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RECOMMENDED WATER, WASTEWATER,  
AND STORMWATER RATE STRUCTURE

ACS2016-CSD-FIN-0008

CITY WIDE

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**REPORT RECOMMENDATIONS:**

That the Environment Committee recommend that Council:

1. **Approve a new Rate Structure for Water, Wastewater and Stormwater Services, as outlined in this report and including as follows:**
  - a. **A Water Rate for Drinking Water Services, based on a combination of a fixed fee and a consumption charge, as described in this report;**
  - b. **A Wastewater Rate for Wastewater Services, based on a combination of a fixed fee and a consumption charge, as described in this report; and**
  - c. **A Stormwater Fee for Stormwater Services, including the four-year phase-in of the fee for those households and businesses not connected to the City's water and wastewater infrastructure, as described in this report;**
  - d. **A regular review of the new rate structure in future Long-Range Financial Plans, as described in this report.**
2. **Direct staff to undertake a review of the ditching standards and the City's Ditch Alteration Policy and report back to Committee and Council no later than in Q4 2017.**

At the outset, Chair Chernushenko remarked that this was a longstanding and complex issue, with many competing priorities. He acknowledged the difficulties of trying to ensure a stable source of funding to maintain water service infrastructure while recognizing the importance of water conservation, and also while trying to develop a structure that would be fair and affordable for the City's urban, suburban and rural residents and businesses. The Chair noted that the key element in this process had been proactive public engagement. He thanked the City's residents, Councillors and staff who had been involved in extensive public discussions related to this matter. A copy of the Chair's full speaking notes is held on file with the City Clerk.

The Chair then introduced Ms. Isabelle Jasmin, Deputy City Treasurer, Corporate Finance Branch, Corporate Services Department, who spoke to a detailed PowerPoint slide presentation overview of the report. A copy of this presentation is held on file with the City Clerk. Mr. Kevin Wylie, General Manager, Public Works and Environmental Services Department, was also present to respond to questions regarding services that the recommended rate structure would support.

Councillors E. El-Chantiry and G. Darouze, representing two of the City's rural wards, were also in attendance. Councillor Moffatt noted that Councillor S. Blais, who represented the partly-rural Cumberland ward, had expressed his regrets at being unable to attend the meeting due to the sudden passing of his Father-in-law. Also in attendance were Councillors K. Egli, S. Qadri, and M. Wilkinson.

The following Motions, drafted to amend the report recommendations as noted below, were introduced to allow for public comment and/or input:

**MOTION N<sup>o</sup> EC 11/01**

Moved by Councillor J. Cloutier on behalf of Councillor K. Egli:

**WHEREAS the proposed new Rate Structure report recognizes that, "in a municipality as large, complex and geographically diverse as Ottawa, there is no perfect solution to funding water services within the current legislative framework and with current information and technologies"; and**

**ENVIRONMENT COMMITTEE  
REPORT 11  
26 OCTOBER 2016**

**131**

**COMITÉ DE L'ENVIRONNEMENT  
RAPPORT 11  
LE 26 OCTOBRE 2016**

**EXTRACT OF DRAFT  
ENVIRONMENT COMMITTEE  
MINUTES 11  
18 OCTOBER 2016**

**EXTRAIT DE L'ÉBAUCHE DU  
PROCÈS-VERBAL 11 DU  
COMITÉ DE L'ENVIRONNEMENT  
LE 18 OCTOBRE 2016**

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**WHEREAS** there was significant public feedback received asking the City to look at crediting those who have less stormwater runoff from their properties and/or who actively conserve water; and

**WHEREAS** staff has advised that such initiatives are not practical now, but could be reviewed again in future; and

**WHEREAS** the staff recommends that the rate structure be reviewed as part of long-range financial planning exercises; and

**WHEREAS** municipal best practices in this area are emerging over time;

**THEREFORE BE IT RESOLVED** that the Environment Committee recommend that Council direct staff to review municipal best practices for credits for stormwater management controls on individual properties, including those that recognize rain barrels, trees, cisterns, permeable driveways, and/or other engineered landscape controls, and report back on their findings as part of the next term of Council's long-range financial plan for rate-supported programs.

**MOTION N<sup>o</sup> EC 11/02**

Moved by Councillor D. Chernushenko:

(the Councillor was deemed to have stepped out of the Chair to move the following:)

**WHEREAS**, during the Water, Wastewater and Stormwater Review, it was acknowledged that the most fair foundation for establishing a stormwater fee would be based on the actual impervious surfaces on a property; and

**WHEREAS** staff has advised that this information is not available and that it would be prohibitively expensive for the City to develop this information; and

**WHEREAS** the Government of Ontario has given the Municipal Property Assessment Corporation (MPAC) the authority to enter, list and assess all individual properties across the province; and

**WHEREAS** establishing a separate, transparent fee for stormwater services is an emerging best practice, and there would be a benefit to all municipalities to have this information on title as a matter of course; and

**WHEREAS**, with such information, municipalities could establish programs—including incentives and disincentives—to encourage property owners to increase the percentage of permeable surface area on their properties, which would, in turn, be better for the environment and reduce pressure on stormwater infrastructure;

**THEREFORE BE IT RESOLVED** that the Environment Committee recommend that City Council, through the Mayor, request that the Municipal Property Assessment Corporation include the actual impervious surface area in square metres, in property listings at their earliest opportunity; and

**BE IT FURTHER RESOLVED** that this request be forwarded to all local Members of Provincial Parliament and to the Association of Municipalities of Ontario.

Councillor Moffatt also introduced the following Direction to Staff on behalf of Councillor G. Darouze:

**DIRECTION TO STAFF:**

Staff has indicated that they will undertake a regular review of the rate structure as part of future long-range financial plans. Given the importance of public participation in this review, that staff take as direction, and commit to undertaking a similar public engagement process if they are going to recommend any future, non-administrative changes to the rate structure.

The Committee then heard from the following public delegations, who spoke in opposition to the report recommendations:

- Mr. Don Fugler
- Mr. Ken Holmes\*
- Mr. Mike Westley\*
- Ms. Adele Muldoon
- Mr. Doug Poulter\*
- Ms. Shirley Dolan
- Mr. Richard Eveleigh\*
- Mr. Glenn Brooks

The following individuals spoke in support of the report recommendations:

- Mr. John Dickie\*, Eastern Ontario Landlord Organization
- Mr. Klaus Beltzner\*, President, Manotick Village and Community Association
- Mr. Dale Harley, National Capital Heavy Construction Association

Written submissions in opposition to the report recommendations were received from the following individuals and/or groups:

- Mr. Bob and Ms. Suzanne Gregory\*
- Mr. David Mallalieu\*
- Mr. Al Crosby\*
- "Edith\*" (as identified in emailed correspondence from Councillor's office)
- Ms. Sharon McCue\*
- Mr. Bruce Reid\*
- Mr. Randy Hobbs\*
- Mr. Gord Hammond\*
- Ms. Lisa Larwill\*
- Ms. Nancy Atchison\*
- Siamak Eslampanah\*
- Mr. Jay Ambrose\*
- Mr. Dennis Weitzel\*
- Mr. Patrick Doohar\*

- Ms. Glenda Jones\*
- Mr. Trevor Davies\*
- Mr. Richard Raymond\*
- Mr. Dave Dumouchel\*
- V and Ms. Karen Neimanis\*
- Hon. Jack MacLaren\*, MPP, Carleton-Mississippi Mills
- Mr. Grant Potter\*
- Mr. Michael de Wilton\*
- Mr. John Smit\*
- Mr. Ron Coutu\*
- Mr. Terry and Ms. Bernice O'Connell\*
- Ms. Wendy Barber\*
- Ms. Elaine and Mr. Mike McHale\*
- Mr. Michael Campbell\*
- Mr. Tom Gillespie\*
- Mr. Charles Rogerson\*
- Ms. Debby Byers\*
- Ms. N. Suzanne Thompson and Mr. George D. Thompson\*
- Ms. Mary Condie\*
- Mr. Keith and Ms. Priscilla Rowley\*
- Mr. Brian Doyle\*

In addition to those noted above under "Delegations", written submissions in support of the report recommendations (or in support with caveats or suggested modifications) were also received from the following individuals and/or groups:

- Mr. John Henderson\*
- Mr. Roddy Bolivar\*, Exec. Dir., Carp Road Corridor BIA

The following correspondents neither expressed strong sentiments in support of, nor in opposition to, the report recommendations, but wrote to seek additional clarification of staff (all correspondence received in advance of the meeting was, where time permitted, forwarded to the City's "[WWSRSR-EBRE@ottawa.ca](mailto:WWSRSR-EBRE@ottawa.ca)" staff-monitored email box for response and/or follow-up, as required):

- Ms. Agnes Warda\*
- Mr. John Shearer\*
- Mr. Harold Moore\*
- Mr. Michael Erland\*
- Ms. Jacqui Ehninger-Cuervo and Mr. Fernando Cuervo\*
- Mr. Colin J. Williams\*

The following correspondence, as noted, was received after the meeting had concluded:

- Ms. Eileen Muir-Fashola\* (in opposition)
- Additional correspondence from Mr. Grant Potter\* (in opposition)
- Additional correspondence from Mr. Michael Erland\* (with additional questions to Committee / staff)
- Ms. Geneviève Giroux\* (in opposition, with questions to Council / staff)

*[ \* Individuals / groups marked with an asterisk above either provided comments in writing or by e-mail; all submissions are held on file with the City Clerk. ]*

Committee discussions and questions to staff focused on points addressed by the delegations and referenced within numerous e-mailed submissions, and upon issues identified during extensive public consultation. Staff addressed questions related to the definitions of tax versus levy; how different categories of land would be assessed (i.e., residential, agricultural, forested); and, whether there were offsetting opportunities for those with lower incomes. Opposition to the proposed rate structure largely centred on perceptions of fairness, in that those who did not feel they used, added to, or benefited from City infrastructure, felt they should not be expected to pay for its maintenance. Arguments in support of the rate structure spoke to fairer assessments based on level of service received, along with an acknowledgement of the need to maintain an infrastructure network to safely transport rain and meltwater, in order to protect roads, properties and waterways from erosion and flooding.

In closing, Chair Chernushenko acknowledged that although the report self-identified that there was no perfect solution for funding these services within the current legislative framework and with current information and technologies to address all concerns, the existing funding model was proving to be unsustainable. The Chair noted the review was based on the principles of fairness and equity; affordability; transparency; conservation; financial sustainability and the promotion of economic development, and had been derived using best-practice benchmarking comparisons with other Ontario municipalities.

Discussions having concluded, Motions N<sup>OS</sup> EC 11/01 and EC 11/02 were put before Committee and were both "Carried". The report recommendations were then put before Committee and were 'Carried', as amended by Motions N<sup>OS</sup> EC 11/01 and EC 11/02, along with the Direction to Staff, as noted below.

**That the Environment Committee recommend that Council:**

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2. Direct staff to undertake a review of the ditching standards and the City's Ditch Alteration Policy and report back to Committee and Council no later than in Q4 2017;
3. Direct staff to review municipal best practices for credits for stormwater management controls on individual properties, including those that recognize rain barrels, trees, cisterns, permeable driveways, and/or other engineered landscape controls, and report back on their findings as part of the next term of Council's long-range financial plan for rate-supported programs, and;
4. Request, through the Mayor, that the Municipal Property Assessment Corporation include the actual impervious surface area in square metres, in property listings at their earliest opportunity; and that this request be forwarded to all local Members of Provincial Parliament and to the Association of Municipalities of Ontario.

CARRIED, as amended

DIRECTION TO STAFF:

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