Authority: Item 2, General Issues Committee

Report 13-022(a)

CM: December 11, 2013

**Bill No. 323** 

#### CITY OF HAMILTON

**BY-LAW NO. 13-323** 

To Amend The Sanitary Surcharge and Wastewater Abatement By-law No. 03-272 and Implement the 2014 Fees and Charges

WHEREAS on September 24, 2003, the Council of the City of Hamilton passed and enacted By-law No. 03-272, known and referred to as "The Sanitary Surcharge and Wastewater Abatement By-law";

**AND WHEREAS** pursuant to sections 9 and 10 of the *Municipal Act*, 2001, S.O. 2001, c.25, a municipality may pass by-laws respecting public assets of the municipality acquired for the purpose of exercising its authority under the said Act or any other Act, and respecting services that the municipality considers necessary or desirable for the public, including the provision of public utilities such as water and sewage, as defined in the said Act;

AND WHEREAS pursuant to section 391 of the *Municipal Act, 2001*, S.O. 2001, c. 25, sections 9 and 10 of the said Act authorize a municipality to pass by-laws imposing fees or charges for services or activities provided or done by or on behalf of the municipality and for the use of the municipality's property, including property under its control;

AND WHEREAS on the 11th day of December, 2013 the Council of the City of Hamilton did approve of Item 2 of General Issues Committee Report 13-022(a) and did authorize the 2014 fees and charges set out herein;

AND WHEREAS notice of the 2014 fees and charges set out herein has been given in accordance with the provisions of the City of Hamilton's Public Notice Policy By-law No. 07-351;

NOW THEREFORE the Council of the City of Hamilton enacts as follows:

- 1. By-law No. 03-272 is amended by deleting the words "To Impose Fees and Charges Respecting the Use of the City of Hamilton Sanitary Sewage System and to Implement a Wastewater Abatement Program" on the first page of the By-law prior to the preamble, and by substituting therefor the words "To Impose Fees and Charges Respecting the Use of the City of Hamilton Sanitary and Storm Sewage Systems and to Implement a Wastewater Abatement Program.
- 2. The Preamble to By-law No. 03-272 is deleted and replaced with the following new Preamble:

WHEREAS pursuant to section 391 of the *Municipal Act, 2001*, S.O. 2001, c. 25, sections 9 and 10 of the said Act authorize a municipality to pass by-laws imposing fees or charges for services or activities provided or done by or on behalf of the municipality, including the provisions of public utilities such as water and sewage, and for the use of the municipality's property, including property under its control;

**AND WHEREAS** pursuant to section 391 of the *Municipal Act, 2001*, S.O. 2001, c. 25, fees and charges may be imposed to recover costs related to the establishment, construction, maintenance, operation and financing of the City of Hamilton wastewater/storm system;

**AND WHEREAS** on September 24, 2003, the Council of the City of Hamilton passed and enacted By-law No. 03-272, known and referred to as "The Sanitary Surcharge and Wastewater Abatement By-law";

**AND WHEREAS** this by-law imposes fees and charges consisting of a wastewater/storm rate, and implements the wastewater abatement program;

**NOW THEREFORE** the Council of the City of Hamilton enacts as follows:

- 3. By-law No. 03-272 is amended by deleting the words "Sanitary Surcharge" and "sanitary surcharge" every time such words appear in the By-law and by substituting therefor in each case the words "wastewater/storm fees and charges".
- 4. Section 1 of By-law No. 03-272 is amended by deleting the word "Initial" in the definition of "Initial Application Processing Fee".
- 5. Section 1 of By-law No. 03-272 is amended by deleting the definition of "Supplementary Application Fee".

6. Section 1 of By-law No. 03-272 is amended by adding the following definition:

"wastewater/storm fees and charges" means the fees and charges set out in Schedule "A" to this By-law.

7. Section 3 of By-law No. 03-272 is deleted and replaced with the following new section 3:

## Wastewater/Storm Fees and Charges

- 3. The owners and occupants of all lands within the geographic area of the City who are connected to the sanitary sewage system of the City are liable to pay wastewater/storm fees and charges in accordance with the provisions of this By-law and as set forth in Schedule "A" to this By-law.
- 8. Section 4 of By-law No. 03-272 is deleted and replaced with the following new Section 4:

# <u>Liability for Wastewater/Storm Fees and Charges where Non-Metered Water Rates Apply</u>

- 4. Where there is a non-metered water rate imposed by the Waterworks By-law for the whole or any part of the City, then the wastewater/storm fees and charges shall be the non-metered annual wastewater/storm rate as set forth in Schedule "A" to this By-law.
- 9. Subsection 5(a) of By-law No. 03-272 is deleted and replaced with the following new subsection 5(a):

## <u>Liability for Wastewater/Storm Fees and Charges on Metered Water</u> Rates

- (a) Where there is a metered water rate imposed by the Waterworks By-law for the whole or any part of the City, then the wastewater/storm fees and charges shall consist of a daily wastewater/storm fixed charge and a wastewater/storm treatment charge as set forth in Schedule "A" to this By-law.
- 10. Subsection 5(c) of By-law No. 03-272 is deleted and replaced with the following new subsection 5(c):
  - (c) Where a water meter fails to record properly, the person or persons liable to pay wastewater/storm fees and charges are liable to pay:

- (i) the daily wastewater/storm fixed charge, plus the wastewater/storm treatment charge calculated on an amount of water estimated on the basis of a corresponding period in the immediately preceding year; or
- (ii) where the water user did not occupy the same property for the same period during the corresponding period in the previous year, the daily wastewater/storm fixed charge, plus the wastewater/storm treatment charge calculated on an amount of water based on a similar period of the current year; or
- (iii) where the situation described in clause (ii) is not applicable, the daily wastewater/storm fixed charge plus the wastewater/storm treatment charge that is based on one cubic metre (m3) of water consumption per day.

Where the City is unable to obtain water meter data for the actual amount of water supplied to a property, the water user will be liable to pay the daily wastewater/storm fixed charge plus the wastewater/storm treatment charge for the estimated amounts of water supplied to the property as set out in the City of Hamilton Water and Wastewater Consecutive Estimated Accounts Policy. Should the General Manager of Finance and Corporate Services. or any other body acting on behalf of the General Manager of Finance and Corporate Services under an agreement with the City. subsequently receive the water meter data on the amount of water actually supplied to the property by the City, the amount billed to such person or persons will be subsequently adjusted to reflect the actual amount of water supplied to the property, where such actual amount is greater than the estimated amounts invoiced, and the person or persons shall be liable for the resulting adjusted wastewater/storm treatment charge.

- 11. Section 8 of By-law No. 03-272 is amended by deleting the words in the first two lines of the section and by substituting therefor the words "Where an account for wastewater/storm fees and charges remains unpaid, the following provisions apply:".
- 12. Section 9 of By-law No. 03-272 is deleted and replaced with the following new Section 9:
  - 9. The owner or occupant of lands within the City:
    - (a) which are connected to the City sanitary sewage system, but
    - (b) which are not connected to the City's waterworks system,

are to pay wastewater/storm fees and charges as set forth in Schedule "A" to this By-law, consisting of a daily wastewater/storm fixed charge, and a wastewater/storm treatment charge that is based on one cubic metre (m3) of water consumption per day, and are to be invoiced for payment bi-monthly, monthly or at any other time as determined to be appropriate by the General Manager of Finance and Corporate Services or by any other body acting on behalf of the General Manager of Finance and Corporate Services under an agreement with the City.

13. Sections 10, 11 and 12 of By-law No. 03-272 are deleted and replaced with the following new Sections 10, 11 and 12:

## Wastewater Abatement Program

- 10. (a) A Consumer may apply for an Abatement for a property by submitting to the Director an application in the form provided by the City (hereinafter referred to as the "Application"), together with a non-refundable application processing fee as set out in Schedule "B" to this By-law (hereinafter referred to as the "Application Processing Fee").
  - (b) Based on the information contained in the Application, the Director will determine whether the Consumer is required to obtain the services of a professional engineering consultant to prepare and submit a report to the City as set out in section 11.
  - (c) Upon the Director advising the Consumer in writing that the Consumer is required to obtain the services of a professional engineering consultant, the Consumer shall, at its sole expense, and no later than six months from the date of the Director's written notice, submit a report to the City as set out in section 11, which report is either certified by:
    - (i) an independent professional engineer licensed in the Province of Ontario; or
    - (ii) an in-house professional engineer licensed in the Province of Ontario and verified through a peer review conducted by an independent professional engineer approved by the City and at the expense of the Consumer.
  - (d). Where the Consumer fails to submit the engineering report to the City within the six month period referred to in subsection (c), the Consumer's application will be deemed to

be rejected and the Consumer's Application Processing Fee will be forfeited. Should the Consumer still wish to apply for an Abatement, the Consumer will have to re-apply for the Abatement by submitting a new application and a new Application Processing Fee.

- 11. Where the Director requires the Consumer to obtain the services of a professional engineering consultant, the report to be submitted, shall, at a minimum, contain the following information with respect to the previous twelve month period:
  - (a) volume of incoming water to the property from all sources including but not limited to private wells and reservoirs, stormwater, and water from a watercourse such as a lake, harbour, stream, river, pond or spring;
  - (b) volume of potable water purchased by the Consumer from the potable water supply;
  - (c) volume of water discharged to a sanitary sewage works that was purchased by the Consumer from the potable water supply;
  - (d) volume of water discharged to a sanitary sewage works that was not purchased by the Consumer from the potable water supply;
  - (e) water consuming processes/products;
  - (f) wastewater volumes diverted from the City's sanitary sewage works;
  - (g) a certification of the water balance for the Consumer's account, which shall cover a minimum period of five calendar days over a minimum of three separate occasions and shall include at least one balance showing seasonal variation, including activities such as shutdowns;
  - (h) sewer flow monitoring (if required by the Director);
  - (i) data on the quality of wastewater discharge to the City's sanitary sewage works, where available;
  - (j) water billings by the City;
  - (k) quantity of products produced by the Consumer;

- (I) seasonal variations; and
- (m) other related information as required by the Director.
- 12. No Consumer shall be entitled to an Abatement until such Abatement has been authorized by the Director and the General Manager of Finance and Corporate Services in accordance with this By-law. However, once authorized, subject to sections 16 and 17 of this By-law, the Consumer shall be entitled to an Abatement retroactive from the date the Application was submitted to the City. The Abatement will be credited by the City on the same bill sent to the owner or occupant of lands, or both, for metered or non-metered water, as applicable, under the Waterworks By-law.
- 14. Section 18 of By-law No. 03-272 is deleted and replaced with the following new section 18:
  - 18. That the Abatement for authorized Consumers shall be no more than 75% of the calculated wastewater/storm treatment charge for the property for the applicable calendar year.
- 15. Subsection 22(b) of By-law No. 03-272 is amended by deleting the words "Annual Administrative Fee" that are in brackets in the sixth and seventh lines of the subsection and by substituting therefor the words "Annual Administration Fee".
- 16. Section 26 of By-law No. 03-272 is amended by deleting the words ",except that the Consumer will only have to pay the Supplementary Application Fee and not the Initial Application Processing Fee" from the end of the section.
- 17. Section 31 of By-law No. 03-272 is deleted and replaced with the following new section 31:
  - 31. This By-law may be known and referred to as the "Wastewater/Storm Fees and Charges and Wastewater Abatement By-law."
- 18. Schedule "A" to By-law No. 03-272 is deleted and replaced with the new Schedule "A" attached to this by-law.
- 19. Schedule "B" to By-law No. 03-272 is deleted and replaced with the new Schedule "B" attached to this by-law.

- 20. The fees and charges imposed by this by-law continue in force until amended, repealed or replaced (by by-law or by a resolution of the Council of the City of Hamilton confirmed by by-law) and for greater certainty this includes continuing in force after December 31, 2014 until amended, repealed or replaced.
- 21. This by-law comes into force on January 1, 2014.

\*PASSED this 11th day of December, 2013.

R. Bratirla Mayor R. Caterir

#### SCHEDULE "A"

## Wastewater/Storm Fees and Charges

## I. Metered Water Customers

The Wastewater/Storm Fees and Charges consist of a daily wastewater/storm fixed charge and a wastewater/storm treatment charge.

## A) Daily Wastewater/Storm Fixed Charge

The daily wastewater/storm fixed charge is not related to the direct costs of consumption and are not dependent upon or related to the amount of consumption incurred. The fixed charges are intended to offset the fixed costs of maintaining the City's wastewater/storm sewage systems.

Meter Size	Wastewater/Storm Rate	
15mm	\$ 0.29	
16 mm	\$ 0.29	
20 mm	\$ 0.29	
25 mm	\$ 0.73	
38 mm	\$ 1.45	
50 mm	\$ 2.32	
75 mm	\$ 4.64	
100 mm	\$ 7.25	
150 mm	\$14.50	
200 mm	\$23.20	
250 mm	\$33.35	
300 mm	\$49.30	

## Schedule "A" continued

## B) Wastewater/Storm Treatment Charge

Wastewater/storm treatment charges are based on metered water consumption and the cost of wastewater collection and treatment, and stormwater management. Charges are on a per cubic meter basis at the rates indicated in the table below. The total monthly wastewater/storm treatment charge is the sum of usage in all blocks at the rate for each block:

Consumption Block	Monthly Water Consumption (m³)	Residential Rate (\$/m3)	Multi-Residential, Commercial, Institutional & Industrial Rate (\$/m3)
1	0-10	0.66	1.32
2	>10	1.32	1.32

#### II. Non-Metered Water Customers

The non-metered annual wastewater/storm rate is \$467.60 per annum, plus applicable taxes,

Note: The non-metered annual water rate for water supplied by the City of Hamilton is \$461.62 per annum, plus applicable taxes, for a combined total non-metered water and wastewater/storm annual rate of \$929.22 per annum, plus applicable taxes.

## **SCHEDULE "B"**

## Wastewater Abatement Program

1. (a) Application Processing Fee (Section 10)

\$374.50 plus applicable taxes and full cost recovery for peer review, if required by Director

(b) Annual Administration Fee (where annual Abatement exceeds \$500.00 -sub-section 22(b))

\$573.10 plus applicable taxes

- 2. In determining whether a Consumer appears to qualify for an Abatement under section 10 of this By-law, the Abatement shall be calculated in accordance with the following formula, based on data from the calendar year prior to the year of application for the Abatement:
  - A = annual volume (m<sup>3</sup>) of water supplied to the property from the potable water supply
  - B = annual volume of water that was sourced from the potable water supply and diverted from the City's sanitary sewage works (if B is less than 25% of A, the Consumer is not eligible for the Abatement; if B is greater than 75% of A, insert a value equal to 75% of A)
  - C = annual wastewater discharged to the City's sanitary sewer and combined sewer system (C = A B) or C=actual measured value using sewer flow monitoring if required by the Director
  - D = infiltration and inflow add back (D = C x 133%: add back adjustment of 33% to the volumetric charge so that all ratepayers continue to pay an equal portion of the treatment costs associated with inflow and infiltration)
  - E% = wastewater Abatement in percentage

Step 1: A - B = C; or C=actual measured value using sewer flow

monitoring if required by the Director

Step 2:  $D = C \times 133\%$ 

Step 3:  $E\% = (A - D) \times 100$ 

# Schedule "B" continued

- 3. If an Abatement is authorized for a Consumer in accordance with this By-law, the Abatement will be applied quarterly each year in accordance with the following formula:
  - F = actual volume (m3) of potable water supplied to the property by the City during the previous quarter
  - G = volume (m3) of water eligible for the Abatement during the previous quarter
  - H= wastewater/storm treatment charge (see Schedule "A" to this By-law)
  - \$I = dollar amount of Abatement for the billing period

Step 4:

 $F \times E\% = G$ 

Step 5:

 $G \times H = \$I$