



**GENERAL ISSUES COMMITTEE
(2020 RATE BUDGET)
AS AMENDED BY COUNCIL ON NOVEMBER 27, 2019**

REPORT 19-025

9:30 a.m.

Monday, November 25, 2019

Council Chambers

Hamilton City Hall

71 Main Street West

Present: Deputy Mayor M. Wilson
Councillors J. Farr, N. Nann, C. Collins, T. Jackson, E. Pauls, J.P. Danko,
B. Clark, M. Pearson, L. Ferguson, A. VanderBeek

Absent: Mayor F. Eisenberger – Other City Business
Councillors B. Johnson, J. Partridge and S. Merulla – Other City Business
Councillor T. Whitehead – Personal

**THE GENERAL ISSUES COMMITTEE PRESENTS REPORT 19-025 AND
RESPECTFULLY RECOMMENDS:**

**1. Alectra Utilities Water, Wastewater and Storm 2019 Service Activity Report
(FCS19069) (City Wide) (Item 8.1)**

That Report FCS19069, respecting Alectra Utilities Water, Wastewater and Storm 2019 Service Activity Report, be received.

**2. 2020 Recommended Water, Wastewater and Stormwater Budget
(FCS19070) (City Wide) (Item 8.2)**

(a) That the metered water consumption charges for residential properties in the City of Hamilton be imposed at the following rates, effective January 1, 2020:

Monthly Water Consumption (m3)	Rate (\$/m3)
0 – 10	0.83
10 +	1.64

- (b) That the metered water consumption charge for commercial, industrial, institutional and multi-residential (bulk meter) properties in the City of Hamilton be imposed at the rate of \$1.64 per cubic metre, effective January 1, 2020;
- (c) That daily water fixed charges for all properties in the City of Hamilton be imposed at the following rates, effective January 1, 2020:

Meter Size	Daily Water Rate
15 mm	\$0.37
16 mm	\$0.37
20 mm	\$0.37
21 mm	\$0.37
25 mm	\$0.93
38 mm	\$1.85
50 mm	\$2.96
75 mm	\$5.92
100 mm	\$9.25
150 mm	\$18.50
200 mm	\$29.60
250 mm	\$42.55
300 mm	\$62.90

- (d) That the wastewater / storm treatment charges for residential properties in the City of Hamilton be imposed at the following rates, effective January 1, 2020:

Monthly Water Consumption (m3)	Rate (\$/m3)
0 – 10	0.88
10 +	1.75

- (e) That the wastewater / storm treatment charge for all commercial, industrial, institutional and multi-residential (bulk meter) properties in the

City of Hamilton be imposed at the rate of \$1.75 per cubic metre, effective January 1, 2020;

- (f) That daily wastewater /storm fixed charges for all properties in the City of Hamilton be imposed at the following rates, effective January 1, 2020:

Meter Size	Daily Wastewater / Storm Rate
15 mm	\$0.39
16 mm	\$0.39
20 mm	\$0.39
21 mm	\$0.39
25 mm	\$0.98
38 mm	\$1.95
50 mm	\$3.12
75 mm	\$6.24
100 mm	\$9.75
150 mm	\$19.50
200 mm	\$31.20
250 mm	\$44.85
300 mm	\$66.30

- (g) That the residential non-metered annual water rate be imposed at the flat rate of \$594.95 per annum, effective January 1, 2020;
- (h) That the residential non-metered annual wastewater / storm rate be imposed at the flat rate of \$638.75 per annum, effective January 1, 2020;
- (i) That the residential combined non-metered annual water and wastewater / storm rate be imposed at the flat rate of \$1,233.70 per annum, effective January 1, 2020;
- (j) That the Private Fire Line rates be imposed at the following rates, effective January 1, 2020:

Connection Size		Monthly Rate
mm	inches	
25	1.0	\$3.60
38	1.5	\$8.28
50	2.0	\$14.40
75	3.0	\$32.40
100	4.0	\$57.60

150	6.0	\$129.60
200	8.0	\$230.40
250	10.0	\$230.40
300	12.0	\$230.40

- (k) That the 2020 Water, Wastewater and Storm Proposed User Fees and Charges be imposed as per Appendix “A”, as amended, to Report 19-025, effective January 1, 2020;
- (l) That charges for raw water supplied to 690 Strathearne Avenue North by the City of Hamilton be imposed at the following rates, effective January 1, 2020:
 - (i) metered raw water at the rate of \$0.123 per cubic metre;
 - (ii) daily raw water fixed charges at the following rates:

Meter Size	Daily Rate
200 mm	\$31.20

- (iii) 2020 annual fee of \$18,500 for the purpose of a private raw water pipeline owned by AMLPC to convey raw water supplied by the City to 690 Strathearne Avenue North;
- (m) That the 2020 Water, Wastewater and Stormwater Rate Supported Operating Budget in the amount of \$233,011,802 be approved as per Appendix “B”, as amended, to Report 19-025;
- (n) That the long-term financing plan for the Water, Wastewater and Stormwater programs and related rate increases required to meet sustainable financing as identified in the 2020-2029 Water, Wastewater and Stormwater Rate Supported Operating Budget forecast (Appendix “B”, as amended, to Report 19-025) be approved, in principle;
- (o) That the 2020 Water, Wastewater and Stormwater Rate Supported Capital Budget and Financing Plan in the amount of \$329,981,000 be approved as per Appendices “C”, “D”, as amended, and “F”, to Report 19-025;
- (p) That the 2020-2029 Water, Wastewater and Stormwater Rate Supported Capital Budget forecast and financing plan (Appendix “G” to Report 19-025) be approved, in principle;

- (q) That the City Solicitor be authorized and directed to prepare, for Council approval, all necessary by-laws respecting the 2020 water and wastewater / storm user fees, charges and rates set out in recommendations (a) through (l) of Report FCS19070;
- (r) That the additional 12.0 Full Time Equivalent Rate Supported Staffing be approved as per Appendix "H", as amended, to Report 19-025;
- (s) That the General Manager, Finance and Corporate Services, be authorized to negotiate and confirm the terms and placement of all debenture issue(s), and / or private placement debenture issue(s), in either a public or private market and / or bank loan agreements and debenture issue(s) and / or variable interest rate bank loan agreements and debenture issue(s), in an amount not to exceed \$83,678,000 as attached in Appendices "C", "D", as amended, and "E" to Report 19-025, which includes \$16,900,000 in Rate Supported municipal debt and \$66,778,000 in Rate Supported Development Charges municipal debt;
- (t) That the General Manager, Finance and Corporate Services, be authorized to engage the services of all required professionals to secure the terms and issuance of the debenture issue(s) described in subsection (s) including, but not limited to, external legal counsel, fiscal agents and Infrastructure Ontario's Loan Program;
- (u) That the General Manager, Finance and Corporate Services, Mayor and City Clerk are each authorized and directed to enter into and / or execute, on behalf of the City of Hamilton, all agreements and necessary ancillary documents requiring their respective signatures, to secure the terms and issuance of the debenture issue(s) described in subsections (s) and (t), in a form satisfactory to the City Solicitor;
- (v) That the Mayor and City Clerk are authorized and directed to enter into and / or execute, on behalf of the City of Hamilton, all agreements and necessary ancillary documents not requiring any specific signing authority, to secure the terms and issuance of the debenture issue(s) described in subsections (s) and (t), in a form satisfactory to the City Solicitor and with content acceptable to the General Manager, Finance and Corporate Services; and,
- (w) That all necessary By-Law(s) be passed to authorize the debenture issue(s) negotiated, placed and secured, as they relate to the 2020 Water, Wastewater and Stormwater Budget, in accordance with subsections (s) and (t) to Report FCS19070.

3. Enhanced Inspections and Monitoring - Hamilton Water and Wastewater

- (a) That staff be directed to report back to the Public Works Committee 1 (one) year after implementation of the additional 5 FTEs, for the maintenance of the water and wastewater facilities/equipment and water quality control, with information regarding the program improvements and the associated benefits that have been realized;**
- (b) That staff be directed to include, in the new real time public notice protocol, the 14 monitored CSO overflow points for discharge to the natural environment; and,**
- (c) That staff be directed to report back to the Public Works Committee in 6 months with a matrix, stakeholder / partnership arrangements and testing locations, as it relates to enhanced inspections and monitoring for Hamilton water and wastewater.**

FOR INFORMATION:

(a) APPROVAL OF AGENDA (Item 2)

The Committee Clerk advised of the following change to the agenda:

- 1. DELEGATION REQUESTS (Item 5)
 - (i) Don McLean, respecting Item 8.2 on this agenda – Report FCS19070 - 2020 Recommended Water, Wastewater and Stormwater Budget.

The agenda for the November 25, 2019 General Issues Committee (Rate Budget) meeting was approved, as amended.

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

(c) **PUBLIC HEARING / DELEGATIONS (Item 7)**

- (i) **Don McLean, respecting Item 8.2 on this agenda – Report FCS19070 - 2020 Recommended Water, Wastewater and Stormwater Budget Item (Item 7.1)**

Don McLean addressed Committee respecting Report FCS19070 - 2020 Recommended Water, Wastewater and Stormwater Budget.

The delegation, respecting Report FCS19070 - 2020 Recommended Water, Wastewater and Stormwater Budget, was received.

(d) **STAFF PRESENTATIONS (Item 8)**

- (i) **Alectra Utilities Water, Wastewater and Storm 2019 Service Activity Report (FCS19069) (City Wide) (Item 8.1)**

Eileen Campbell, Vice President of Customer Service, Alectra Utilities, addressed Committee and provided a PowerPoint presentation respecting Report FCS19069 - Alectra Utilities Water, Wastewater and Storm 2019 Service Activity Report, and answered questions of Committee.

The presentation, respecting Report FCS19069 - Alectra Utilities Water, Wastewater and Storm 2019 Service Activity Report, was received.

A copy of the presentation is available on the City's website at www.hamilton.ca or through the Office of the City Clerk.

For disposition of this matter, please refer to Item 1.

- (ii) **2020 Recommended Water, Wastewater and Stormwater Budget (FCS19070) (City Wide) (Item 8.2)**

Andrew Grice, Director of Hamilton Water; and, Brian McMullen, Director, Financial Planning & Policy, provided a PowerPoint presentation respecting Report FCS19070 - 2020 Recommended Water, Wastewater and Stormwater Budget, and answered questions of Committee.

The presentation, respecting Item FCS19070 - 2020 Recommended Water, Wastewater and Stormwater Budget, was received.

A copy of the presentation is available on the City's website at www.hamilton.ca or through the Office of the City Clerk.

The following Deferral Motion was DEFEATED:

(1) Enhanced Inspections and Monitoring - Hamilton Water and Wastewater

That the Motion, respecting Enhanced Inspections and Monitoring - Hamilton Water and Wastewater, be DEFERRED to the next GIC Rate Budget meeting.

The following Motion CARRIED, and the amendments were included in the recommendations of Report FCS19070, and were also reflected in the appropriate appendices, for Council's consideration:

WHEREAS, Hamilton Water operates 2 wastewater treatment plants, 71 wastewater pumping stations, 9 combined sewer overflow tanks, 1 water treatment plant, 21 water pumping stations, 13 reservoirs, 7 water towers, and 4 well systems, and;

WHEREAS, Hamilton Water is heavily reliant on automated systems to remotely monitor facility and process operations, including the identification of operational problems.

THEREFORE, BE IT RESOLVED:

- (a) That Appendix "F" to Report FCS19070, respecting 2020 Recommended Water, Wastewater and Stormwater Budget, be amended by adding 5 additional Full Time Equivalent Rate Supported staff consisting of the following:
 - (i) 4 (four) Maintenance Operators to improve the routine physical inspection and preventative maintenance programs for Hamilton Water infrastructure including water and wastewater treatment plants, pumping stations, reservoirs, water towers, well systems and combined sewer overflow tanks, at a gross annual cost of \$383,000;
 - (i) 1 (one) Water Quality Technologist to sample and analyse water and wastewater quality, and equipment/process related data, at a gross annual cost of \$114,000;

- (b) That staff be directed to report back to the Public Works Committee 1 (one) year after implementation of the additional 5 FTEs, for the maintenance of the water and wastewater facilities/equipment and water quality control, with information regarding the program improvements and the associated benefits that have been realized;
- (c) That staff be directed to include, in the new real time public notice protocol, the 14 monitored CSO overflow points for discharge to the natural environment; and,
- (d) That staff be directed to report back to the Public Works Committee in in 6 months with a matrix, stakeholder / partnership arrangements and testing locations, as it relates to enhanced inspections and monitoring for Hamilton water and wastewater.

The following Motion CARRIED, and the amendments were included in the recommendations of Report FCS19070, and were also reflected in the appropriate appendices, for Council's consideration:

WHEREAS, the City's 2019 Development Charge (DC) Background Study in Table F-3 in the Airport Employment Growth District (AEGD) section had listed Project ID MH22-S-19 (HC019 and HC018 Upgrade Strategy) in the amount of \$10.9M (100% growth - split of 63% residential and 37% non-residential, linear wastewater);

WHEREAS, City Council, at its meeting of December 13, 2018, had approved \$11M be added to the City's 2019 Rates Capital Budget (funded \$6.93M from the City's Linear Wastewater Residential DC Reserve 110340 and \$4.07M from the City's Linear Wastewater Non-Residential DC Reserve 110341); and,

WHEREAS, City staff and Engineering Consultants GM BluePlan Engineering Limited have upgraded the strategy for 2020 to maximize the wastewater capacity as it relates to the proposed developments in the AEGD and surrounding developments;

THEREFORE, BE RESOLVED:

That increased funding in the amount of \$4M be added to the 2020 Recommended Water, Wastewater and Stormwater Capital Budget

(Project ID 5161967123 – AEGD Growth Initiatives); increasing the Rate Supported 2020 Capital Budget Recommended amount from \$325,981,000 to \$329,981,000, to be funded as follows:

- (i) \$2,520,000 from the City's Linear Wastewater Residential DC Reserve 110340; and,
- (ii) \$1,480,000 from the City's Linear Wastewater Non-Residential DC Reserve 110341.

For further disposition of this matter, please refer to Item 2.

(f) ADJOURNMENT (Item 5)

There being no further business, the General Issues Committee adjourned at 1:27 p.m.

Respectfully submitted,

Deputy Mayor M. Wilson
Chair, General Issues Committee

Stephanie Paparella
Legislative Coordinator,
Office of the City Clerk