



TO: CITY BUILDING COMMITTEE

PREPARED BY AND KEY CONTACT: C. MORTON, C.E.T. PMP
MANAGER, ROADS STORMWATER AND RAIL OPERATIONS

SUBMITTED BY: D. FRIARY, DIRECTOR OF ROADS, PARKS AND FLEET

GENERAL MANAGER APPROVAL: A. MILLER, RPP
ACTING GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH MANAGEMENT

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

DATE: MAY 14, 2019

SUBJECT: SANITARY LATERAL REPLACEMENT GRANT PROGRAM

RECOMMENDED MOTION

1. That based on costs to provide retroactive compensation for costs incurred for the replacement or repair of failed sewer laterals, the June 25, 2018 start date for the Sanitary Lateral Grant Program (Motion 18-G-170 Feasibility of Policy Change Related to Sewer Connection Ownership) remain in effect.

PURPOSE & BACKGROUND

2. This report is in response to The City Building Committee direction as adopted by Council “That the Roads, Parks and Fleet Department investigate the information provided by the Open Delegation concerning the collapsed pipe repair on City Property located at 22 Commonwealth Road and report back the City Building Committee”.
3. The Sanitary Lateral Replacement Program was adopted by Council motion 18-G-170 on June 25, 2018 as follows.

Motion 18-G-170 Feasibility of Policy Change Related to Sewer Connection Ownership

- a) That effective immediately, the policy regarding the responsibility for sewer connections approved under motion 72-G-303 be amended by adding the following: “Unless an object introduced to the sewer lateral from the building is the cause of the blockage the property owner shall be eligible to receive a grant funded from the Wastewater Rate Capital Reserve equivalent to costs incurred for the replacement or repair of failed sewer laterals where the blockage or failure occurs in the portion of the connection from the property line to the sewer main and the repair or replacement has been undertaken under the direction of the City of Barrie. This provision also applies to sewer replacements undertaken pursuant to the policy approved under motion 94-G-339 concerning Bituminous Fibre Pipe.”
- b) That an increase to the Roads Parks and Fleet Department complement of a 12 month full-time Foreperson and an eight month Civil Coop Student resource be approved to implement the new policy.
- c) That staff in Roads, Parks and Fleet Department report back to General Committee after the first full year of implementation of the new policy. (RPF009-18)

4. The following process was recommended by staff and approved by Council.

Abbreviated Process for Sewer Lateral Repair and Grant

- a) The property owner would contact a plumber to determine the cause and location of the issue.
- b) If the issue was a collapsed or damaged sewer requiring replacement/relining between the property line and the sewer main and the property owner was seeking reimbursement from the City for repair or replacement costs, the plumber would be required to send a video (at a cost of approximately \$500/occurrence) to the City.
- c) City staff would review the video to confirm where the blockage or failure had occurred (whether the blockage or failure was between the building and the property line or between the property line and the sewer main). If determined by video inspection that the blockage is under City property and caused by structural issues, the City would reimburse up to \$500 for the investigation and video inspection.
- d) If the blockage or failure was between the property line and the sewer main, the City would coordinate repairs through a contractor and a grant would be provided to the property owner for these costs. The City would pay the invoice associated with the work and up to \$500 for the cost of the investigation and video inspection.
- e) If the blockage or failure was between the property line and the building, the homeowner would be responsible for the costs including the investigation and video inspection and a grant would not be provided to the property owner.

ANALYSIS

5. Staff have investigated the financial impact of making the Sanitary Lateral Replacement Grant Program retroactive to January 1, 2018 based on repair records for three sanitary laterals undertaken by residents where all or part of the repair was completed under the City right of way. These repairs were documented by the Right of Way Activity (ROWA) permitting system and are included with costs below. It is important to note that occasionally contractors may undertake work on City lands without first acquiring a Right of Way Activity Permit which is a violation of By-law 2012-173. The City would not have a record of these repairs.
6. The estimated costs for sanitary repairs from January 1, 2018 to June 24, 2018 are as follows:
 - 22 Commonwealth Drive – spot repair on sanitary lateral within roadway. Cost was \$6,723.50.
 - 11 Castle Drive – full replacement of sanitary lateral lying within the right of way (from property line to the sanitary sewer main). Estimated cost is \$12,500.
 - 29 Belcourt Avenue – replacement of sanitary lateral from the house to the back of the curb (from property line to the back of curb within the right of way). Estimated cost for City portion is \$3,500.
7. The City is aware of the costs incurred for the repair of the sanitary lateral at 22 Commonwealth Drive and has estimated the costs for 11 Castle Drive based on previous repairs of similar scale. The estimate for 29 Belcourt Avenue is difficult to assess because it would be a cost share of the actual cost of the work. It is unlikely that the resident would have a detailed invoice for the work done on City lands separate from private property. The estimated financial impact of reimbursing the above repairs is \$22,723.50 excluding reimbursements for plumbing fees. The actual costs incurred could vary significantly. In order to reimburse the residents, they would need to supply proof of the costs paid for the work.

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8. From January 1, 2018 to June 24, 2018, the City responded to 74 different addresses for sewer back up calls where the problem was determined to be within the sanitary service lateral. Nine of those residences had their lateral replaced under the replacement grant program as they were repaired following Council approval of the program. Two were replaced before the program began (22 Commonwealth and 11 Castle). There is no record of a call from 29 Belcourt Avenue during this time period. All of the residents would have been informed that the entire sanitary lateral is the responsibility of the homeowner as per the policy previous to approval of the program.
 9. The cost incurred to carry out the Sanitary Lateral Replacement Program commencing June 25, 2018 are detailed in Appendix "A".
 10. Prior to the adoption of motion 18-G-170, the Ward 1 Councillor at that time inquired about making the grant program retroactive to January 1, 2018. The response from the Legal Services Department with regards to the inquiry is as follows and still applies. Making the direction effective January 1, 2018 is undesirable from a legal perspective for two reasons:
 - First, the date could be interpreted as arbitrary since there is no clear reason why it was chosen as opposed to any other date such as July 1, 2017 or January 1, 2017. A resident who would benefit from an earlier retroactive date would have a valid concern about why that date was chosen. Making the direction effective on the date the change was approved would extinguish such a concern.
 - Second, the retroactivity would result in additional costs that have not been budgeted for. A robust policy should make provisions for its financial impact on the corporation. As a result, it is more beneficial to make the effective date such that its financial impact can be accounted for.
 11. Legal Services has further commented that agreeing to the delegation's retroactivity to January 1 2018 can lead to infinite regress. Sometime in the near future, the City may have a second request for a few more months of retroactivity. It is likely that whatever grounds are used to justify granting the first instance of retroactivity would also apply to justify the second request. Then sometime later still, the City may have a third request. What grounds are used to justify the second request would also apply to the third, and so on.
 12. In the case where a decision is made to make the program retroactive, payment to those individuals would not conform to the current policy as the City did not arrange for the repairs to be made or have an opportunity to review the condition of the sanitary lateral prior to making a repair. Special provisions would need to be made to make payment to the residents for the work.

ENVIRONMENTAL MATTERS

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

ALTERNATIVES

14. The following alternatives are available for consideration by the City Building Committee:

Alternative #1

The City Building Committee could make the Sanitary Lateral Grant Program retroactive.

This alternative is not recommended as the retroactivity would result in additional costs that have not been budgeted for and can lead to infinite regress.

FINANCIAL

15. There are no financial implications for The Corporation resulting from this report.

LINKAGE TO 2018–2022 STRATEGIC PLAN

16. The recommendation(s) included in this Report support the following goals identified in the 2018-2022 Strategic Plan:

- Growing Our Economy
- Fostering a Safe and Healthy City
- Building Strong Neighbourhoods
- Offering Innovation and Citizen Driven Services
- Improving the Ability to Get Around Barrie



APPENDIX "A"

2018-2019 Sanitary Lateral Replacement Program Costs

Year	# of Repairs	Total Cost*	% Budget \$660,000	Average Cost/Repair*
2018 Jun. 25-Dec. 31	25	\$ 283,700	43%	\$ 11,348
2019 (Jan. 1-Apr. 29)	21	\$ 388,902	59%	\$ 18,519
Total Annual to Date (Jun. 25, 2018 to Apr. 29)	46	\$ 672,602	102%	\$ 14,622

Original Program Estimate

June 25, 2018 to June 25, 2019	60	\$ 660,000.00	100%	\$ 11,000.00
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*costs include the \$500 rebate for plumbing services and full restoration estimates (where applicable).