

City of Hamilton 71 Main Street West Hamilton, ON L7P 4Y5 May 28, 2018

Attn: Mr. Robert Lalli, P.Eng.,

Strategic Advisor, Open for Business

Watermain Design/Approval Procedures and Policies and their Economic Impact Re:

Dear Rob:

As you are aware, and as we have discussed on numerous occasions in the past, our Association remains very concerned regarding the way in which watermain designs are reviewed and approved in the City of Hamilton, and their impact on timelines and costs for project implementation. Please find below details of our concerns, which will form the basis of a delegation we have requested be heard at the June 4th Public Works Committee meeting.

Background:

Over the last five years, changes to the way in which watermain designs are reviewed and approved in the City of Hamilton have resulted in reported approval timing delays, increased construction costs, and frustration on the part of designers making submissions for land development and/or redevelopment projects.

While efforts have been made at various levels (individual consultants approaching staff at the City, the Association discussing the matter in liaison committees and subcommittees, and bringing the issue to the attention of senior Management at the City), the situation has not improved.

The Association, through discussions with its members, feels that these efforts have stalled. Anecdotally, HHHBA staff have heard that the timeline for watermain approvals now exceeds that of stormwater management reviews by the MOE, that the scope of review/terms of reference for design is a moving target, and that increases in construction costs (both to the watermain distribution system and home/building construction) may now form a significant part

































of the home price. Further, it is surmised that the increased long term repair/maintenance/replacement costs will have a calculatable and negative effect on the taxpayer, all of which has a negative economic impact to the new home buyer, the City itself, and the taxpayer respectively.

At the last Open for Business Subcommittee, I commented that while many initiatives discussed that day were positive outcomes, the watermain approvals issue needed to be addressed and is the single largest issue affecting development approvals at this time.

HHHBA Attempts to Address the Issue:

Beyond the aforementioned meetings and discussions with City Staff, in 2017 as an Association we put out two *Request for Proposals* to address specific concerns we had, a copy of which was forwarded to City staff in an effort to remain transparent. The first, sent out in September 2017, was sent to appropriate HHHBA members (given our mandate is "Members using members first"). We did not receive any submissions, and the general sentiment was that those members circulated were also interested in the results and felt the work needed doing, but they were concerned due to their working relationship with the City. We then re-circulated to a group of non-members generally practising outside of the Hamilton area, also without response. The general response was the same – some consultants indicated their concern with putting together such a study while also attempting to do work within or for the City itself.

Formal Request

Our ability to work with City staff to resolve the issue has stalled. However, there is an opportunity for the City to take ownership of the issue and review it in detail, through the Water/Wasterwater Master Servicing process.

When looking at new policies and procedures on many issues, the Growth Management Department usually does a best practises review to see "where they sit" relative to other municipalities. We ask that this occur for watermain approvals, based on the Terms of Reference we prepared in 2017 (a copy of which is attached for reference). Specifically, we request that:

- Design standards:
 - Compare the design standards (for both subdivision and site plans) and compare them to those of comparable municipalities to determine best practices.
 - o Specifically, the study should note if and how the Fire Underwriters' Survey (FUS) forms part of the comparator's policies and procedures.
 - o Outline the benefits that use of the Fire Underwriters' Survey (FUS) may have.



- o The comparison should also attempt to address typical approval times for these comparable municipalities where possible.
- A "best practises" from these comparators should be developed and compared to the Hamilton model.
- o Comparators must include, but is not limited to:
 - City of London
 - City of Ottawa
 - Waterloo Region
 - Region of Halton
 - City of Toronto
 - One additional GTA municipality/Region

• Economic Impact:

When comparing the best practises model developed above, the economic impact of the current Hamilton model should be calculated based on the following desired outcomes:

- Their effect on initial construction costs (increased cost, if any, on watermain distribution system and housing construction), and the resultant increase in cost to the new home buyer.
- o Their effect on the City's finances (ex. economic loss due to delays in collecting building permit fees, development charges, etc.)
- o Their effect on longer term operations/maintenance/replacement, and the resultant increased cost to the taxpayer

We note that in recent weeks there have been discussions between some member consultants, developers and City Staff regarding the work done in the City of Ottawa who were facing a similar situation, and who have developed a different protocol than the FUS for watermain design. While the City of Ottawa was specifically listed in comparator municipalities, we bring this to everyone's attention given the timeliness of the issue relative to this formal request.

We have formally requested delegation status at the June 4th Public Works committee meeting to discuss the above. On this issue, as with all others, we have attempted to be transparent in our asks, in relaying our concerns, and we would like to continue in this fashion. We would therefore ask that the City do the same, and include the above scope of work in their Master Servicing study (or separately if appropriate) as the issue is one I consider to be of the most concern for our members at this time.

Thank you for your anticipated cooperation in this matter. If you have any questions or require additional information, please do not hesitate to contact the undersigned.



Yours sincerely,

Suzanne Mammel, MBA CET Executive Officer & Policy Director Hamilton-Halton Home Builders' Association

- Copy Mr. Chris Murray, City Manager
 - Mr. Jason Thorne, General Manager, Planning and Economic Development
 - Mr. Dan MacKinnon, General Manager, Public Works
 - Mr. Tony Sergi, Director, Growth Management
 - Ms. Loren Kolar, Legislative Coordinator, Open for Business Subcommittee
 - Ms. Lauri Leduc, Legislative Coordinator, PW Committee
 - Ms. Maria Pearson, Councillor, Chair, Open for Business Subcommittee