

**REPORT #:** OPS-25-009 **COMMITTEE DATE:** 2025-03-18 **DUE IN COUNCIL:** 2025-03-25

**REPORT TO:** COTW-General

**SUBJECT:** Grinder Pump Service Update

### 1. RECOMMENDATION

It is respectfully recommended that:

- 1.1 Council **Endorse** the new Service Agreement provided by Kimbel Donayre Plumbing to provide residents with grinder pumps an alternative to the Service Line Warranties coverages as they expire and are no longer renewable.
- 1.2 Council **Directs** Staff to continue to enhance and improve communications related to grinder pump use, maintenance, service providers available, and troubleshooting with special attention in the future to homebuyers who own a grinder pump for the first time.
- 1.3 Council **Approve** a partial reimbursement in the amount of \$100 for the property owners who currently have grinder pump coverage and sign up for the new Service Agreement upon cancellation of their current coverage.

## 2. EXECUTIVE SUMMARY

- Town staff received notice in 2024 from Service Line Warranties of Canada (SLWC) that the warranty program offered since 2015 for sanitary sewer coverage on private property (including grinder pumps) was being cancelled.
- Town staff received requests from residents to find an alternative service coverage provider and/or qualified local service company.
- Staff investigated and found a qualified local company prepared to offer a service coverage agreement and/or provide service as requested.
- The local plumbing company and their lawyer drafted the attached proposed service agreement.
- The agreement was reviewed by staff and former Grinder Pump Committee members, and it was agreed to be a viable alternative to offer residents who have grinder pumps.
- The former committee members asked that part of this report request some partial reimbursement for qualified participants who choose to sign up as noted above. The \$100 reimbursement amount represents approximately 15% of the annual cost to residents (or approximately 2 months out of 12 monthly payments) relative to the new agreement price.

# 3. PURPOSE

The purpose of this report is to seek Council endorsement of the proposed third-party service agreement being offered by Kimbel Donayre Plumbing and to approve the proposed annual rebate of \$100 as detailed in this report.

## 4. BACKGROUND

Low-pressure sewer systems were first installed in Niagara-on-the-Lake (NOTL) in 2005, as directed by the Ministry of the Environment. Since then, other developments have adopted this type of sewer system, featuring grinder pumps that service each individual lot. The Town listened to residents' concerns regarding the costs associated with replacing these pumps, and through Report OPS-15-031, Council endorsed a third-party service provider, Service Line Warranties of Canada (SLWC), to offer a warranty program in 2015.

Communication was relayed to property owners who had grinder pumps at the time of the availability of this service coverage should they wish to enroll in the program. In 2016, through **Report CS-16-032**, Council approved reimbursement of the annual cost of the warranty program for original property owners (that had not changed ownership). The annual cost at the time was approximately \$75, and approximately 47 of the original 98 owners qualified for the reimbursement.

In 2022, through **Report OPS-22-004**, Council approved the implementation of process improvements on low-pressure sewer systems and directed staff with regard to the recommendations that were presented in a report from the Grinder Pump Committee at the time. The same report then dissolved the Committee as the work was completed.

Through **Report OPS-24-17** in 2024, Council and residents were made aware that the warranty coverage by the service provider SLWC would no longer be offered to homeowners pending the renewal of their policies. The primary reason for the cancellation of coverage from SLWC was that the program was not financially sustainable at the rates being charged. Once again, the Town began hearing concerns from many affected residents about the loss of available service coverage.

### 5. DISCUSSION / ANALYSIS

Through requests and discussions with concerned residents and a few former Grinder Pump Committee members, Town staff researched alternatives and solutions to assist affected homeowners. From discussions with the E3 Grinder Pump Supplier, a local plumbing company with a great deal of knowledge and experience servicing and replacing these pumps was recommended. Through ongoing discussions, this company has offered to provide affected residents of NOTL a Service Agreement, which would cover the replacement of pumps for anyone who chooses to enter into an agreement. Additionally, many of the issues that the previous provider noted seem to be addressed by this company. Those issues included long wait times for service since the warranty company and their contracted plumbers were not local and did not stock pumps or parts in inventory. This new company is local (located in Niagara Falls, ON.) and available for quick response. They also maintain pumps and parts in stock.

To ensure financial sustainability, the cost of this Service Agreement is substantially more than the previously available option from SLWC. As such, residents will have to decide if they wish to enroll and pay monthly for this coverage or accept the cost and pay for replacement when it becomes needed as was required prior to the availability of any service agreements. A draft copy of the Service Agreement outlined in this report has been shared with the former grinder pump committee members mentioned earlier in this report, and they have expressed their gratitude for negotiating this offer as well as their agreement that it seems like the best alternative currently available.

It is also important to note that the Town will continue to stock approximately five grinder pumps (both new and refurbished) for emergency situations.

## 6. STRATEGIC PLAN

The content of this report supports the following Strategic Plan initiatives:

## **Pillar**

2. Good Governance

## **Priority**

2.3 Advocacy & Government Relations

### **Action**

2.1 c) Efficiencies & Cost Reductions/Avoidances

## <u>Pillar</u>

4. Optimize Organizational Excellence

#### Priority

4.2 Customer Experience

### Action

4.2 b) Communications

## 7. OPTIONS

- 7.1 **Option 1**: Council approve the recommendations outlined in this report to provide affected residents with available options (*Recommended*)
- 7.2 **Option 2**: Council does not approve the recommendations as detailed in this report and directs staff to proceed in a different direction. (Not Rec*ommended*)

## 8. FINANCIAL IMPLICATIONS

Should Council approve recommendation item 1.3 for the partial reimbursement of \$100 annually to qualifying homeowners, the financial impact is not expected to be significant as the number of qualifying homeowners does not seem to be a significant amount. The number of residents who took advantage of the previous reimbursement program last year was approximately seven.

## 9. ENVIRONMENTAL IMPLICATIONS

There are no environmental implications related to the endorsement of the service agreement.

## 10. COMMUNICATIONS

Staff intend to continue communications related to educating residents about proper use, maintenance and troubleshooting of grinder pumps. Should Council endorse the proposed Service Agreement outlined in this report, staff will communicate the details and contact information for residents as an available service provider. Staff will continue to update the Town website and social media for residents as it relates to grinder pumps.

## 11. CONCLUSION

In conclusion, the Service Agreement (attached as **Appendix I**) is the best coverage alternative found to be available for homeowners wanting to have service coverage for possible pump failures. Residents with grinder pumps have the option of signing up for the service, investigating other coverage options they may find independently, or simply paying themselves for maintenance and/or replacement when it is required.

## 12. PREVIOUS REPORTS

- OPS-15-031 St. Davids Low Pressure Collection System Grinder Pumps
- CS-16-032 Local Authority Service Sewer and Water Line Warranty Program for Grinder Pumps
- OPS-22-004 Grinder Pump Recommendations
- OPS-24-017 Service Line Warranties Coverage Update

## 13. APPENDICES

- Appendix I Service Agreement
- Appendix II Report OPS-15-031
- Appendix III Report CS-16-032
- Appendix IV Report OPS-22-004
- Appendix V Report OPS-24-017

Respectfully submitted:

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