision of this By-law and every Director or Officer of a Corporation who knowingly concurs in the contravention of a By-law by the Corporation is guilty of an offence and liable on conviction to a penalty not exceeding \$10,000, exclusive of costs under the provisions of the Municipal Act, 2001, s, 429 (3) as amended. Despite paragraph 1, the total of all daily fines for the offence is not limited to \$100,000.

THAT this By-law shall come into force and effect on October 1, 2011.

READ a first and second time this 21st day of March 2011.

READ a third time and finally passed this 21st day of March, 2011.

THE CORPORATION OF THE CITY OF BARRIE

MAYOR – J. LEHMAN

CITY CLERK - DAWN A. MCALPINE

APPENDIX B

Existing Water and Wastewater Policies

I. General

- A. By-law 2010-040 imposes a wastewater rate on every owner of land connected to the water works and to the wastewater works. The by-law provides for reductions and/or exemptions to wastewater rate when water used is not returned to the wastewater system.
- B. The water rate and the wastewater rate shall be assessed as shown in Schedule "A" unless the owner has an approved Class I, Class II or Class III exemption.
- C. All water sources connected to the water works shall be metered.
- D. The Operations Department administers the water rate exemption program and the wastewater rate exemption program and provides exemption application forms.
- E. Properties connected to the municipal water works will not be eligible for water rate exemption solely by the fact that the owner chooses not to utilize the connection. Properties will be deemed connected when the building water service extends from the municipal water main and terminates within one (1) metre of the property limits.
- F. Properties connected to the municipal wastewater will not be eligible for wastewater rate exemption solely by the fact that the owner chooses not to utilize the connection. Properties will be deemed connected when the building wastewater connection extends from the municipal main and terminates within one (1) metre of the property limits.
- G. Properties connected to the municipal wastewater that have private water supplies and that have not obtained a Class II Exemption will be deemed to be generating water and wastewater in accordance with total daily design wastewater flows listed in Subsection 8.2.1.3 of the Ontario Building Code or, for uses not listed in Subsection 8.2.1.3, such other rate as is deemed appropriate by the Operations Department.
- H. No exemption to wastewater rate shall be given for the purposes of lawn and garden watering.

II. Exemption Eligibility and Conditions

A. Class I Exemption

- 1. Available to those properties connected to the Municipal Water supply and that use an on-site wastewater system (e.g. septic tank and tiles or a holding tank).
- 2. Applicant must demonstrate that the property does not have a connection to the municipal wastewater works available.

3. Applicant shall submit a completed Class I exemption application including wastewater system approval under Part VIII of the Ontario Building Code or a Use permit under Part VIII of the Environmental Protection Act, R.S.O. 1990 or its predecessors.
4. The Applicant will, upon availability of wastewater connection, notify the Finance Department for termination of the exemption.

B. Class II Exemption

1. Available to those properties connected to the municipal wastewater works that use a private water supply.
2. Applicant shall submit completed Class II exemption application including a lot flow diagram to the Operations Department.
3. Applicant will provide a meter, approved by the Operations Department, to measure water consumption for the calculation of wastewater rate.
4. Meter installation shall be approved by the Operations Department.
5. Applicants must obtain the required permits.

C. Class III Exemption

1. Available to Industrial, Commercial and/or Institutional water users who redirect a minimum of 100 m³ of water per month away from the municipal wastewater works (e.g. evaporative losses in HVAC systems, water consumed in product, irrigation and once through cooling water).
2. For the purpose of this policy, multi-residential units using a single water supply will be considered as a commercial water user.
3. Applicant shall submit a completed Class III exemption application, including schematics of piping and metering, to the Operations Department.
4. Proposed changes must be approved by the Operations Department.
5. Water returned to the municipal storm wastewater works shall comply with current Wastewater Use by-law limits.
6. All exemption meters or other measuring devices shall be provided and maintained by the applicant.
7. Failure of water volume measuring devices may result in wastewater use charges according to Schedule "A".
8. Water consumption measurements that are not based on direct metering must be approved by the Operations Department.
9. Applicant must ensure that all other legislative requirements are met and that all necessary permits have been obtained.

III. Credit Rebate and Reductions

- A.** Properties eligible for a wastewater service rate or water rate credit rebate may be reimbursed only those amounts collected during the previous and current taxation year but no greater than a twelve (12) month period unless specifically directed by the Council.

- B.** The Operations Department will, on a case by case basis, consider rebate applications, resulting from unusual or abnormal circumstances relating to water consumption or to wastewater generation, in a fair and equitable manner.