

**Authority:** Item 2(d), Audit, Finance and Administration Committee Report AFA 24-020 (FCS24025) CM: November 13, 2024, City Wide

**Bill No. 004**

**CITY OF HAMILTON**

**BY-LAW 26-004**

**To Amend City of Hamilton By-law 24-203, being a By-law to Repeal and Replace Policies for Utility Billing and Collections**

**WHEREAS** Council enacted a By-law to Repeal and Replace Policies for Utility Billings and Collections;

**AND WHEREAS** Alectra Utilities Corporation will cease to act as the City's utility billing agent and the City will assume utility billing and collection responsibilities;

**AND WHEREAS** this By-law amends By-law 24-203 to reflect the change in utility billing and collection responsibilities;

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

1. That amendments in this By-law include any necessary grammatical, numbering and letter changes.
2. That Schedule "A" and Appendix "A" of By-law 24-203 be repealed and replaced with Schedule "A" and Appendix "A"-Privacy Statement which are attached

hereto.

3. That in all other respects, By-law 24-203 is confirmed.
4. The provisions of this By-law shall come into force on March 30, 2026.

**PASSED** this 21<sup>st</sup> day of January, 2026.

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Andrea Horwath  
Mayor

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Matthew Trennum  
City Clerk

# Utility Billing & Collections Policy

## Schedule A to By-law 24-203



Hamilton

### City of Hamilton By-Law 24-203

Utility Billing Section • Revenue Services  
Corporate Services

## TABLE OF CONTENTS

<b><u>DEFINITIONS AND INTERPRETATION</u></b> .....	<b>6</b>
<b><u>BILLING POLICIES</u></b> .....	<b>9</b>
<b><u>POLICY #1 – New Development Utility Customer</u></b> .....	<b>9</b>
<b><u>POLICY #2 – Third Party Billing Arrangements</u></b> .....	<b>9</b>
<b>POLICY #3 – Back-Billing</b> .....	<b>11</b>
<b>POLICY #4 – Consecutive Estimated Accounts</b> .....	<b>13</b>
<b>POLICY #5 – Leak Adjustment</b> .....	<b>19</b>
<b>POLICY #6 – Private Water Service Line Leak Wastewater Bill Adjustment</b> .....	<b>21</b>
<b><u>POLICY #7 – Extraordinary Circumstances</u></b> .....	<b>23</b>
<b>COLLECTIONS POLICIES</b> .....	<b>26</b>
<b>POLICY #8 – Arrears</b> .....	<b>26</b>
<b>POLICY #9 – Payment Arrangement</b> .....	<b>30</b>
<b>APPENDIX A – Privacy Statement</b> .....	<b>36</b>

## DEFINITIONS AND INTERPRETATION

Words and phrases used in this Utility Billing and Collections Policy By-law for the City have the following meanings, unless expressly stated otherwise.

**"Abnormally high water usage"** means Utility Billing for a Customer where the recorded metered water consumption for the Customer is two (2) or greater than the historical daily average consumption of that Customer for the same property and for a similar time period from the previous year.

**"Back-bill(ing)" or "Catch-up bill(ing)"** means the portion of a bill which represents charges not previously billed for Utility service that was delivered to the Customer during a period before the current billing cycle where services were Under-billed.

**"City"** means the City of Hamilton unless the context requires otherwise.

**"Customer"** means a person who uses or applies to use the Utility services of the City.

**"Financial hardship"** is defined as a state of financial disadvantage which results in a residential Customer being unable to pay an outstanding amount as required without affecting the ability to meet the basic living needs of the residential Customer or a dependant of the residential Customer.

**"HUB"** means Hamilton Utilities Billing

**"ICI"** means industrial, commercial, and institutional.

**"Income Producing Residential Rental Properties"** are properties where the owner registered on title is different than the occupant and/or where the properties pay business taxes.

**"Leak"** means an unintentional water loss caused by broken and/or malfunctioning plumbing fixtures and/or pipes within a residence or building. A leak occurs when there is a failure of the plumbing system to do what it was designed to do.

**"Not-for-profit"** are corporations and /or organizations that carry on activities without the purpose of gain for its members and any profits to the corporation and /or organization.

**"Payment Arrangement"** means an agreement a Customer enters into with the City to make payments for the outstanding water and wastewater/storm arrears over a period of time.

**"Payment Extension"** means an allowance of additional time to pay in full the current billing. An approved extension allows for payment to occur within five business days of the invoice due date without incurring additional fees or penalties.

**"Payment Instalment"** is defined as a partial payment of the total amount of outstanding Utility arrears repaid in equal instalments at fixed intervals (usually every month).

**"Personal Information"** means recorded information about an identifiable individual, including:

- Information relating to the race, national or ethnic origin, colour, religion, age, sex, sexual orientation or marital or family status of the individual;
- Information relating to the education or the medical, psychiatric, psychological, criminal or employment history of the individual or information relating to financial transactions in which the individual has been involved;
- Any identifying number, symbol or other particular assigned to the individual;
- The address, telephone number, fingerprints or blood type of the individual;
- The personal opinions or views of the individual except if they relate to another individual;
- Correspondence sent to an institution by the individual that is implicitly or explicitly of a private or confidential nature, and replies to that correspondence that would reveal the contents of the original correspondence;
- The views or opinions of another individual about the individual; and
- The individual's name if it appears with other personal information relating to the individual or where the disclosure of the name would reveal other personal information about the individual.

**"Service Valve"**, also commonly referred to as street valve or curb stop, controls the water running to a premise from the City's water main. Service valves are usually located outside the residence typically at or near the property line, either in the front, back or side of the property (for example: lawn, driveway, or private sidewalk). Service valves are owned and operated by the City. However, any water lines from the service valve to the premises are owned, operated, and maintained by the property owner.

**"Third-Party"** means a person other than the Customer, or the City.

**"Under-billed" or "Under-billing"** means an occurrence of past billings for less than the appropriate amount whether discovered by the Customer or the City. The cause of the under-billing may include but is not limited to any of the following reasons or combination thereof:

- stopped meter;
- metering equipment failure;
- missing meter now found;
- switched meters;
- double metering;
- incorrect meter connections;
- incorrect use of any prescribed apparatus respecting the registration of a meter;
- incorrect meter multiplier;
- the omission/application of an incorrect rate;
- incorrect reading of meters or data processing; and
- tampering, fraud, theft or any other criminal act.

**"Unoccupied"** means a dwelling and/or building in which occupants are absent from the property for a time period of seventy-two (72) hours or more, due to such matters as vacation or prolonged illness.

**"Utility"** or **"Utilities"** means both the system that is used to provide any of the following services or things for the public (which can include both public and private properties): water, wastewater, or stormwater and the corresponding service that is provided.

**"Utility Billing"** means billing related to a Utility.

**"Vacant"** means a premise that, regardless of the presence of furnishings, is not occupied by any person for a period exceeding 90 consecutive days. A newly constructed dwelling and/or building is also considered to be vacant after it is completed and before the occupant(s) move in. A dwelling and/or building is also vacant when the occupants move out and before any new occupant moves in.

**"Waterworks By-law"** means the City's Waterworks By-law 23-235 or any successor thereto.

**BILLING POLICIES**  
**POLICY #1 - New Development Utility Customer**

This Policy #1 - New Development Utility Customer (Policy #1) details the processes for the commencement of Utility Billings related to new development construction of single residential, ICI properties and multi-residential properties.

The Waterworks By-law stipulates that all properties, once connected to the City's waterworks system, are to install a water meter and remote reading device. However, non-metered water is being supplied to properties with newly installed water services during construction of new developments and before the installation of a water meter. Policy #1 ensures that the commencement of Utility Billings associated with new development construction occurs in a timely and consistent manner.

**Single Residential New Developments**

Water billing will commence on the date of the first insulation inspection in one of the following manners, as per Table 1 below:

1. Metered - If a meter is installed, the billing will reflect actual water consumption.
2. Unmetered - If a meter is not installed, billing will occur on a flat rate basis (1 cubic metre per day) until the meter has been installed. To avoid unmetered flat rate billings, the property owner should ensure the water meter has been installed before requesting insulation inspection.

**Table 1**

<b>Metering Stakeholders</b>	<b>Key Roles and Responsibilities</b>
Property Owner • individual / developer/ contractor	<ul style="list-style-type: none"> <li>• Initiates development with purchase of building and servicing permits (meter installation and construction water fees paid with building permit)</li> </ul>
Building Division	<ul style="list-style-type: none"> <li>• Issues building and servicing permits</li> <li>• Performs inspections associated with building permit</li> <li>• Will not schedule occupancy inspection unless water meter has been installed</li> </ul>
Financial Planning, Administration and Policy Division	<ul style="list-style-type: none"> <li>• Provides a monthly listing of new residential properties that have reached the insulation inspection stage of the building permit process</li> </ul>

<b>Metering Stakeholders</b>	<b>Key Roles and Responsibilities</b>
Hamilton Water Customer Service Section	<ul style="list-style-type: none"> <li>• Manages water meter installations</li> <li>• Forwards meter installation work orders to meter contractor</li> <li>• Forwards completed meter installation work orders to HUB for billing purposes</li> </ul>
Meter Contractor - Neptune Technology Group Inc.	<ul style="list-style-type: none"> <li>• Supplies, installs and replaces water meters for Hamilton Water</li> </ul>
Hamilton Utilities Billing	<ul style="list-style-type: none"> <li>• City's water and wastewater/storm billing unit</li> <li>• Commences water billings for new homes based on direction from City</li> </ul>

Note: Detailed process flowchart of the related meter installation process is available upon request.

### Multi-residential and ICI New Developments

Water billing will commence on an unmetered/ flat rate basis on the date when water is turned on at the property in the following manners as per Table 3 below:

1. "Single" unmetered basis – Billing will occur on a flat rate basis until the meter has been installed or the date of the initial plumbing inspection. Flat rates are progressive based on the size of the meter that will be installed (refer to Table 2 below). For example, 4m<sup>3</sup>/day flat rate where a 50mm meter will be installed.
2. "Triple" unmetered basis - If a meter is not installed at the date of the initial plumbing inspection, billing will change to triple flat rate until the meter has been installed. To avoid unmetered triple flat rate billings, the property owner would need to ensure that the water meter has been installed before a plumbing inspection is requested.

**Table 2**

<b>Unmetered Rates by Meter Size</b>				
<b>Meter to be installed</b>		<b>Unmetered m<sup>3</sup>/day</b>	<b>2026 Costs *</b>	
inches	mm		Daily	Monthly **
< 1	15-21	1.0	\$5.03	\$150.90
1	25	1.5	\$7.55	\$226.35
1.5	38	2.5	\$12.58	\$377.25
2	50	4	\$20.12	\$603.60
3	75	9	\$45.27	\$1,358.10
4	100	16	\$80.48	\$2,414.40
6	150	36	\$181.08	\$5,432.40
8	200	64	\$321.92	\$9,657.60
10	250	100	\$503.00	\$15,090.00

\*Combined water & wastewater / storm.

\*\*Rates set annually as part of Rate Budget Process.

\*\* 30-day month

**Table 3**

<b>Metering Stakeholders</b>	<b>Key Roles and Responsibilities</b>
Property Owner <ul style="list-style-type: none"> <li>individual/ developer/ contractor</li> </ul>	<ul style="list-style-type: none"> <li>Initiates development with purchase of servicing (construction water fees paid with servicing permit), water meter and building permits</li> </ul>
Growth Management Division <ul style="list-style-type: none"> <li>Development Approvals Section</li> </ul>	<ul style="list-style-type: none"> <li>Issues water servicing and water meter permits (at the same time)</li> <li>Provides copies of permits to Meter Operations</li> </ul>
Growth Management Division <ul style="list-style-type: none"> <li>Construction Section</li> </ul>	<ul style="list-style-type: none"> <li>Issues water servicing and water meter permits (objective to issue both at the same time)</li> <li>Provides copies of water permits to Hamilton Water Meter Operations</li> <li>Activates water services; where meter is to be installed at the property line in a chamber and requires a meter spacer, water is not to be activated until after spacer is installed</li> <li>Advises Meter Operations and Finance of all water service line activations including dedicated firelines</li> </ul>
Building Division	<ul style="list-style-type: none"> <li>Issues building permits</li> <li>Performs inspections associated with building permit</li> <li>Where water meter is not installed at the property line, will not schedule occupancy inspection unless the meter has been installed</li> </ul>
Financial Planning, Administration and Policy Division	<ul style="list-style-type: none"> <li>Advises HUB to commence unmetered/flat rate billings</li> <li>Identifies properties that have reached the plumbing inspection stage of the building permit process and advises HUB where no meter has been installed to increase to triple unmetered/flat rates</li> </ul>
Hamilton Water Customer Service	<ul style="list-style-type: none"> <li>Manages water meter installations</li> <li>Forwards meter installation work orders to meter contractor</li> <li>Forwards completed meter installation work orders to HUB for billing purposes</li> </ul>
Meter Contractor - Neptune Technology Group	<ul style="list-style-type: none"> <li>Supplies, installs and replaces water meters for Hamilton Water</li> </ul>
HUB (Hamilton Utilities Billing)	<ul style="list-style-type: none"> <li>City's Utility Billing unit commences water billings based on direction from City</li> </ul>

Note: Detailed process flowchart of the related meter installation process is available upon request.

## **POLICY #2 - Third Party Billing Arrangements**

As of June 1, 2018, residential Utility accounts have been set up under and invoices have been sent to the registered owner(s) of the property. All residential tenant-held accounts redirected as of May 31, 2018, will be grandfathered resulting in no change to those billings until such time as the tenants vacate the property. As the grandfathered tenants move out, the accounts will be changed to the owner/landlord's name and future invoices will be sent to the owners. Although payments from tenants/ other non-owners will continue to be accepted, the invoices will only be issued to the property owners and it will remain their responsibility to ensure invoices are paid on time.

Staff, have developed and implemented a communication strategy to advise property owners of the changes to residential tenant billing.

A number of issues have been identified with residential tenant-held accounts as follows:

- Significant tenant arrears are transferred to the property tax roll.
- Landlords claim they are unaware of tenant arrears and/ or the tenant account is being billed on consecutively estimated billings.
- Residential tenants pay for water loss related to plumbing issues that are the responsibility of their landlord.
- Tenant billing involves increased City staff resources in obtaining access to the property's water meter reading equipment.
- Frequently changing a name(s) referenced on the water and wastewater account associated with rental properties.

In contrast, accounts directed to non-residential tenants or property managers have not resulted in the volume and/ or frequency of difficulties as experienced with residential tenants.

The gradual elimination of residential tenant billing is expected to yield the following benefits:

- Avoid the residential tenant payment delinquency issue by having the property owner/landlord pay the water bill and collect the water and wastewater storm costs from their tenant as a condition of the lease agreement.
- The landlord will have the opportunity to save accrued interest charges and administrative costs related to tenant arrears transfers to the tax roll. The City charges interest at a rate of 1.25 percent per month (15 percent per year) starting six calendar days after the due date, compounded monthly, up to the point unpaid arrears are transferred to the tax roll occurring at 60 calendar days after the monthly bill due date. An administrative fee is also charged for each tax roll transfer occurrence. The City applies interest on outstanding amounts transferred to the tax roll at a rate of 1.25 percent per month (15 percent per year).
- A consistent practice will result whereby all residential Utility Billing invoices will be sent to the owners.

- With the Utility bill in the owner's name, potential water leakage will more readily be identified. Leaks result in unexpectedly large water bills which are often unpaid by tenants.
- Water conservation and preservation is enhanced as owners directly receiving the Utility bill are more apt to ensure the property is properly maintained including repairing / updating fixtures and plumbing.
- Access for maintenance of water meter reading equipment is greatly improved when the property owner / landlord is the property account holder.

### **POLICY #3 - Back-billing**

The purpose of this Policy #3 - Back-billing Policy (Policy #3) is to provide Customers with a transparent and consistent procedure for the processing of Utility Back-bills.

The City's Waterworks By-law and wastewater by-laws provide the municipality the authority and responsibility to bill and collect from Customers for all Utility services utilized. The by-laws do not specifically limit the City's ability to Back-bill as their premise is to bill for services used. With the by-laws providing the guiding principles, staff has developed this Utility Billing and Collections Policy By-law that is designed to result in consistent application when dealing with billing exceptions that result from equipment malfunctions, administrative errors and property-owner oversights.

The discovery of a Back-bill requirement may be made by either the Customer or HUB. Back-bills are not issued for a Customer's failure to pay a previously issued Utility bill.

#### **Notification**

The City, notifies the Customer by postal mail, email, phone or by a personal visit of the reason for the Back-bill.

#### **Back-billing Limits and Calculations**

##### **Over / Under-billing Resulting from Utility Errors**

- Any Utility account found to be Under-billed or over-billed shall be corrected immediately.
- Accounts found to have been Under-billed will be Back-billed for the correct amount for the period of the Under-billing but not to exceed 24 months.
- Accounts found to have been over-billed will be credited for all amounts that were over-billed within the past 24 months.
- For residential accounts, the Back-bill may also be limited if there has been a change in property ownership to reflect when the current owner assumed responsibility of the account if less than 24 months prior.

##### **Over / Under-billing Resulting from Errors by Others**

- If the General Manager of Finance and Corporate Services or its designate determines that the failure to bill for services used was not the result of a City error and instead resulted from an illegitimate connection to the public Utility system, the account will be Back-billed for all unbilled Utility services that have been provided.
- The Back-bill will be attributed to an illegitimate connection any time the Customer did not obtain the necessary permits for the connection, or it is determined by the City that the meter was bypassed.
- The Customer's payment of a Back-bill does not preclude the levying of other appropriate fees and penalties or the prosecution for theft of Utility services.

##### **Catch-up Billings**

- Catch-up Billing occurs where previous bills have been based on estimated water use and once an actual water meter reading is obtained, the actual water use for

previous billing periods was higher than what was estimated. All consumption registered through the meter will be billed when an actual reading is received.

#### Estimated Back-Bills

- Where the City is required to estimate the Customer's usage in order to produce a Back-bill, in most cases, the estimated Back-bill will be based on the subject property's normalized average daily consumption. However, the City may also consider any available information to determine a reasonable estimate.

#### Payment of Back-Billing

- The City offers Customers an optional payment arrangement to pay a Back-bill. If requested by the Customer, the repayment term will be equivalent, in length, to the Back-billing period with other terms and conditions as set out in Policy # 9 - Payment Arrangement.
- Interest for Under-billed accounts will not be applied to the Back-billed amount. Similarly, for over-billed accounts, interest will not be paid on the refunded amount.

#### Non-Payment of Back-Billing

- As per Policy # 8 - Arrears, in the event the Customer does not pay the Back-bill upon receipt or accept an optional deferred payment plan, unpaid Utility accounts are transferred to the property tax roll 60 days post invoice due date.

#### Case-by-Case Consideration of Errors

- Each account which is determined to be in error will be reviewed on a case-by-case basis to consider the cause of the error, the cost of research and correction, the knowledge and / or intent of the Customer, the payment history and longevity of the Customer, the Customer's ability to pay, the applicable limitations period, the discoverability of the loss by the City and any other circumstances that deserve consideration.

## **POLICY #4 - Consecutive Estimated Accounts**

This Policy #4 - Consecutive Estimated Accounts (Policy #4) details the protocol, followed by the City, in rendering estimated accounts where actual water consumption cannot be confirmed due to City's inability to obtain access to a water meter or water metering equipment for the purpose of meter reading, installation, inspection, maintenance, or repair of Utility property.

Pursuant to By-law 23-235, To Regulate the Management, Distribution and Maintenance of the Water Works Systems, billing for water supplied by the City is based, in part, on the consumption recorded by the approved water metering equipment. Where no water meter has been installed, billing is based on a non-metered (flat-rate) basis. Section 5.17 of By-law 23-235 requires Customers to provide the City free and clear access to the water meter and associated equipment for the purpose of meter reading, installation, inspection, maintenance, or repair.

Where access to the water meter and related equipment is not provided and actual water consumption cannot be obtained, the City is required to bill consumption based on estimated usage. Policy #4 applies to circumstances where consecutive estimated accounts are issued due to the continued inability of the City or its authorized agents to obtain access to the water meter and related equipment.

### **CONSECUTIVE ESTIMATED ACCOUNTS**

Where a Customer fails to provide access to the water meter and related equipment for the purposes of meter reading, installation, inspection or repair, and actual water consumption cannot be obtained, the City shall issue bills based on estimated consumption in accordance with the consecutive estimated water account protocol set out in Tables 4 and 5 below.

### **SERVICE DISCONNECTION (WATER TURN-OFF)**

If the consecutive estimated account protocol does not result in the City obtaining free and clear access to the water meter and related equipment, the City may disconnect (turn-off) water service to residential premises (excluding multi-residential properties) provided any of the following conditions exist:

- Access to the premises or water metering equipment has not been provided, to the satisfaction of the General Manager of Public Works or designate, for the purposes of meter reading, installation, inspection, maintenance or repair for a minimum of 12 consecutive calendar months;
- An obstruction preventing meter reading, installation, inspection, maintenance or repair has not been removed by the Customer, to the satisfaction of the General Manager of Public Works or designate, despite notice from the City or its authorized agents, for a minimum of 12 consecutive calendar months;
- The premises have been determined to be vacant and at least three consecutive estimated invoices were issued; or

- At least two consecutive increased estimated invoices (either 2m<sup>3</sup>/day or 3m<sup>3</sup>/day) remain unpaid, resulting in arrears being transferred to the property tax roll.

Disconnections (turn-offs) of water service shall not occur under the following circumstances:

- On a Friday, weekend, statutory holiday, the preceding a statutory a holiday, or any day when City administration offices are not open for business;
- Between November 1 to April 30, except for premises determined to be vacant;
- For multi-residential or industrial, commercial and institutional (ICI) accounts;
- For sub-meters commonly referred to as satellite meters.

Following a disconnection (turn-off) of water service, the water service shall not be restored until access to the water meter and related equipment is provided to the satisfaction of the General Manager of Public Works or designate.

Where conditions are encountered that prevent the Utility work to be completed, the City, at its sole discretion, may restore the water service provided the Customer makes arrangements within a specified timeframe to allow the work to be completed. The Customer must comply with these arrangements. Failure to do so may result in the water service being disconnected (shut-off) again, with applicable fees applied.

**Notification**

Notice of planned service disconnection (water shut-off) shall be provided to the owner or occupant of the affected premises by personal service, prepaid mail, or by posting the notice on the premises in a conspicuous location on the premises. Subject to staff availability, the service disconnection (water shut-off) may occur within ten (10) business days following the initial disconnection date specified in the notice.

**Table 4: Consecutive Estimated Water Account Protocol 1 – Single Residential**

Consecutive Estimated Monthly Billing	Meter Reading Contractor	Hamilton Water	HUB	Bill Estimate Calculation
1	Door hanger for meter read	None	None	Estimate based on 12-month avg.  If no history or < 2 billing periods, use 1m <sup>3</sup> /day
2	Door hanger for meter read	None	None	Estimate based on 12-month avg.

				If no history or < 2 billing periods, use 1m <sup>3</sup> /day
3	Door hanger for meter read	Generate and assign work order	None	Estimate based on 12-month avg.  If no history or < 2 billing periods, use 1m <sup>3</sup> /day
4	Door hanger for meter read	Notice to owner: access issue will trigger double/triple flat billing; estimates adjusted accordingly. Where current estimates > 2m <sup>3</sup> /day, use 2 times historical usage.	HUB to send a notification at this time noting the potential move to 2x	Estimate based on 12-month avg.  If no history or < 2 billing periods, use 1m <sup>3</sup> /day
5	Door hanger for meter read	None	None	Double flat rate (2 m <sup>3</sup> /day)  Where current estimates > 2m <sup>3</sup> /day, use 2 times historical usage.
6	Door hanger for meter read	Notice to owner: access issue triggering triple flat rate	HUB to send a notification at this time noting the move to 3x	Triple flat rate (3 m <sup>3</sup> /day)  Where current estimates > 3m <sup>3</sup> /day, use 3 times historical usage.

7 to 11	Door hanger for meter read	None	None	<p>Until meter issues resolved:</p> <p>Triple flat rate (3 m<sup>3</sup>/day)</p> <p>Where current estimates &gt; 3m<sup>3</sup>/day, use 3 times historical usage.</p>
12 and thereafter	Door hanger for meter read	Non-compliance water turn off process commences	None	<p>Until meter issues resolved or water turned off:</p> <p>Triple flat rate (3 m<sup>3</sup>/day)</p> <p>Where current estimates &gt; 3m<sup>3</sup>/day, use 3 times historical usage.</p>

**Table 5: Consecutive Estimated Water Account Protocol 2 – Multi-Residential and ICI**

Consecutive Estimated Monthly Billing	Meter Reading Contractor	Hamilton Water	HUB	Bill Estimate Calculation
1	Door hanger for meter read	None	None	<p>Estimate based on 12-month avg.</p> <p>If no history or &lt; 2 billing periods, use avg. consumption of similar customers</p>
2	Door hanger for meter read	Generate and assign work order	None	<p>Estimate based on 12-month avg.</p> <p>If no history or &lt; 2 billing periods, use</p>

				avg. consumption of similar customers
3	Door hanger for meter read	None	None	Estimate based on 12-month avg.  If no history or < 2 billing periods, use avg. consumption of similar customers
4	Door hanger for meter read	Notice to owner: access issue may trigger double/triple billing based on history or similar accounts	HUB send a notification at this time noting the potential move to 2x	Estimate based on 12-month avg.  If no history or < 2 billing periods, use avg. consumption of similar customers
5	Door hanger for meter read	None	None	Double historical consumption or 2× similar customers if no reliable history
6	Door hanger for meter read	Notice to owner: access issue will trigger triple historical consumption billing, actual or based on similar customer accounts	HUB to send a notification at this time noting the move to 3x	Double historical consumption or 2× similar customers if no reliable history
7 to 11	Door hanger for meter read	None	None	Triple historical consumption or 3× similar customers if no reliable history
12 and thereafter	Door hanger for meter read	None	None	Until meter issues resolved:

				Triple historical consumption or 3× similar customers if no reliable history
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## **POLICY #5 - Leak Adjustment**

### **City and Customer's Responsibilities**

As outlined by the Waterworks By-law, the City's ownership and maintenance obligations for the water distribution system include the public water mains and the portion of the water service line up to and including the water curb valve located at the property line. The water meter is owned and maintained by the City.

The property owner is responsible for the water service line from the water curb valve to the structure, as well as the premise plumbing and fixtures. It is the Customer's responsibility to keep their water lines and plumbing system in good working order. That said, water leaks do occur from time to time resulting in unexpectedly high water bills.

### **Water Leak Adjustment Protection**

The City has partnered with ServLine, a subsidiary of HomeServe USA Corp. (ServLine) to provide the City's residential water Customers with water leak adjustment coverage of one (1) adjustment of up to \$3,000 for leaks on the Customer's premises during any 24-month rolling period. This coverage provides payment of unexpectedly high water bills due to qualifying leaks. See Item F below for services impacted by this protection. The following conditions, provisions and limitations apply:

**A. Qualifying Leaks** - Any leak, other than those non-qualifying leaks listed below, that generates a minimum additional charge resulting in a City water utility bill that is twice the average water bill of that Customer calculated over a twelve (12) month period, up to a maximum adjustment of \$3,000 during any twenty-four (24) month period. For water Customers who have been on the City's water system for less than twelve (12) months, a water leak adjustment will not be made until at least three (3) months of average usage has been established.

**B. Non-Qualifying Leaks or Usage** - The following leaks or use of water do not qualify for a water leak adjustment under this Policy #5 – Leak Adjustment:

- Residential Customers who do not have an individual water meter and/or the meter is greater than 50mm in size;
- Mastered metered Residential;
- ICI Customers;
- Leaks associated with structures that have been left or abandoned without reasonable care for the plumbing system (i.e., unattended homes that have not had the building control water valve turned off inside the structure and water drained from plumbing system or homes that have been left for any period of time without heat);
- Leaks on water service lines, irrigation systems or irrigation lines;
- Filling of water features, fountains or fish ponds or leaks associated with water features;
- Filling of, leaks associated with, and/or general water usage associated with

outdoor recreational activities such as, but not limited to, hot tubs, pools, slip-n-slides and sprinklers;

- Watering of lawns or gardens and washing or pressure-washing driveways, cars, windows or siding of any structure;
- Negligent or intentional acts such as leaving water running (i.e., failing to winterize outside water faucets, leaving the outside faucet on, interior faucets left running, and/or any other water left on in the home without a faulty plumbing issue), meaning there must be an actual break and repair for leak reimbursement; neglect of private property;
- Leaks in any structure other than the primary residential structure, such as, but not limited to, detached garages or storage buildings;
- Water loss due to theft, vandalism, or construction damage;
- Leaks associated with water using equipment prohibited by the City's Waterworks By-law (for example, municipal water-powered backup sump pumps).

### **C. Submission of Claims**

1. Claims must be submitted to ServLine within sixty (60) days from the billing date.
2. Claims must be accompanied by proof that the leak has been repaired before an adjustment will be made (i.e., copy of invoice for materials, bill from plumber, receipt for repair parts utilized by the homeowner for repair, meter consumption information, when available).
3. Contact ServLine to initiate a claim.

**D. Limitations** - A leak adjustment can encompass no more than four (4) billing cycles. No Customer shall receive more than one (1) leak adjustment during any twenty-four (24) month period. Water leak adjustment coverage assists with the payment of high water bills due to qualifying water leaks but does not provide any reimbursement for the repair or replacement of water lines or plumbing fixtures. Customers who qualify for leak adjustments will be responsible for paying their four-month average bill. ServLine will pay up to \$3,000 of an excess water bill resulting from a qualifying leak. Amounts in excess of \$3,000 will continue to be the responsibility of the Customer.

**E. Enrollment** – As of January 1, 2022, all Residential Customers who have an individual water meter up to 50mm in size were transitioned into the enhanced program, for the water leak adjustment coverage through the City's partner, ServLine. Qualifying new Residential Customers are automatically enrolled.

**F. Services Impacted** - Leak adjustments approved are applicable to water and wastewater / storm charges.

### **Contacting ServLine**

All questions concerning this water leak adjustment policy should be directed to ServLine who administers the program on the City's behalf.

## **POLICY #6 - Private Water Service Line Leak Wastewater Bill Adjustment**

This Policy #6 - Private Water Service Line Leak Wastewater Bill Adjustment Policy (Policy #6) provides Customers who utilize City water services the opportunity to request adjustments of wastewater bills and associated fees, penalties and interest accrued, when Utility Billings increase significantly, as a result of private watermain/ service line leak(s), where the leak(s) are downstream of the property's water meter. An adjustment would only occur where the City's Hamilton Water Division determines that the leaking water from the private watermain/service line leak(s) likely did not enter the City's sanitary sewer, storm sewer or combined sewer system.

As outlined by the City's Waterworks By-law, the City's ownership and maintenance obligations for the water distribution system includes the public watermains and the portion of the water service line up to and including the water curb stop located at the property line. The water meter is owned and maintained by the City.

The property owner is responsible for the private watermain/service line from the water curb stop to the structure, as well as the premise plumbing and fixtures. It is the Customer's responsibility to keep their water lines and plumbing system in good working order. However, the City recognizes that water leaks do occur from time to time. Water leaks that occur downstream of a property's water meter will affect the property's Utility bills. Water meters may be located at the property line typically in underground chambers for some multi-residential and ICI properties.

Policy #6 sets out specific eligibility criteria that a Customer must meet in order to qualify for a billing adjustment due to increased Utility Billings related to downstream private watermain/service line leaks. As Utility Billings are based on potable water usage, Policy #6 aims to ensure that fundamental user fee principles related to Utility services are maintained.

Policy #6 provides staff with the delegated authority to make decisions on bill adjustments related to private watermain/service line leaks supporting the principle of a user-pay Utility system. A user fee is a charge imposed by the City for the primary purpose of covering the cost of providing a service, directly raising funds from those who benefit from the public good or service being provided. Policy #6 recognizes that water from private watermain/service line breaks may not enter into the City's sanitary sewer, storm sewer or combined sewer system and therefore, should not be subject to wastewater treatment charges.

### **REQUIREMENTS FOR UTILITY BILLING ADJUSTMENTS**

Under Policy #6, a credit adjustment may be available up to a maximum of twelve (12) months and up to \$200,000 to qualifying Customers who experience a private watermain/ service line leak when determined by the City that the water did not enter the City's sanitary sewer, storm sewer or combined sewer system. Adjustments for \$200,000 or greater are to be brought forward for the consideration of the Audit, Finance and Administration (AFA) Committee.

**Adjustment Amount (Credit)** – The Customer's Utility Billings may be adjusted based on the amount of water associated with the private watermain/service line leak(s) costed at the applicable year's wastewater rates.

**To qualify for such determination:**

- It is the property owner's responsibility to keep the private watermain/service line and their plumbing system in good working order.
- To qualify for a service line leak adjustment, the eligible watermain/service line leak(s) must generate a minimum additional charge of at least two (2) times the average of the past twelve (12) months' bills.
- An adjustment would only occur where the City determines that the leaking water from private watermain/service line leak(s) likely did not enter the City's sanitary sewer, storm sewer or combined sewer system.
- The Customer agrees to permit City personnel to access the Customer's property to conduct inspections and determine that the leakage did not enter the City's sanitary sewer, storm sewer or combined sewer system.
- Upon receipt of an abnormally high water bill, the Customer has actively attempted to address the leakage in a reasonable timeframe. The claim must be accompanied by proof that the leak(s) has been repaired before an adjustment will be made (i.e., copy of invoice for materials, contractor invoice).

**OTHER CONDITIONS / EXCLUSIONS**

- Water loss due to theft, vandalism or construction damage is not eligible for relief under this Policy. Resolving these issues is the responsibility of the Customer.
- Leaks associated with structures that have been left or abandoned. In accordance with the Waterworks By-law, for all Vacant properties, the water service should be shut off at the property line.
- Leaks on irrigation systems or irrigation lines.
- Filling of water features, fountains or fish ponds, or leaks associated with water features.
- Filling of or leaks associated with and/or general water usage associated with outdoor recreational activities such as, but not limited to, hot tubs, pools, slip-n-slides and sprinklers.
- Watering of lawns or gardens and washing or pressure-washing driveways, cars, windows or siding of any structure.
- Water loss due to theft, vandalism or construction damage.

The Customer is required to keep their Utility account current with payment in full or establish a payment arrangement pending consideration in order to be eligible for billing adjustments under this Policy. Any unpaid amounts under appeal will be treated in the same manner as all other unpaid accounts so that collection activity continues as per the City's Policy #9 - Payment Arrangement.

## **POLICY #7 - Extraordinary Circumstances**

This Policy #7 - Extraordinary Circumstances Policy (Policy #7) provides residential, not-for-profit, and institutional Customers who utilize City water services the opportunity to request adjustments to abnormally high water and wastewater/storm billings which result from unexplained or extraordinary and unusual circumstances and are not attributable to identified leaking situations.

Policy #7 sets out specific eligibility criteria that a Customer must meet in order to qualify for a billing adjustment for an abnormally high Utility Billing resulting from unexplained or extraordinary and unusual circumstances.

Policy #7 is intended to apply to situations that are not associated with plumbing failures, that do not qualify for relief under Policy #5, and that may result in an undue financial hardship for some Customers.

To provide staff with the authority to consider and permit adjustments to unusually high Utility Billing which result from unexplained and/or extraordinary and unusual circumstances and are not caused by an identified leaking situation.

### **REQUIREMENTS FOR WATER AND WASTEWATER / STORM BILLING ADJUSTMENTS**

Under Policy #7, a billing adjustment may be available to qualifying Utility Billing Customers who experience high Utility Billings for abnormally high water usage which falls under one of the two categories:

1. Unexplained Consumption Increase; or
2. Extraordinary Circumstance.

Situations that are eligible for relief under Policy #5 are **not** eligible for billing adjustments under Policy #7.

**Adjustment Amount (Credit)** – The Customer's billing may be adjusted for up to 50 per cent of the change between the average consumption of the affected property and the bill for the period of abnormally high water usage. If there is no prior year history, the credit if granted, will be based on the average consumption of similar Customers.

#### **1. Unexplained Consumption Increase** – a situation where:

- The water meter has been tested and found to be measuring water consumption within prescribed standards for accuracy and is otherwise free from defects that could affect the measurement of water consumption. In accordance with the Waterworks By-law, the cost of water meter testing when requested by a Customer is borne by the property owner if the meter tests within the accuracy standards as set out by American Water Works Association (AWWA). If the water meter does not meet the accuracy standards, then the cost of the test and the cost to replace the meter are borne by the City;

- The abnormally high water usage relates to a limited period of water usage of no greater than 120 days in duration and, in the sole determination of the General Manager of Finance & Corporate Services or its designate, cannot reasonably be attributed to:
  - other known activities;
  - an act or omission of the Customer, an occupant of the property or a person within the Customer's or occupant's control; or
  - a leak or other defect in the private plumbing system of the Customer's property (such leak situations and potential remedies are normally addressed under Policy #5).

**For the purposes of such determination:**

The Customer must submit a signed copy of an *Unexplained High Water Use Billing Adjustment Request Form* available from the City's billing unit; and

The Customer must also complete a declaration that:

- the unexplained abnormally high water usage is not the result of an apparent or deliberate act of the Customer such as pool filling or irrigation use and there is no reasonable explanation for the high usage;
- the Customer agrees that an unexplained abnormally high water usage billing adjustment will NOT be available where:
  - there exists a cross connection with a well or other water source on the subject Customer's property;
  - the unexplained abnormally high water usage was caused by equipment which was improperly installed, malfunctioned due to manufacturer's defect, or is covered by any written warranty e.g., sump pumps or water softeners covered by new home warranties; or the Customer's Utility account with the City is not in good standing;
- The Customer must provide to the General Manager of Finance & Corporate Services, at the Customer's cost, written verification from a plumbing contractor, licensed to carry on business in the City, that the private plumbing system for the Customer's property is free from leaks or other defects that may affect water consumption and that upon careful inspection of the system there are no other factors that may explain the increased consumption;
- The Customer must provide to the General Manager of Finance & Corporate Services any documentation or other information in the Customer's possession or knowledge in respect to the private plumbing system for the subject property, occupants of the subject property and the Customer's water consumption during the billing period in question as the General Manager of Finance & Corporate Services may request; and
- The Customer agrees to permit City personnel to access the Customer's property to conduct inspections.

## **2. Extraordinary Circumstances** – a situation where:

- The likely cause of an increase in water consumption is known but there are unique and unusual circumstances and given the potential for undue financial hardship for some Customers, a potential billing adjustment may be available under Policy #7;
- Customers through no fault of their own have incurred high water bills for abnormally high water usage due to natural disaster or construction activities not under contract by the property owner and/or tenant. The Customer must provide evidence of no relief available from third party sources such as insurance claims; or
- Customers experience high water bills due to abnormally high water usage where the detection and correction of the usage could not have been reasonably been accomplished in time to avoid the excessive water usage. Examples include where Customers are medically incapable (written evidence may be requested) of addressing a leaking situation in a timely fashion.

### **For the purposes of such determination:**

The General Manager of Finance & Corporate Services is delegated the authority to determine Policy application in extraordinary circumstances.

## **OTHER CONDITIONS / EXCLUSIONS**

- Policy #7 is only available to eligible Customers who have high water billings for abnormally high water usage. Water consumption must have returned to normal (average) levels;
- The abnormally high water usage in question must have occurred over the last three Utility Billings;
- Only one billing adjustment (if granted) is available per property owner with a maximum adjustment of 120 days;
- Requests for billing adjustments must be received by the City within 60 calendar days of the billing date in which the abnormally high water usage was reflected;
- Water loss due to theft, vandalism or construction damage is not eligible for relief under Policy #7. Resolving these issues is the responsibility of the Customer;
- Policy #7 does not apply where a dwelling is unoccupied for more than 72 hours. For extended absences, Customers should consider shutting off the water supply (except where water is used for heating) and draining all the pipes and appliances. In accordance with the Waterworks By-law, whenever any premises having water service becomes a vacant premise (as defined under that By-law), the owner is required within twenty-four (24) hours of vacancy to notify in writing, the City's Water Division to shut off the water at the street line; and
- The Customer is required to keep their Utility account current with payment in full or establish a payment arrangement pending consideration in order to be eligible for billing adjustments under Policy #7. Any unpaid amounts under appeal will be treated in the same manner as all other unpaid accounts so that collection activity continues as per Policy #8.

## COLLECTIONS POLICIES

### POLICY #8 - Arrears

This Policy #8 - Arrears (Policy #8) details the account collections protocol including the timing of certain collection activities when accounts for Utility services provided by the City are unpaid and past due.

#### Utility Account Collection Process

1. Invoices are issued with a due date of 24 calendar days from the invoice creation date.
2. Payments by mail will be processed as of the date the payment is received. The Customer is responsible to ensure that payments are received by Hamilton Utilities Billing on or before payment deadlines.
3. Partial payment received on an account that is in arrears will be applied to penalties and interest first and then to applicable Utility charges.
4. A service charge shall be applied if a payment is dishonoured by the bank for any reason.
5. All unpaid fees and charges will be charged interest at a rate of 1.25 per cent per month starting six (6) calendar days after the due date compounded monthly from the due date. This interest rate is applicable up to the point of unpaid arrears being transferred to the property tax account as outlined in Step 2 of Table 6 below.
6. If the fees and charges for the supply of Utility services are not paid when they become due, the City may transfer the unpaid fees and charges to the property tax account in accordance with the provisions of the *Municipal Act, 2001*. The transferred outstanding balance will be subject to interest being applied at a rate as specified by the Late Payment Charges for the Non-Payment of Taxes By-law 13-136, as amended by by-law 20-045 and as further amended from time to time.
7. Accounts that fall into arrears follow the collection protocol below. The collection protocol applies to residential, institutional, commercial and industrial water accounts and provides:
  - Initial invoice is issued to account holders setting out the amount due for the fees and charges for the supply of Utility services;
  - Reminders are sent to account holders and property owners of their obligation to pay fees and charges for the supply of Utility services;
  - Opportunity is provided for payment in accordance with Policy #8; and
  - Enforcement steps are taken in accordance with Policy #8 when the invoice/account remains unpaid.

**Table 6**

<b>Steps</b>	<b>Circumstance</b>	<b>Response</b>	<b>Result</b>
1	Account outstanding 30 calendar days beyond due date	"Past Due Reminder Notice" mailed/mailed to account holder and the property owner (if different from the account holder) following the 30 <sup>th</sup> day advising of pending action if payment not received within the 30 days.	Payment of amount due or account remains outstanding
2	Account outstanding 60 or more calendar days beyond due date	Outstanding amount transferred to property tax account roll. "Utility Arrears Transfer to Tax Letter" is mailed to the property owner. Applicable tax account transfer fee added to each property tax account.	City Utility revenue secured

**Customer Notifications**

Reasonable efforts are undertaken by the City to provide the following notifications:

**Past Due Reminder Notice** – mailed/mailed by the City to account holder of accounts and the property owner (if different from the account holder) following the 30<sup>th</sup> day advising of pending action if payment not received within the 30 days. This notification advises of the past due water and/or wastewater / storm arrears and advises of a 30-day period for the payment to be made. It further notifies that the outstanding amount plus an applicable administrative fee will be added to the property tax account if the arrears are unpaid.

All reminder notices that are mailed will have an administrative charge added to the account.

The City will ensure that arrears notices, where there is an absence of an assigned tax roll number for the new property:

- are sent to the purchaser (account holder);
- advise the purchaser that arrears will remain on the utility account;
- advise the purchaser that the balance continues to accrue interest at a rate of 1.25 per cent per month; and
- advise the purchaser that balances that remain outstanding 60 or more days, plus accrued interest and an applicable administrative fee, will be immediately transferred to the property tax roll once a tax roll number has been.

**Utility Arrears Transfer to Tax Letter** – mailed to property owner by the City's Taxation Section advising that Utility arrears, plus any accrued interest and an applicable administrative fee has been added to the tax account.

**Rental Properties**

Where a landlord-tenant relationship exists, the protocol outlined in Table 6 is followed. Where the tenant is named as the account holder, the Past Due Reminder Notice advising of the potential transfer of arrears to the property tax roll is sent to both the account holder and the property owner.

Where a tax account transfer has occurred and if a person other than the property owner has been designated as the Utility bill recipient, further Utility bills may be sent to the property owner.

### **Condominium Water Arrears**

Condominium properties are comprised of many individually assessed units, each with an assessed owner. In many cases, water supplied to a condominium property is measured and accounted for by a single bulk water meter that records water consumption for the entire property.

The water fees of a condominium corporation that remain outstanding 60 days after their due date may be transferred to the tax accounts of that corporation's individual condominium units on a pro-rata basis equal to the proportions, expressed in percentages, allocated to the units, in which the owners are to contribute to the common expenses as set out in the declaration of the condominium corporation.

Additionally, the General Manager, Finance and Corporate Services, may exempt units, in whole or in part, from their proportionate share of Utility arrears where such units are directly supplied with metered water.

### **Newly Built Properties Utility Arrears**

To accommodate the Utility Billing for purchasers who have taken possession of newly built properties, the City will update the Utility account to the purchaser's name(s) and will bill accordingly.

All newly developed properties are assessed by the Municipal Property Assessment Corporation (MPAC) which assigns an assessment roll number which the City uses for taxation purposes as the property's tax roll number. However, the assignment of a roll number may not occur until long after the transfer of title to the purchaser's name(s) has occurred.

During this period where the purchaser is receiving the Utility bill and a tax roll number has not yet been assigned, any unpaid Utility balances that remain outstanding 60 or more calendar days beyond the invoice due date will be retained by the City.

The City will ensure that arrears notices, where there is an absence of an assigned tax roll number for the new property:

- are sent to the purchaser (account holder);
- advise the purchaser that arrears will remain on the Utility account;

- advise the purchaser that the balance continues to accrue interest at a rate of 1.25 per cent per month; and
- advise the purchaser that balances that remain outstanding 60 or more days, plus accrued interest and an applicable administrative fee, will be immediately transferred to the property tax roll once a tax roll number has been assigned.

### **Tax Exempt Property Water Arrears**

Accounts held by entities such as government, hospitals, education, and not-for-profits, may be exempt from taxes. Overdue amounts for Utility services owed by any exempt entities may be transferred to the tax account for the property, and or disconnection of service for non-payment may occur. If disconnection of service for non-payment occurs, the account will be charged the applicable fee for turning the water service off/on.

### **Authority to Transfer Arrears to Tax Roll**

Pursuant to section 398(2) of the *Municipal Act, 2001*, the municipality may add unpaid public utility fees and charges, which include Utility arrears, to the tax roll for the property to which the public utility was supplied.

Ontario Regulation No. 581/06 additionally identifies such fees or charges associated with the supply of Utility services as having "priority lien status" as described in Section 1 of the *Municipal Act, 2001*, such that, when added to a property tax account because of payment default, these fees and charges:

- may be collected in the same manner as taxes on the property;
- may be recovered with costs as a debt due to the municipality from the assessed owner of the property at the time the fee was added to the tax account and from any subsequent owner of the property or any part of it;
- are a special lien on the property in the same manner as taxes under subsection 349(3) Act; and
- may be included in the cancellation price under Part XI of the *Municipal Act, 2001*, in the same manner as are taxes on the property, in the event that a Tax Arrears Certificate is registered on title of the property.

The Waterworks By-Law, as amended, also permits the collection of Utility arrears in the same manner as property taxes by transferring arrears amounts to the property tax roll.

## **POLICY #9 – Payment Arrangement**

This Policy #9 - Payment Arrangement (Policy #9) allows City Customers the opportunity to pay off past-due bill balances to keep their accounts in good standing. Payment Extension or deferred Payment Arrangements are a reasonable measure to ensure the City recovers water and wastewater/storm revenue without creating undue hardship for City Utility Customers.

A Payment Extension allows for payment of an account to occur within 5 business days of the invoice due date without the Customer incurring additional fees or penalties. A Payment Arrangement allows for the past-due amounts to be spread out over a specified period of time payable in equal installments at fixed intervals (usually every month). These payments are called Payment Instalments. Customers are required to pay the agreed-upon Payment Instalment in addition to paying their regular Utility charges in full by the bill due date each month. Payment Arrangements must be requested prior to a transfer of unpaid Utility fees and charges to the tax roll for the property to which services were supplied.

### **BACKGROUND**

The City seeks to structure and administer Policy #9 to maximize the successful collection of Utility service amounts owing to the City while allowing the Customer to retain active Utility service. Policy #9 allows for a consistent approach to Customer service and reinforces regular payment of outstanding fees and charges.

Policy #9 affords an opportunity to Customers, under specified circumstances, to request payment accommodations for payment of their outstanding Utility bills in the form of Payment Extensions and Payment Arrangements. Payment Extensions and Payment Arrangements are discretionary and the City is not obligated to grant them. Requests for payment accommodations will be assessed on a case-by-case basis. Payment Extension and Payment Arrangements are meant to be used from time to time and not habitually.

### **PAYMENT EXTENSIONS**

The City recognizes that from time to time Customers need an extension to pay their current Utility bill due to unforeseen circumstances. An approved extension allows for payment to occur within five business days of the invoice due date without incurring additional fees or penalties. The granting of the payment extension will be at the sole discretion of the City.

### **PAYMENT ARRANGEMENTS**

Payment Arrangements allow City utility Customers the opportunity to pay past-due Utility bill balances and keep their account in good standing. With a Payment Arrangement, the outstanding amount is paid over a specified period of time payable in equal installments at fixed intervals (usually every month).

## Eligibility

A Customer is eligible for a Payment Arrangement if:

- Customer has an active account;
- Customer does not currently have a Payment Arrangement with a Utility company to pay off previous Utility arrears;
- Customer has not contravened a previous Payment Arrangement within the past twelve months;
- Customer has not filed or is in not the process of filing for bankruptcy or proposal to creditors;
- There is no evidence of unauthorized alteration to the water meter and/or piping to by-pass the water meter on the property for which the Payment Arrangement request is being filed; and
- Where a tenant is the account holder, the property owner must provide Consent in writing for the Payment Arrangement.

## Conditions

### **Payment Arrangements are subject to the following requirements:**

- Customers are required to make a partial payment equal to, at minimum, the Customer's average bill prior to establishing a Payment Arrangement;
- In addition to keeping Payment Instalments current, all new and future charges must also be paid on time; and
- Upon Default in complying with the terms of a Payment Arrangement, the outstanding balance will become immediately due and subject to usual late payment interest and charges. All unpaid arrears up to the date of the default will be transferred to the property tax roll.

Any of the following constitutes "Default" of a Payment Arrangement:

- Failure to pay a Payment Instalment when due;
- Payment of an amount that is less than the agreed-upon Payment Instalment; or
- Failure to pay the full amount of new/future charges (not associated with the Payment Arrangement) before account enters collections.

The following factors will be considered when determining the eligibility, length and other particulars of a Payment Arrangement:

- Customer's ability to pay;
- The amount of the bill resulting in the payment accommodation request;
- Customer's previous payment history;
- The reason for the payment accommodation request;
- The length of time the bill has remained unpaid; and
- Any special circumstances creating an extreme hardship for the Customer.

## STANDARD PAYMENT ARRANGEMENTS

With Standard Payment Arrangements, Customers having difficulty paying their past-due Utility bill amounts can apply to have the arrears payable over a specified period of time in equal instalments set at fixed intervals (usually every month). Customers may contact HUB to discuss their payment options and situation.

### Residential, Institutional and Not-for-profit Customers

- Residential, Institutional, and not-for-profit Customers are required to make a partial payment equal to, at minimum, the Customer's average bill prior to establishing a Payment Arrangement.
- The remaining balance must be paid over no more than a 24-month payment period.

### Commercial and Industrial Customers

- Commercial and Industrial customers are required to make a partial payment equal to, at minimum, the Customer's average bill prior to establishing a Payment Arrangement.
- The remaining balance must be paid over no more than a 12-month payment period, with interest applied at a rate of 1.25 percent per month (15 percent per year).

### Tenants

- Tenant(s) must obtain a written consent from the owner(s) registered on title to the property for which a Payment Arrangement is sought for the Payment Arrangement. The consent must be in the form provided by the City. The written consent may be obtained from the owner directly by the Tenant(s), or, at the request of the Tenant(s), may be obtained by HUB on the Tenant's behalf. No Payment Arrangement will be established without the written consent of the owner.
- Tenant Customers are required to make a partial payment equal to, at minimum, the Customer's average bill prior to establishing a Payment Arrangement.
- The remaining balance to be paid over no more than a 24-month payment period, with interest applied at a rate of 1.25 percent per month (15 percent per year).

### Landlords

- The City provides the opportunity for Utility bills to be sent to a person other than the property owner such as a tenant or property manager and to be paid for by that person. However, this does not affect the property owner's liability for the charges. Where the water bill is sent to anyone other than the property owner and remains unpaid, subsection 398(2) of the *Municipal Act, 2001* permits the City to add unpaid Utility fees and charges to the tax roll of the property to which the public utility was supplied. In such circumstances, the fees and charges added to the tax roll will have priority lien status as described under section 1 of the *Municipal Act, 2001*. Where a tenant who is in receipt of water bills, contacts HUB to request a Payment Arrangement for past-due bills related to water and wastewater/storm fees and charges, HUB or the tenant will inform the property owner of the proposed plan for their consent.
- Landlords that retain the water bill for their Income Producing Residential Rental Properties may contact HUB should they experience payment difficulties to discuss Payment Arrangement options.

- Landlord Customers are required to make a partial payment equal to, at minimum, the Customer's average bill to establish a Payment Arrangement.
- The remaining balance to be paid over no more than a 24-month payment period, with interest applied at a rate of 1.25 percent per month (15 percent per year).

### **SPECIAL PAYMENT ARRANGEMENTS**

There may be situations where the Payment Arrangement terms and conditions are extended beyond the Standard Payment Arrangements limitations dependent on various situations as outlined below:

#### **Water Leak and Extraordinary Circumstance Policy Considerations**

Customers seeking consideration under Policy #5 - Leak Adjustment or Policy #7 - Extraordinary Circumstances may enter into a short-term Payment Arrangement, typically under four months, as the Customer's account must remain in good standing pending the outcome of requests made under those policies. Interest on the outstanding balances is waived until such time as the decision is made under those policies and/or a Standard Payment Arrangement approved.

#### **Back-billings**

Accounts may be Back-billed on occasion. Understanding that a Back-bill may cause hardship, the City may offer Customers a Payment Arrangement with a repayment term that aligns with the time period of the Back-bill (even where the repayment term exceeds the maximum term available under Standard Payment Arrangements). The Payment Arrangement may be approved with no applicable interest or penalties assessed as long as the account remains current and the scheduled Payment Instalments are made.

#### **Low Income Payment Arrangements (LIPA)**

Special Payment Arrangement terms are available for residential Customers who meet income eligibility requirements set by the City. These Low Income Payment Arrangements increase the amount of time for qualified Customers to pay off their past-due Utility bill balances over and beyond the term limits under Standard Payment Arrangements. The Payment Arrangement may be approved with no applicable interest or penalties assessed as long as the account remains in good standing. Additionally, qualified low income Customers may be assessed a down payment less than their account average bill amount, as well as, possible reduction of incurred late payment fees.

Customers seeking to qualify for a LIPA must complete an application form providing documentation and proof of total gross household income for all family members. Eligibility will be determined where family income falls below the Low-income Energy Assistance Program Income Cut-Off for the family size published by the Ontario Energy Board for the billing year the application for the LIPA is made by the Customer.

#### **Financial Hardship**

The City recognizes that residential Customers can experience periods of financial hardship affecting their capacity to pay past-due water and wastewater/storm bills due

to life events that are typically of an unplanned or uncontrollable nature such as:

- unemployment;
- medical illness;
- physical or intellectual disability of the Customer or dependant affecting their capacity to pay;
- death in the family;
- change in the family unit;
- domestic violence;
- sudden loss of income or substantial reduction in income;
- legal proceedings;
- natural calamity such as fire, flood or storm damage; or
- other unforeseen factors affecting Customer capacity to pay, such as an increase in non-discretionary spending.

Offering flexible Payment Arrangements, based on the Customer's capacity to pay, assists Customers with solutions to manage their ongoing Utility costs and payments. Approval of a Financial Hardship Special Payment Agreement increases the amount of time for qualified Customers to pay off their past-due water and wastewater/storm bill balances over and above the term limits under a Standard Payment Arrangement. The Payment Arrangement may be approved with no applicable interest or penalties assessed as long as the account remains in good standing. Additionally, qualified financial hardship Customers may be assessed a down payment less than their account average bill amount, and with possible reduction of incurred late payment fees.

When considering a Customer's ability to pay, the Customer's financial situation and their ability to meet the overall costs of their basic living needs will be considered.

Basic living needs include:

- Rent or mortgage;
- Other utilities (e.g., electricity, phone and gas);
- Food and groceries;
- Transportation (including transit, fuel and car expenses);
- Childcare and school fees;
- Clothing; and
- Medical and dental expenses.

To assess whether a Customer is experiencing financial hardship, the following information and/or documents relating to their personal circumstances may be requested:

- Employment status;
- Income and Basic Living Needs;
- Dynamic of household / number of dependants;
- Capacity to pay;
- How much the Customer can afford to pay; and
- Other financial commitments.

The Customer will be assessed as experiencing financial hardship and will be assisted through a Financial Hardship Special Payment Arrangement if information provided by the Customer indicates that:

- The Customer is unable to pay their past-due Utility bill balances in accordance with the Standard Payment Arrangement terms due to financial hardship; and
- It appears that the Customer will be unable to pay past-due Utility bill balances without affecting their ability to meet basic living needs.

Financial Hardship Special Payment Arrangements are available only for residential Customers with the exception of owners/landlords of Income Producing Residential Rental Properties.

### **Extended-term Payment Arrangements**

All Customers may request a Payment Arrangements with extended repayment terms that exceed the Standard Payment Arrangement terms for situations not related to a Back-bill, LIPA or Financial Hardship. At the sole discretion of the City, these requests may be considered and, where approved, interest may be applicable to any arrears subject to such Payment Arrangements at a rate of 1.25 percent per month (15 percent per year).

## **PAYMENT ARRANGEMENT APPROVAL & ADMINISTRATION REQUIREMENTS**

### **Approvals**

- Standard / Special Payment Arrangements up to \$5,000: may be approved by HUB in accordance with Policy #9 with monthly reporting to the City of all active payment arrangements.
- Standard / Special Payment Arrangements between \$5,000 and up to \$200,000: may be approved by the General Manager of Finance and Corporate Services or the Director of Financial Planning, Administration and Policy.
- Standard / Special Payment Arrangements of \$200,000 or greater: may be approved by City Council.

### **Administration**

- The City, as applicable, will administer Payment Extensions and Payment Arrangements in accordance with Policy #9.
- Payment Extensions are wholly administered by HUB.
- Payment Arrangements up to \$5,000 with Standard Payment Arrangement terms are wholly administered by HUB.
- Payment Arrangements of \$5,000 or greater and/or Special Payment Arrangements are administered by HUB based on prior direction and approval from the City.

## APPENDIX A - Privacy Statement

### 1) INTRODUCTION

The City handles all Utility Billing. In order to provide you with water, wastewater and stormwater services, the City collects and maintains personal information for the use of the City. This information is collected under the legal authority of the *Municipal Act, 2001* Part III – Sections 78 - 91, 96, 97 and Part XII – Sections 227, 391 and 398.

All personal information collected is protected under the *Municipal Freedom of Information and Protection of Privacy Act* (MFIPPA). The City is committed to protecting information about identifiable individuals who are its Customers. The City uses the Personal Information of its Customers to provide services, manage its water, wastewater and stormwater operations, promote water, wastewater and stormwater programs including the water and wastewater/storm protection plan and grants that may be available to its Customers.

This Privacy Statement will be reviewed from time-to-time for revisions to reflect changes to the City's operations or MFIPPA. Customers are encouraged to review this Privacy Statement from time-to-time for revisions.

Customers who receive Utility services from the City will be deemed to have accepted the terms and conditions of this Privacy Statement.

**For the purpose of this APPENDIX A - Privacy Statement, the following definitions shall apply:**

**"Collection"** means the act of gathering, acquiring, recording or obtaining Personal Information from any source, including third parties, by any means.

**"Consent"** except where inconsistent with the context means the act of voluntarily agreeing to the collection, use and Disclosure of Personal Information for defined purposes. Consent can be either express or implied and can be provided directly by the individual or by someone authorized to provide consent on behalf of the individual. Express consent may be given orally, electronically or in writing and does not require any inference on the part of the City. Implied consent may be reasonably inferred from an individual's action or inaction by the City.

**"Disclosure"** means the release of personal information by any method (e.g., sharing information by any means such as verbally, sending an email, posting online) to any person.

## 2) POLICY

### **PRIVACY QUESTIONS / REQUESTS**

If you have any questions or concerns about this Privacy Statement, please direct inquiries to [hamiltonutilitiesbilling@hamilton.ca](mailto:hamiltonutilitiesbilling@hamilton.ca).

### **NOTICE OF PURPOSES: COLLECTION, USE AND DISCLOSURE OF PERSONAL INFORMATION**

The City uses the Personal Information of its Customers to provide services, manage its water, wastewater and stormwater operations, promote water, wastewater and stormwater programs including the water and wastewater protection plan and grants that may be available to its Customers.

This personal information will be used to provide you with ongoing service for billing, collection and conservation, which includes the following purposes:

- For establishing and maintaining responsible commercial relations with Customers including providing services, billing for services, sending notices about services, responding to Customer enquiries and otherwise providing Customer service;
- For settlement, processing and the collection of past due accounts including notification of landlords (where applicable) of the opening of an account and of unpaid accounts;
- For law enforcement purposes and complying with legal requirements, including purposes consistent with those for which the information was obtained; and
- For effective water, wastewater and stormwater management and provision of ongoing service to Customers, including system planning, conservation planning, programs and initiatives including a water and wastewater protection plan.

Individuals are invited to ask the City for an explanation of the purposes the City has identified for the use of Personal Information. Individuals should direct their questions to: [hamiltonutilitiesbilling@hamilton.ca](mailto:hamiltonutilitiesbilling@hamilton.ca).

Unless permitted or required by law, the City shall not use Personal Information for any new purpose without first obtaining Consent.

The City may disclose Personal Information to external (third-party) consultants and service providers (Service Providers), including legal counsel or insurance providers. These Service Providers include, for example, legal and information technology services, which require the information to provide their services to the City. By contract, the City require Service Providers to protect Personal Information to the same degree as they protect the information.

Your personal information is not shared with any third parties without your prior Consent except for the above or a consistent purpose and where required or permitted by law.

### **CONSENT**

In general, the use of services by a Customer, constitutes implied Consent for the City to collect, use and disclose Personal Information for the purpose of providing the services.

A Customer may withdraw Consent to the continued use of his or her Personal Information on reasonable notice. This is, however, subject to any legal requirements for the City to continue to use the information. Customers are invited to discuss the implications of withdrawing Consent to any particular use or Disclosure of their Personal Information with the City. Customer inquiries should be directed to [hamiltonutilitiesbilling@hamilton.ca](mailto:hamiltonutilitiesbilling@hamilton.ca).

### **SECURITY OF PERSONAL INFORMATION**

The City limits access to Personal Information to those of its employees and agents who require the information to perform their duties.

Where Personal Information has been used to make a decision about a Customer, the City will retain the information in accordance with its records retention by-law, unless otherwise agreed to with the Customer. The City will maintain reasonable systematic controls, schedules and practices for records retention and destruction. Personal Information that is no longer necessary or relevant for the identified purposes or required to be retained will be destroyed, erased or made anonymous in compliance with legal obligations.

The City employs a number of different security safeguards to protect Personal Information against risks. These risks include, for example, loss, theft, unauthorized access, Disclosure, copying, use, modification or destruction. The security safeguards include, for example, technological ones such as firewalls and passwords, physical ones such as controlled access to its facilities, and administrative ones such as enforcing compliance with this Privacy Statement. The City requires all its employees and agents who have access to Personal Information, as a condition of their employment, to treat Personal Information in accordance with its MFIPPA obligations and this Privacy Statement and provides its employees with training about Personal Information management.

### **ACCESS TO ONE'S OWN PERSONAL INFORMATION**

Upon written request, the City will provide a Customer or employee a reasonable opportunity to review his or her own Personal Information, except in limited circumstances set out in MFIPPA. The City will provide notice if there will be a fee for accessing Personal Information and, as a security measure, may require identification before providing access.

The City will correct or complete a record of Personal Information (unless it is believes that the information is accurate or complete) and will record any unresolved differences as to accuracy or completeness in the individual's file.

### **CHALLENGING COMPLIANCE**

Inquiries regarding the collection, retention and use of personal information in accordance with this agreement can be directed to [privacy@hamilton.ca](mailto:privacy@hamilton.ca). The City will investigate all complaints concerning compliance with the Privacy

Statement. If a complaint is found to be justified, the City will take appropriate measures including, if necessary, changing its practices.