**Minute No. 443**
**Report – Standing Policy Committee on Infrastructure Renewal and Public Works – May 26, 2015**

**Item No. 1 Withdrawal of Approved Fees from Water By-Law**

COUNCIL DECISION:

Council concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and adopted the following:

1. That amendments be enacted to the Water Works By-law (draft amending by-law attached) which will:

   A. Remove section 19(b) which provides credits and charges originally intended to equalize the cost to property owners connecting to a water main for the first time when the water main is not in the middle of the street.

   B. Remove the equalization rate for off center water mains from Schedule B.

   C. Remove the fee for control of water main for contractor from Schedule B.

   D. Remove the fee for Online account balance information Subscription service from Schedule B.

   E. Clarify that the fee for property account balance confirmation for law firms will only be charged when an online account balance information subscription service is made available.

2. That the City enter into an agreement with Legal Data Resources (Manitoba) Corporation ("LDRC") to provide electronic access to utility account balances under similar terms and conditions as the existing agreement for property tax information including the $10 per request fee.

**Report – Standing Policy Committee on Infrastructure Renewal and Public Works – May 26, 2015**

COUNCIL DECISION (continued):

3. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the agreement with LDRC and such other agreements as determined necessary by the Director of Legal Services and City Solicitor, in accordance with the terms and conditions set forth in the foregoing recommendations and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

4. That the proper officers and employees of the City do all things necessary to implement the intent of the foregoing.

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DECISION MAKING HISTORY:

Moved by Councillor Lukes,

That the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 10, 2015, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On May 26, 2015, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

# ADMINISTRATIVE REPORT

**Title:** **WITHDRAWAL OF APPROVED FEES FROM WATER BY-LAW**

**Critical Path:** **Standing Policy Committee on Infrastructure Renewal and Public Works – Executive Policy Committee – Council**

## AUTHORIZATION

| Author | Department Head | CFO | CAO/COO |
|---|---|---|---|
| Moira Geer, CA<br>Manager of Finance and Administration | T. W. Shanks, P. Eng.<br>Acting Director, Water and Waste Department | n/a | M. Jack<br>COO |

## RECOMMENDATIONS

1 That Council enact amendments to the Water Works By-law (draft amending by-law attached) which will:
   a) Remove section 19(b) which provides credits and charges originally intended to equalize the cost to property owners connecting to a water main for the first time when the water main is not in the middle of the street.
   b) Remove the equalization rate for off center water mains from Schedule B.
   c) Remove the fee for control of water main for contractor from Schedule B.
   d) Remove the fee for Online account balance information Subscription service from Schedule B.
   e) Clarify that the fee for property account balance confirmation for law firms will only be charged when an online account balance information subscription service is made available.

2. That the City enter into an agreement with Legal Data Resources (Manitoba) Corporation ("LDRC") to provide electronic access to utility account balances under similar terms and conditions as the existing agreement for property tax information including the $10 per request fee.

3. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the agreement with LDRC and such other agreements as determined necessary by the City Solicitor/Director of Legal Services, in accordance with the terms and conditions set forth in the foregoing recommendations and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. That the proper officers and employees of the City do all things necessary to implement the intent of the foregoing.

## REASON FOR THE REPORT

Amendments to the Water By-law and changes to approved fees require Council approval.

## EXECUTIVE SUMMARY

- The changes recommended to the Water Works By-law are housekeeping in nature and do not propose a change to the current practice of the Water and Waste Department.
- An agreement with LDRC to provide electronic access to information on a fee for service basis is consistent with the direction proposed in OurWinnipeg.
- The changes recommended have no impact on water rates.

## IMPLICATIONS OF THE RECOMMENDATIONS

The changes to the By-law being proposed in this report are housekeeping in nature in that they reflect the long-standing practice of the Water and Waste Department. Authorizing an agreement with LDRC to offer on-line subscription access to account information is consistent with the Department's long-standing plans that have been communicated to Council on several occasions.

There are no financial implications to these recommendations. The 2015 water fund budget does not include potential revenue from these fees.

## HISTORY

**Equalization rate for off center water mains**

On July 21, 2010, Council approved removing the section from the Sewer By-law which provided credits and charges originally intended to equalize the cost to property owners connecting to a sewer for the first time when the sewer is not in the middle of the street. The main reasons for this change were:

- With many factors contributing to the varying cost of installing a sewer, applying equalization credits and/or charges no longer meets the original intent and instead often creates unfairness and inequity, and
- Customers do not expect the City to offset their costs because their sewer pipe is a different length than their neighbours' sewer pipe on the opposite side of the street

As the rationale for removing these credits and charges for sewer mains also applies to water mains, the Department recommends removing the section from the Water By-law which

provides credits and charges to equalize the cost to property owners connecting to a water main.

**Fee for control of water main for contractor**

The fee imposed when the City shuts off a water main for the benefit of contractors has been included in the Water Works By-law for many years. However, the Department has not charged this fee since prior to 2011 because it discourages contractors from contacting the Department to control water mains when required and is incentive to operate control valves themselves. Provincial regulation requires the water distribution system be operated under the care and control of City employees certified to perform this work. Improper operation of valves can risk damage to infrastructure, create incorrect documentation of valve status, and cause possible disruption in customer service.

**Fees for utility account balance confirmation for law firms**

Council approved a fee to provide account balance information to law firms on March 26, 2008 (effective July 1, 2008). It was intended that the fee would be implemented when (a) the new utility billing system was implemented and (b) a mechanism for billing the fee could be implemented.

On December 10, 2010 Council approved an amendment to the Water Works By-law that replaced the above fee with two separate fees for account balance information:

- Online account balance information Subscription service
- Property account balance confirmation for law firms (fee for information provided manually)

The above changes were intended to bring the Water Works By-law and its fees in line with fees charged by Assessment and Taxation through the Legal Data Resources Corporation (LDRC) for similar services.

The Department has been working on substantial upgrades to the billing system and the technology to provide the on-line account balance has not yet been implemented. The actual technology solution to provide on-line account balance information has now been finalized in consultation with the Manitoba Bar Association. The Department intends to launch the on-line service in late 2016. The Department is currently undertaking a series of upgrades to its utility billing system hardware and software. These projects will be completed in the first quarter of 2016 and once upgrades are complete the information technology staff can begin working on this project.

Once the technology is available, the plan is for the Council-approved charge of $10 to be imposed on subscribers and remitted to the City by the LDRC, similar to the arrangement with LDRC for subscribers of on-line tax information. Because it will not be a fee charged by the City to subscribers but rather a payment remitted to the City by LDRC, it is not necessary to include it in the City's fee schedule. Accordingly, this report is recommending its removal from Schedule B of the By-law.

It will be beneficial to have in place an agreement with LDRC for the provision of this subscriber service as soon as possible. In order to facilitate the negotiation and approval of an agreement with LDRC containing similar terms and conditions to the agreement that currently exists for tax information, this Report is seeking Council's authorization for the CAO to negotiate and approve such an agreement without further Council approval.

While waiting for the subscription service to come on-line, the Department has been providing property account balance confirmations manually for requests received from lawyers via email or fax. However, no fee is currently being charged for this service since it has been determined that the cost to track, invoice and collect payment for these requests would offset the revenue.

However, once the on-line subscription service is operational, the Department intends to begin charging the fee for providing the account balance information manually. Charging this fee will be more manageable when most lawyers begin to use the subscription service. In addition, because it is a higher fee than the cost for an on-line request, it will also serve as an incentive for those who have not yet subscribed to the on-line service. The recommended amendment to the fee schedule will make it clear that these fees are only effective once the on-line service is available.

## FINANCIAL IMPACT

**Financial Impact Statement** **Date:** May 12, 2015

**Project Name:** **First Year of Program** **2015**

**WITHDRAWAL OF APPROVED FEES FROM WATER BY-LAW**

There are no financial implications associated with the recommendations of this report

*"Original signed by M.L. Geer, CA"*
Moira L. Geer, C. A.
Manager of Finance and Administration

## CONSULTATION

**In preparing this report there was consultation with:**

Legal Services Department

## OURWINNIPEG POLICY ALIGNMENT

On July 21,2010 City Council approved OurWinnipeg which identified the cost-effective delivery of essential services and revenue diversity as key strategies to economic success.

## SUBMITTED BY

Water and Waste Department
Finance and Administration Division
Prepared by: Wanda Burns
File No. 010-11-01-29-00.
Date: May 12, 2015

c: Director of Legal Services/City Solicitor, Legal Services Department (email)
WWD-Report-Processor (email)
L. Toews, Water and Waste Department (email)

**THE CITY OF WINNIPEG**

**BY-LAW NO.**

A By-law of THE CITY OF WINNIPEG to amend the Water Works By-law

**THE CITY OF WINNIPEG**, in Council assembled, enacts as follows:

**Waterworks By-law amended**

**1** The Water Works By-law No. 504/73 is amended

(a) by repealing clause 19(b); and

(b) in Schedule B

(i) by repealing section 5;

(ii) by repealing section 12;

(iii) by replacing clause 18(c) with the following:

*(c) Property account balance confirmation for law firms (to be implemented when an on-line account balance subscription service is available)* *$16.00 + GST*

(iv) by repealing clause 18(d).

**DONE AND PASSED**, this day of , 2015.

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Mayor

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City Clerk

Approved as to content:

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Director of Water and Waste

Approved as to form:

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For Director of Legal Services/City Solicitor

Template Version No.: SR20150113

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