

COMMITTEE OF THE WHOLE - APRIL 20, 2009

PROPOSED WASTEWATER BACK-WATER VALVE INSTALLATION SUBSIDY PROGRAM

Recommendation

The Commissioner of Engineering and Public Works, in consultation with the Director of Legal Services, the Director of Finance, and the Director of Building Standards, recommends that:

1. The Back-water Valve Installation Subsidy program, as outlined in this report, be approved, and that a By-law be enacted to authorize the implementation of the program;
2. The subsidy be based on 50% of the cost incurred to install such a device, to a maximum amount of \$750 per property;
3. In order to receive a subsidy, all the conditions for eligibility be met, as outlined in this report; and,
4. Once the appropriate By-law is enacted and the application forms and waivers have been finalized by the City's Legal Services Department, the program be promoted to the public.

Economic Impact

The proposed subsidy program is to be funded initially through the Water/Wastewater Reserves. The proposed program recommends a cap of \$112,500 per year be set on the program. Based on the proposed maximum subsidy of \$750 per property, this would allow 150 applications to be approved the first year. Depending on the uptake on this plan, funding requirements may have to be adjusted accordingly.

Communications Plan

Once the program is approved, Public Works and Corporate Communications will develop a strategy to advise the public of this initiative.

Purpose

To seek Council's approval to implement a back-water valve installation subsidy program.

Background - Analysis and Options

At its meeting of December 8, 2008, Council approved a number of recommendations contained in the "Summer 2008 Rainstorm Update" report. One of these recommendations was, "*Staff report back to Council by June 30, 2009 regarding a potential backflow valve installation rebate program with proposed details of this program and potential funding sources.*"

As was noted in the November report, there are numerous things a homeowner can do to reduce the potential of property damage during a severe rainfall event. However, one of the most significant and cost effective things that can be done to prevent a sewer back-up is the installation of a back-water prevention device on the sanitary house connection. Such a device significantly reduces the risk of basement flooding from sanitary sewer back-ups; however, there is no guarantee that basement flooding will never occur again.

Examples of Existing Rebates/Subsidies

In the City of Toronto, a subsidy exists to homeowners who install these sewer back-water valves.

This subsidy is up to 80% of the total invoiced cost, to a maximum of \$1,250.00, including all eligible labour, materials, permits, and taxes. As part of the program, there are a number of eligibility requirements that have to be completely met in order to receive a subsidy.

Halton Region has a similar back-water valve installation rebate program. Their subsidy is for 50% of the invoiced cost, up to a maximum of \$675.

The City of Welland also offers a rebate program; however, it is tied into to the disconnection of weeping tiles and the installation of sump pumps, up to a maximum of \$3,000.

The above are only a few examples of municipalities that offer some type of rebate or subsidy program. Should Council agree to implement the program outlined in the following sections of the report, they can do so knowing that other municipalities offer similar rebate/subsidy programs.

Geographical Areas of Vaughan Where the Subsidy Would Apply

Unlike Toronto, or other older municipalities, Vaughan does not have combined sanitary and storm sewers, or areas with known deficiencies in the sewage system. As such, it is almost impossible to map out and designate an area, or areas, of potential sewer back-ups. As was noted in the previous report on the summer 2008 storms, the areas that had basement flooding as a result of a sewer back-up corresponded to areas receiving the highest intensity and amounts of rainfall. In cases of similar severe, intense rainstorms, almost any area in the City could potentially result in some backed up sewers and resulting basement flooding. The only exception would be those properties not connected to the City's sewer system, i.e serviced by septic systems.

Since there are no geographical areas of Vaughan with known infrastructure deficiencies, it is proposed that the area for eligibility would encompass the entire City of Vaughan serviced by sanitary sewers.

Amount of Subsidy

When staff were developing the proposed program, the amount of subsidy was discussed at length. The proposed rebate is 50% of the cost, to a maximum of \$750, per property. The eligible costs used to calculate the subsidy may include all labour, equipment, materials, and permit fees related to the installation of the back-water installation valve, but excludes any interior or exterior finishing work.

Criteria and Eligibility for Subsidy

The City of Vaughan's proposed subsidy is similar to that of the City of Toronto's and the Region of Halton in terms of conditions for eligibility. The program eligibility requirements for Vaughan's program are outlined below:

- The property must be registered as a single-family single, semi-detached, duplex or triplex residential property within the City of Vaughan, be owner occupied, and taxed as a residential property.

- The subsidy is available only to existing homes, not new homes in the planning stages or currently under construction.

- The property must have its eavestrough downspouts properly disconnected from the City's sewer system, where possible.
- A plumber, currently licensed by the Regional Municipality of York, or the City of Toronto, must be hired to perform the installation of all devices.
- To qualify for subsidy funding for the backwater valve portion, the homeowner must use a Mainline Fullport Backwater Valve, as this is currently the only backwater valve approved in the Province of Ontario for home installation on the main sanitary sewer lateral.
- A plumbing permit and approved inspection must be obtained for back-water valve installations.
- All installations must be completed before the applicant applies for the subsidy.
- Invoice(s) must show the contractor's plumbing license number, the cost breakdown of all charges, the total amount paid and be clearly marked as "paid-in-full."
- The property owner or authorized legal representative must sign and date the application form. An *authorized legal representative* must also provide proof of their status, such as a photocopy of their Power of Attorney or Executor agreement.
- The property owner must sign the appropriate application form and the waiver form, releasing the City of Vaughan from any liability resulting from work carried out as part of the Back-water Valve Subsidy program.
- Labour provided by the Homeowner, to reduce contractor costs, will not be eligible for reimbursement under the program.
- Reimbursement will not be provided for replacing interior finishes, such as drywall, paint or flooring.
- Reimbursement will not be provided for exterior restoration, such as landscaping, gardening, sod, trees, porches, decks, concrete or asphalt.
- All documents, (excluding the above noted *authorized legal representative*) must be originals – no photocopies will be accepted. Once the application is processed, the original invoice(s) will be returned to the property owner.
- Applications that are incomplete or missing documentation will be returned with a request for the outstanding information and will not be processed until the information is received.
- Applications and supporting documentation must be received by the Public Works Department's Water/Wastewater Division within one year of the date of completion of the work.
- Subsidies for eligible work are subject to available funding and provided on a first-come, first-served basis.
- Subsidies are provided one time only, per property, and on a no-fault basis.

Annual Funding Cap and Program Funding Source

The proposed subsidy is also based on having an annual maximum funding cap. The proposed initial cap is \$112,500, to be funded from the Wastewater Reserve. Based on a maximum subsidy of \$750 per property, the City could approve 150 applications per year, if all received the maximum subsidy. Once the annual funding amount had been exhausted, those homeowners approved to receive a subsidy would have to wait until the following year to receive their subsidy, based on available funding being approved through the budget process. Depending on the uptake of this program, the program cap amount would have to be adjusted annually through the budget process.

Retroactivity to August 19, 2005

In the summer of 2005 and 2008, the City experienced severe rain storms, creating numerous flooded basements and sewer back-ups. It is proposed that this program be made retroactive to August 19, 2005, and any homeowner who has installed such an approved device since that date, be eligible for a subsidy, provided they meet all of the eligibility requirements outlined previously in this report.

Relationship to Vaughan Vision 2020

This report is consistent with the priorities previously set by Council and the necessary resources required are available in the Wastewater Reserve.

This program ties into Vaughan Vision 2020's Goals and Objectives as follows:

Goal: Service Excellence
Objective: Pursue Excellence in Service Delivery
Objective: Enhance and Ensure Community Safety, Health & Wellness

Regional Implications

N/A

Conclusion

The proposed back-water valve installation subsidy, as outlined in this report, may provide some financial assistance to homeowners who have experienced flooding as a result of a sewer back-up, and have installed back-water valves. It will also assist those residents who wish to install such devices to help prevent future basement flooding issues as a result of a sewer back-up.

Again, while such a device significantly reduces the risk of basement flooding from sanitary sewer back-ups, there is no guarantee that basement flooding will never occur again, even after the installation of such a valve.

Attachments

N/A

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Respectfully submitted,

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Commissioner of Engineering and Public Works

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