

3. WATER SERVICE POST ADJUSTMENT FEE – REVIEW AND PROPOSED UPDATE

FRAIS DE RAJUSTEMENT AU POTEAU DE SERVICE D'EAU – EXAMEN ET MISE À JOUR PROPOSÉE

COMMITTEE RECOMMENDATIONS

That Council:

- 1. Approve the elimination of the water service post adjustment fee under the *Water By-law 2013-360* effective July 1st, 2016.**
- 2. Amend the 2016 Rate Operating Budget, with three quarters of Members present and voting, to remove the water service post adjustment fee and associated revenue targets, as outlined in this report.**

RECOMMANDATIONS DU COMITÉ

Que le Conseil :

- 1. approuve l'élimination des frais de rajustement au poteau de service d'eau en vertu du *Règlement municipal sur l'eau* (n° 2013-360) à compter du 1^{er} juillet 2016;**
- 2. modifie le budget de fonctionnement soutenu par les tarifs de 2016 pour supprimer les frais de rajustement au poteau de service d'eau et les cibles de recettes connexes, à la majorité des trois quarts des membres présents et votants, comme le décrit le présent rapport.**

DOCUMENTATION / DOCUMENTATION

1. Acting Deputy City Manager's report, City Operations, dated 14 June 2016 (ACS2016-COS-ESD-0020).

Rapport de la directrice municipale adjointe par intérim, Opérations municipales, daté le 14 juin 2016 (ACS2016-COS-ESD-0020).

2. Extract of Draft Minute, 21 June 2016.

Extrait de l'ébauche du procès-verbal, le 21 juin 2016.

**ENVIRONMENT COMMITTEE
REPORT 10
13 JULY 2016**

53

**COMITÉ DE L'ENVIRONNEMENT
RAPPORT 10
LE 13 JUILLET 2016**

**Report to
Rapport au:**

**Environment Committee
Comité de l'environnement
21 June 2016 / 21 juin 2016**

**and Council
et au Conseil
13 July 2016 / 13 juillet 2016**

**Submitted on June 14, 2016
Soumis le 14 juin 2016**

**Submitted by
Soumis par:
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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2016-COS-ESD-0020

SUBJECT: Water Service Post Adjustment Fee – Review and Proposed Update

OBJET: Frais de rajustement au poteau de service d'eau – Examen et mise à jour proposée

REPORT RECOMMENDATIONS

That the Environment Committee recommend Council:

1. Approve the elimination of the water service post adjustment fee under the *Water By-law 2013-360* effective July 1st, 2016.
2. Amend the 2016 Rate Operating Budget, with three quarters of Members present and voting, to remove the water service post adjustment fee and associated revenue targets, as outlined in this report.

RECOMMANDATIONS DU RAPPORT

Que le Comité de l'environnement recommande au Conseil :

1. d'approuver l'élimination des frais de rajustement au poteau de service d'eau en vertu du *Règlement municipal sur l'eau* (n° 2013-360) à compter du 1^{er} juillet 2016;
2. de modifier le budget de fonctionnement soutenu par les tarifs de 2016 pour supprimer les frais de rajustement au poteau de service d'eau et les cibles de recettes connexes, à la majorité des trois quarts des membres présents et votants, comme le décrit le présent rapport.

EXECUTIVE SUMMARY

Located on City property, the water service post provides access to the curb stop or valve that controls the flow of potable water to a property. The post height can change as a result of the freeze/thaw cycle, impacting the homeowner's ability to safely maintain and enjoy their outdoor space.

Residents requesting a service post adjustment by City staff may be charged a \$129 fee (2016 rates) under the City's *Water By-law 2013-360*. Staff recommend eliminating the service post adjustment fee and recovering the associated costs through the water rates to reduce administrative tasks and the direct impact on homeowners.

RÉSUMÉ

Les poteaux de service d'eau, situés sur l'emprise de la Ville, donnent accès aux robinets d'arrêt ou aux valves qui contrôlent le débit d'eau potable vers une propriété. Avec l'alternance du gel et du dégel, la hauteur du poteau peut changer, ce qui nuit à la capacité des propriétaires à entretenir leur terrain et à en profiter en toute sécurité.

En vertu du *Règlement municipal sur l'eau* (n° 2013-360), les résidents qui demandent que le personnel municipal rajuste un poteau de service d'eau peuvent avoir à payer des frais de 129 \$ (tarifs de 2016). Le personnel recommande d'éliminer ces frais de rajustement et de recouvrer les coûts associés à même les redevances d'eau, réduisant ainsi les lourdeurs administratives et les conséquences directes sur les propriétaires.

BACKGROUND

In October 2003, City Council [approved](#) the introduction of the Service Post Adjustment fee in the [Update of Water By-law report](#) (ACS2003-TUP-INF-0013). It was one of several fees adopted for services not related to regular maintenance activities.

Further to Council's direction and February 2016 EC 014-15, "Standpipes on Residential Properties", staff have reviewed the cost/benefit of continuing to charge the water service post adjustment fee.

DISCUSSION

Located on City property, the water service post provides access to the curb stop or valve that controls the flow of potable water to a property. While post height can change as a result of the freeze/thaw cycle, these changes do not affect the function of the curb stop. However, it can impact the homeowner's ability to safely use, maintain and enjoy their driveways, lawns and gardens.

Ideally, a water service post should be visible and flush with the surrounding area. Posts that have lifted can be adjusted by residents. The City provides how-to instructions for safely hammering a post down on its [website](#).

Fees are charged for service post adjustments involving additional work such as a post modifications (extending or shortening). Residents requesting a service post adjustment by City staff are currently charged a \$129 fee under the City's *Water By-law 2013-360*. In 2015, field costs represented approximately 40% of the fee; while administration represented the remaining 60%.

Over six years, approximately 6,000 queries were received related to the water service post, resulting in approximately 5,500 work orders. The vast majority of these work orders did not involve additional work and generated less than \$22,000 in revenue or approximately \$3,500 per year. Revenues have been declining since the fee was introduced in 2003.

An industry scan of five Ontario municipalitiesⁱ indicated that:

- All of the municipalities considered the water service post to be municipal property/responsibility, and
- None of the municipalities charged for adjustment of the water service post.

The following change is recommended based on the review:

Elimination of the current water service post adjustment fee.

The administrative (fee recovery) cost is greater than the cost to perform the work. Field costs of approximately \$1,400 per year could be recovered through the water rates, reducing administrative tasks and eliminating the direct financial impact on homeowners.

The proposed change will require the elimination of the current fee from the City's *Water By-law 2013-360* effective July 1, 2016. This will have no impact on operations.

RURAL IMPLICATIONS

The proposed change would apply to all owners of residential properties with a connection to the City of Ottawa's water distribution system.

CONSULTATION

Changes to the fee structure have been reviewed by Environmental Business Services staff responsible for administering the current fee and responding to service requests.

COMMENTS BY THE WARD COUNCILLOR(S)

The report has been prepared in response to EC 04-15, "Standpipes on Residential Properties". From Motion 02/07, "...staff be directed to review the relative cost/benefit for continuing to charge a fee for adjustments to standpipes in the city of Ottawa, given the relatively low demand and low revenues described, and report back to Committee by the end of Q2 2016."

ADVISORY COMMITTEE(S) COMMENTS

No Advisory Committees were consulted on the content of this report.

LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendations in the report.

RISK MANAGEMENT IMPLICATIONS

There are no risk implications associated with this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications associated with this report.

FINANCIAL IMPLICATIONS

This report has no budget implications. Minimal revenue losses and any incremental costs as a result of a potential increase in demands for service post adjustments will be absorbed within current approved budget authority.

ACCESSIBILITY IMPACTS

The content of this report has a positive impact on people with disabilities from our community. Eliminating the current fee removes a barrier for residents with disabilities and provides greater access to City services.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with this report.

TERM OF COUNCIL PRIORITIES

The proposed changes to the Water Service Post Adjustment Fee support the following 2015-2018 Term of Council Priorities:

Service Excellence – SE1 – *Improve the client experience through established service expectations*. Clients contacting the City regarding adjustment of their service post will be provided with a free-of-charge option; eliminating the direct impact on homeowners.

Financial Sustainability – FS1 – *Demonstrate sound financial management*. The adjustment fee provides limited revenue. Transferring the fee to the water rates would reduce the administrative requirements, while addressing the cost of providing the service.

SUPPORTING DOCUMENTATION

Not applicable.

DISPOSITION

Upon approval of this report, Environmental Services staff, in consultation with Legal Services will update the *Water By-law 2013-360*.

ⁱ Hamilton, Kingston, Markham, Peel, Toronto