



GENERAL ISSUES COMMITTEE (RATE BUDGET) REPORT 23-032

9:30 a.m.

November 21 and 27, 2023
Council Chambers, City Hall, 2nd Floor
71 Main Street West, Hamilton, Ontario

November 21, 2023:

Present: Mayor A. Horwath
Councillor J.P. Danko (Budget Chair)
Councillors J. Beattie, C. Cassar, B. Clark, M. Francis, T. Hwang,
T. Jackson, C. Kroetsch, T. McMeekin, N. Nann, E. Pauls,
M. Spadafora, M. Tadeson, A. Wilson, and M. Wilson

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THE GENERAL ISSUES COMMITTEE (RATE BUDGET) PRESENTS REPORT 23-032 AND RESPECTFULLY RECOMMENDS:

1. Alectra Utilities Water, Wastewater and Storm 2023 Service Activity Report (FCS23102) (City Wide) (Item 6.1) (November 21, 2023)

That Report FCS23102, Alectra Utilities Water, Wastewater and Storm 2023 Service Activity Report, be received.

2. Ward Office Staffing Review (HUR23017) (City Wide) (Item 11.1) (November 27, 2023)

- (a) That the direction provided to staff in Closed Session, respecting Report HUR23017, Ward Office Staffing Review be approved and remain confidential;

- (b) That Report HUR23017, respecting the Ward Office Staffing Review remain confidential; and,
- (c) That the Confidential presentation respecting Report HUR23017, Ward Office Staffing Review, be received and remain confidential.

3. Councillor Ward Office Budgets and Policy Guidelines for Eligible Expenses for Elected Officials (FCS18083(d)) (City Wide) (Item 7.1) (November 27, 2023)

That staff be directed to report back in January 2024 with revised recommendations respecting Councillor Ward Office Budgets and Policy Guidelines for Eligible Expenses for Elected Officials.

4. 2024 Recommended Water, Wastewater and Stormwater Rate Supported Budget (FCS23100) (City Wide) (Item 5.1) (November 27, 2023)

- (a) That the metered water consumption charges for average residential properties (meters < 25mm in size) in the City of Hamilton be imposed at the following rates, effective January 1, 2024:

Monthly Water Consumption (m3)	Rate (\$/m3)
0 – 10	1.07
> 10	2.13

- (b) That the metered water consumption charge for commercial, industrial, institutional and larger residential properties (meters = >25mm in size) in the City of Hamilton be imposed at the rate of \$2.13 per cubic metre, effective January 1, 2024;
- (c) That daily water fixed charges for all properties in the City of Hamilton be imposed at the following rates, effective January 1, 2024:

Meter Size	Daily Water Rate
15 mm	\$0.48
16 mm	\$0.48
20 mm	\$0.48
21 mm	\$0.48
25 mm	\$1.20
38 mm	\$2.40
50 mm	\$3.84
75 mm	\$7.68
100 mm	\$12.00

150 mm	\$24.00
200 mm	\$38.40
250 mm	\$55.20
300 mm	\$81.60

- (d) That the wastewater / storm treatment charges for average residential properties (meters < 25mm in size) in the City of Hamilton be imposed at the following rates, effective January 1, 2024:

Monthly Water Consumption (m3)	Rate (\$/m3)
0 – 10	1.08
> 10	2.15

- (e) That the wastewater / storm treatment charge for all commercial, industrial, institutional and larger residential properties (meters = >25mm in size) in the City of Hamilton be imposed at the rate of \$2.15 per cubic metre, effective January 1, 2024;
- (f) That daily wastewater / storm fixed charges for all properties in the City of Hamilton be imposed at the following rates, effective January 1, 2024:

Meter Size	Daily Wastewater / Storm Rate
15 mm	\$0.52
16 mm	\$0.52
20 mm	\$0.52
21 mm	\$0.52
25 mm	\$1.30
38 mm	\$2.60
50 mm	\$4.16
75 mm	\$8.32
100 mm	\$13.00
150 mm	\$26.00
200 mm	\$41.60
250 mm	\$59.80
300 mm	\$88.40

- (g) That the residential non-metered annual water rate be imposed at the flat rate of \$777.45 per annum, effective January 1, 2024;
- (h) That the residential non-metered annual wastewater / storm rate be imposed at the flat rate of \$784.75 per annum, effective January 1, 2024;

- (i) That the residential combined non-metered annual water and wastewater / storm rate be imposed at the flat rate of \$1,562.20 per annum, effective January 1, 2024;
- (j) That the Private Fire Line rates be imposed at the following rates, effective January 1, 2024:

Connection Size		Monthly Rate
mm	inches	
25	1	\$4.67
38	1.5	\$10.74
50	2	\$18.68
75	3	\$42.02
100	4	\$74.70
150	6	\$168.08
200	8	\$298.81
250	10	\$298.81
300	12	\$298.81

- (k) That the 2024 Water, Wastewater and Storm Proposed User Fees and Charges be imposed as per Appendix “G” to Report FCS23100, effective January 1, 2024;
- (l) That the 2024 Water, Wastewater and Stormwater Rate Supported Operating Budget in the amount of \$303,338,939 be approved as per Appendix “A” to Report FCS23100;
- (m) 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 2024 Water, Wastewater and Stormwater Rate Supported Operating Budget forecast 2025-2033 (Appendix “A” to Report FCS23100) be approved, in principle;
- (n) That the 2024 Water, Wastewater and Stormwater Rate Supported Capital Budget and Financing Plan in the amount of \$285,872,000 be approved as per Appendices “K”, “N”, “Q” and “S” to Report FCS23100;
- (o) That the 2025-2033 Water, Wastewater and Stormwater Rate Supported Capital Budget forecast and financing plan (Appendix “I” to Report FCS23100) be approved, in principle;
- (p) That the City Solicitor be authorized and directed to prepare, for Council approval, all necessary by-laws respecting the 2024 water and wastewater

/ storm user fees, charges and rates set out in Recommendations (a) through (k) of Report FCS23100;

- (q) That the 2024 Rate Supported Staffing Summary, inclusive of the proposed Business Cases, be approved as per Appendix “F” to Report FCS23100;
- (r) That the General Manager, Finance and Corporate Services, be authorized and directed to negotiate and confirm the terms for the placement and issuance 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 \$70,439,684 Canadian currency as attached in Appendices “K”, “N” and “Q” to Report FCS23100, which includes \$39,869,133 in Rate Supported municipal debt and \$30,570,551 Rate Supported Development Charges municipal debt;
- (s)
 - (i) 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 Recommendations (r) and (t) including, but not limited to, external legal counsel and fiscal agents;
 - (ii) That the General Manager, Finance and Corporate Services, is authorized and directed, on behalf of the City of Hamilton, to enter into and / or execute, all agreements and necessary ancillary documents to secure the terms and issuance of the debenture issue(s) described in Recommendations (r) and (s) and conditional upon the by-law being enacted as described in Recommendation (t) to Report FCS23100, on terms and conditions satisfactory to the General Manager, Finance and Corporate Services, and in a form satisfactory to the City Solicitor;
- (t) That staff be authorized and directed to prepare all necessary By-Law(s), for Council’s consideration, for the purpose of authorizing debenture issue(s) described in Recommendation (r) to Report FCS23100;
- (u) That the City of Hamilton appeal to the Provincial Government of Ontario and the Federal Government of Canada for financial assistance in addressing the infrastructure deficit in the water, wastewater and storm programs; and,
- (v) That staff be directed confirm and differentiate between the component of the rate budget increase is due to provincially mandated regulations (both through Bill 23 exemptions and statutory exemptions) and City initiated rate increases due to operating and capital increases and reflect these two

components on individual line items on both the rate budget bill and accompanying communications materials.

November 21, 2023

FOR INFORMATION:

(a) APPROVAL OF AGENDA (Item 1)

The Committee Clerk advised that there are no changes to the agenda.

The agenda for the November 21, 2023 General Issues Committee (Budget) meeting, was approved, as presented.

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) STAFF PRESENTATIONS (Item 5)

(i) 2024 Recommended Water, Wastewater and Stormwater Rate Supported Budget (FCS23100) (City Wide) (Item 5.1)

Carlyle Khan, General Manager, Public Works, introduced Nick Winters, Director, Hamilton Water, who provided the first portion of the presentation.

Brian McMullen, Director, Financial Planning, Administration and Policy, provided the second portion of the presentation.

The presentation respecting Report FCS22100, 2024 Recommended Water, Wastewater and Stormwater Rate Supported Budget, was received.

The Report was put on the floor as follows:

- (a) That the metered water consumption charges for average residential properties (meters < 25mm in size) in the City of Hamilton be imposed at the following rates, effective January 1, 2024:

Monthly Water Consumption (m3)	Rate (\$/m3)
0 – 10	1.07
> 10	2.13

- (b) That the metered water consumption charge for commercial, industrial, institutional and larger residential properties (meters =

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>25mm in size) in the City of Hamilton be imposed at the rate of \$2.13 per cubic metre, effective January 1, 2024;

- (c) That daily water fixed charges for all properties in the City of Hamilton be imposed at the following rates, effective January 1, 2024:

Meter Size	Daily Water Rate
15 mm	\$0.48
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- (d) That the wastewater / storm treatment charges for average residential properties (meters < 25mm in size) in the City of Hamilton be imposed at the following rates, effective January 1, 2024:

Monthly Water Consumption (m3)	Rate (\$/m3)
0 – 10	1.08
> 10	2.15

- (e) That the wastewater / storm treatment charge for all commercial, industrial, institutional and larger residential properties (meters = >25mm in size) in the City of Hamilton be imposed at the rate of \$2.15 per cubic metre, effective January 1, 2024;
- (f) That daily wastewater / storm fixed charges for all properties in the City of Hamilton be imposed at the following rates, effective January 1, 2024:

Meter Size	Daily Wastewater / Storm Rate
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250 mm	\$59.80
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- (g) That the residential non-metered annual water rate be imposed at the flat rate of \$777.45 per annum, effective January 1, 2024;
- (h) That the residential non-metered annual wastewater / storm rate be imposed at the flat rate of \$784.75 per annum, effective January 1, 2024;
- (ii) That the residential combined non-metered annual water and wastewater / storm rate be imposed at the flat rate of \$1,562.20 per annum, effective January 1, 2024;
- (j) That the Private Fire Line rates be imposed at the following rates, effective January 1, 2024:

Connection Size		Monthly Rate
mm	inches	
25	1	\$4.67
38	1.5	\$10.74
50	2	\$18.68
75	3	\$42.02
100	4	\$74.70
150	6	\$168.08
200	8	\$298.81
250	10	\$298.81
300	12	\$298.81

- (k) That the 2024 Water, Wastewater and Storm Proposed User Fees and Charges be imposed as per Appendix "G" to Report FCS23100, effective January 1, 2024;

- (l) That the 2024 Water, Wastewater and Stormwater Rate Supported Operating Budget in the amount of \$303,338,939 be approved as per Appendix “A” to Report FCS23100;
- (m) 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 2024 Water, Wastewater and Stormwater Rate Supported Operating Budget forecast 2025-2033 (Appendix “A” to Report FCS23100) be approved, in principle;
- (n) That the 2024 Water, Wastewater and Stormwater Rate Supported Capital Budget and Financing Plan in the amount of \$285,872,000 be approved as per Appendices “K”, “N”, “Q” and “S” to Report FCS23100;
- (o) That the 2025-2033 Water, Wastewater and Stormwater Rate Supported Capital Budget forecast and financing plan (Appendix “I” to Report FCS23100) be approved, in principle;
- (p) That the City Solicitor be authorized and directed to prepare, for Council approval, all necessary by-laws respecting the 2024 water and wastewater / storm user fees, charges and rates set out in Recommendations (a) through (k) of Report FCS23100;
- (q) That the 2024 Rate Supported Staffing Summary, inclusive of the proposed Business Cases, be approved as per Appendix “F” to Report FCS23100;
- (r) That the General Manager, Finance and Corporate Services, be authorized and directed to negotiate and confirm the terms for the placement and issuance 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 \$70,439,684 Canadian currency as attached in Appendices “K”, “N” and “Q” to Report FCS23100, which includes \$39,869,133 in Rate Supported municipal debt and \$30,570,551 Rate Supported Development Charges municipal debt;
- (s) (i) 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 Recommendations (r) and (t) including, but not limited to, external legal counsel and fiscal agents;

- (ii) That the General Manager, Finance and Corporate Services, is authorized and directed, on behalf of the City of Hamilton, to enter into and / or execute, all agreements and necessary ancillary documents to secure the terms and issuance of the debenture issue(s) described in Recommendations (r) and (s) and conditional upon the by-law being enacted as described in Recommendation (t) to Report FCS23100, on terms and conditions satisfactory to the General Manager, Finance and Corporate Services, and in a form satisfactory to the City Solicitor;
- (t) That staff be authorized and directed to prepare all necessary By-Law(s), for Council's consideration, for the purpose of authorizing debenture issue(s) described in Recommendation (r) to Report FCS23100;
- (u) That the City of Hamilton appeal to the Provincial Government of Ontario and the Federal Government of Canada for financial assistance in addressing the infrastructure deficit in the water, wastewater and storm programs.

Report FCS23100, 2024 Recommended Water, Wastewater and Stormwater Rate Supported Budget, was DEFERRED to the November 27, 2023 General Issues Committee (Rate Budget) meeting.

(d) ADJOURNMENT (Item 15)

There being no further business, the General Issues Committee (Budget) adjourned at 12:59 p.m.

November 27, 2023

FOR INFORMATION:

(a) APPROVAL OF AGENDA (Item 1)

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

CHANGES TO THE ORDER OF ITEMS

- (i) Item 11.1, respecting Report HUR23017, Ward Office Staffing Review, is to be moved up on the agenda and considered immediately following approval of the previous minutes to accommodate the external consultants.

- (ii) Item 7.1, respecting Report FCS18083(d), Councillor Ward Office Budgets and Policy Guidelines for Eligible Expenses for Elected Officials, is to be considered immediately following the consideration of Item 11.1, respecting Report HUR23017, Ward Office Staffing Review, as the two items are related.

The agenda for the November 27, 2023 General Issues Committee (Budget) meeting, was approved, as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)

(i) November 21, 2023 (Item 3.1)

The minutes of the November 21, 2023, General Issues Committee (Budget) meeting were approved, as presented.

(d) PRIVATE AND CONFIDENTIAL (Item 14)

- (i) Tammy Elliott and Andrea Friesen, Mungall Consulting Group, were permitted to attend the Closed Session portion of the meeting respecting Item 11.1, Report HUR23017, Ward Office Staffing Review.
- (ii) Committee moved into Closed Session pursuant to Section 9.3, Sub-sections (b) and (d) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-sections (b) and (d) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to personal matters about an identifiable individual, including City or local board employees; and labour relations or employee negotiations.
- (iii) **Ward Office Staffing Review (HUR23017) (City Wide) (Item 11.1)**

For disposition of this matter, refer to Item 2.
- (iv) **Recess**

The General Issues Committee recessed for 30 minutes until 1:30 p.m.

(e) **STAFF PRESENTATIONS (Item 6)**

(i) **2024 Recommended Water, Wastewater and Stormwater Rate Supported Budget (FCS23100) (City Wide) (Item 6.1)**

(i) The Report was put on the floor as follows:

- (a) That the metered water consumption charges for average residential properties (meters < 25mm in size) in the City of Hamilton be imposed at the following rates, effective January 1, 2024:

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- (h) That the residential non-metered annual wastewater / storm rate be imposed at the flat rate of \$784.75 per annum, effective January 1, 2024;

- (iii) That the residential combined non-metered annual water and wastewater / storm rate be imposed at the flat rate of \$1,562.20 per annum, effective January 1, 2024;
- (j) That the Private Fire Line rates be imposed at the following rates, effective January 1, 2024:

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300	12	\$298.81

- (k) That the 2024 Water, Wastewater and Storm Proposed User Fees and Charges be imposed as per Appendix “G” to Report FCS23100, effective January 1, 2024;
- (l) That the 2024 Water, Wastewater and Stormwater Rate Supported Operating Budget in the amount of \$303,338,939 be approved as per Appendix “A” to Report FCS23100;
- (m) 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 2024 Water, Wastewater and Stormwater Rate Supported Operating Budget forecast 2025-2033 (Appendix “A” to Report FCS23100) be approved, in principle;
- (n) That the 2024 Water, Wastewater and Stormwater Rate Supported Capital Budget and Financing Plan in the amount of \$285,872,000 be approved as per Appendices “K”, “N”, “Q” and “S” to Report FCS23100;
- (o) That the 2025-2033 Water, Wastewater and Stormwater Rate Supported Capital Budget forecast and financing plan (Appendix “I” to Report FCS23100) be approved, in principle;

- (p) That the City Solicitor be authorized and directed to prepare, for Council approval, all necessary by-laws respecting the 2024 water and wastewater / storm user fees, charges and rates set out in Recommendations (a) through (k) of Report FCS23100;
- (q) That the 2024 Rate Supported Staffing Summary, inclusive of the proposed Business Cases, be approved as per Appendix "F" to Report FCS23100;
- (r) That the General Manager, Finance and Corporate Services, be authorized and directed to negotiate and confirm the terms for the placement and issuance 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 \$70,439,684 Canadian currency as attached in Appendices "K", "N" and "Q" to Report FCS23100, which includes \$39,869,133 in Rate Supported municipal debt and \$30,570,551 Rate Supported Development Charges municipal debt;
- (s)
 - (i) 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 Recommendations (r) and (t) including, but not limited to, external legal counsel and fiscal agents;
 - (ii) That the General Manager, Finance and Corporate Services, is authorized and directed, on behalf of the City of Hamilton, to enter into and / or execute, all agreements and necessary ancillary documents to secure the terms and issuance of the debenture issue(s) described in Recommendations (r) and (s) and conditional upon the by-law being enacted as described in Recommendation (t) to Report FCS23100, on terms and conditions satisfactory to the General Manager, Finance and Corporate Services, and in a form satisfactory to the City Solicitor;
- (t) That staff be authorized and directed to prepare all necessary By-Law(s), for Council's consideration, for the purpose of authorizing debenture issue(s) described in Recommendation (r) to Report FCS23100;

- (u) That the City of Hamilton appeal to the Provincial Government of Ontario and the Federal Government of Canada for financial assistance in addressing the infrastructure deficit in the water, wastewater and storm programs.
- (ii) That Report FCS23100, respecting 2024 Recommended Water, Wastewater and Stormwater Rate Supported Budget, **be amended**, by adding an additional sub-section (v), as follows:
 - (v) *That staff be directed confirm and differentiate between the component of the rate budget increase is due to provincially mandated regulations (both through Bill 23 exemptions and statutory exemptions) and City initiated rate increases due to operating and capital increases and reflect these two components on individual line items on both the rate budget bill and accompanying communications materials.*

For disposition of this matter, refer to Item 4.

(f) **ADJOURNMENT (Item 12)**

There being no further business, the General Issues Committee (Budget) adjourned at 1:58 p.m.

Respectfully submitted,

Councillor John-Paul Danko
Chair, General Issues Committee (Budget)

Angela McRae
Legislative Coordinator
Office of the City Clerk