



The Town of Niagara-On-The-Lake

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Report: OPS-15-031 **Committee Date:** September 14, 2015

Due in Council: September 21, 2015

Report To: Operations Advisory Committee
Subject: St. David's Low Pressure Collection System – Grinder Pumps

1. RECOMMENDATION

It is respectfully recommended

- 1.1 It is respectfully recommended that Council endorse the AMO/LAS Sewer and Water Line Warranty Service program.

2. PURPOSE / PROPOSAL

The purpose of this report is to address Councillor Betty Disero's resolution that the Director of Operations report to Council with a program to assist the original 86 properties in St. Davids and to obtain Council's approval to endorse the AMO/LAS sewer and Water Line Warranty Service program as it will provide a warranty protection for all of the St. David's grinder pumps.

3. BACKGROUND

In 2003, Council awarded a proposal for a Design-Build project to provide a Sanitary Sewer System for the St. David's Community. Due to the topography and rock profile the sewer design included a low pressure system in Bevan Heights and on Tanbark Road and Queenston Road both north of York Road. This system required that grinder pumps be installed for all properties fronting onto the respective streets. In addition to these properties there were several properties the required the grinder pumps due to the basement elevations.

A total of 86 homes were supplied with grinder pumps as part of the total project requirements. Town provided the grinder pump, however the installation of the pump and the private sewer lateral was the homeowners responsibility, as well as the operating costs, repair and or future replacement.

Since the completion of the project a number of concerns have been raised by several of the homeowners who have called the Town. In 2008 the pump supplier, investigate a number of pumps that were replaced or repaired and determined that the cause was improper installation, resulting in ground-water infiltration and ground-water mineral contamination resulting in continuous running of the pump and pump failure. In 2009 John Brooks Company carried out a field investigation of 30 suspect pumps. They found that 18 had no issues and were installed as per the guidelines, 6 units were buried too deep resulting in rain water filling the top access way, 3 units were over loaded by a sump pump or Jacuzzi pump feeding the unit and 3 units had ground water infiltration coming through the gravity feed side of the pump resulting in excessive run times and shortened service life.

In August 2010 Council approved a grinder pump replacement program. This grinder pump replacement program would provide financial assistance to property owners in St. Davids experiencing premature failure of their grinder pump. This program was in place until August 31, 2013, at which time the pumps would have been in operation for eight years. The homeowner would be responsible for all up-front costs associated with the purchase and installation of a replacement pump core or new grinder pump. Upon completion of the work and submission of receipts, the Town would provide partial reimbursement to the homeowner based on the cost of the replacement grinder pump core (plus applicable taxes) only. The amount of reimbursement would be calculated in proportion to its remaining service life as determined from the Town's records of receipt by the owner. Installation and contractor costs would remain the responsibility of the homeowner. The Program only applied to E-One grinder pump installed as part of the 2004 St. Davids sanitary sewer project and not to any other make or model of pump. Only one grinder pump replacement was be permitted per property. Installation of the pump and the connection to private service laterals will continue to be the responsibility and at the expense of the homeowner. The Town will in no way assume responsibility for the quality of the product or its installation. This program did not apply to new subdivisions, such as Vineyard Creek or Emerald Estates, where the responsibility for correct installation and product warrantee is that of the developer/builder.

The grinder pump replacement program started in August 2010 and ended on August 31, 2013. During that time, of 86 properties that received and installed the E-One Grinder Pump there were only 11 applications for funding assistance under the grinder Pump Replacement Program.

As the Council approved grinder pump replacement program has now ended, the property owners are responsible for the replacement and maintenance of their grinder pump.

4. DISCUSSION / ANALYSIS

As an affiliate of the Association of Municipalities of Ontario, LAS is a preferred

provider of competitively priced and sustainable business services for Ontario municipalities and the broader public sector. This new LAS endorsed Sewer and Water Line Warranty Service provides residents the opportunity for a low cost warranty program that will help repair, replace, or restore this critical infrastructure which is often perceived as the municipalities responsibility. This warranty will include any property with a grinder pump.

As an LAS preferred service provider, Service Line Warranties of Canada (SLWC) is willing to offer this warranty program to any Ontario municipality with a standard rate structure for its residents. To participate in this program, the municipality's endorsement is required. This endorsement will allow SLWC to market the program at no cost to the municipality. This warranty program will include the grinder pumps.

WARRANTY PROGRAM

Service Line Warranties of Canada, Inc. (SLWC)

Service Line Warranties of Canada, a subsidiary of Utility Service Partners, working in conjunction with cities, municipalities and utilities, provides water and sewer service line warranties and in-home plumbing repair services to homeowners.

Municipal Contract Term

- Three (3) years commencing on the date the contract is fully executed.
- Can be renewed for an additional one year terms.
- A sample contract is attached to this report.

Commission Revenues to the City

- SLWC shall pay commission-based revenue to the Town in exchange for the use of its logo based at five percent (5%) of subscription revenue earned from all active enrolled customers in any or all of the Warranty Plans within the geographical boundaries of the Town of Niagara-on-the-Lake.

Warranty Plans Cost Structure & Billing for Customers

- Monthly flat-rate fee; subscription based pricing structure for Water Service, Sewer Lateral and interior plumbing and drainage warranty protection plans.
- No deductibles or any additional fees to customers as the subscription fees are required to be sufficient to cover all related expenses.

Services & Coverage

The following warranty protection plans will be offered on a strict optional opt-in basis:

Exterior Water Service Line Coverage

- Repair of a Water Service and related repairs up to \$5,000 per occurrence;
- Locating, excavating and repairing or replacing, as required, Water Services;

damage arising to Water Services as a result of thawing or freezing;

- Emergency repair required to Water Services due to reduction in performance caused by normal wear and tear;

- Basic restoration, as required, for each occurrence of repair work undertaken under the plan within the coverage limit;
- A one year warranty for workmanship and quality of all repair and restoration work performed;
- Water Service warranty protection plan coverage shall not contain exclusion clauses relating to pre-existing conditions or the age of the property;
- Term One Monthly subscription premium of \$5.00 or \$55.00 annually.

Exterior Sewer Line Coverage

- Repair of Sewer Lateral and related repairs including the St. Davids system grinder pumps up to \$8,000 per occurrence;
- Locating, excavating and repairing or replacing, as required, Sewer Laterals;
- Emergency repair required to Sewer Laterals due to reduction in performance caused by normal wear and tear;
- Damage arising to Sewer Laterals as a result of root infiltration;
- Basic restoration, as required, for each occurrence of repair work undertaken under the plan within the coverage limit;
- A one year warranty for workmanship and quality of all repair and restoration work performed;
- Sewer Lateral warranty protection plan coverage shall not contain exclusion clauses relating to pre-existing conditions or the age of the property;
- Term One Monthly subscription premium of \$5.75 or \$64.00 annually.

Interior Plumbing and Drainage Coverage

- Repair of plumbing system and related repairs up to \$3,000 per occurrence;
- Identifying and repairing or replacing, as required, interior plumbing system failures; faucets and fixtures are not covered;
- A one year warranty for workmanship and quality of all repair work performed;
- Interior plumbing and drainage warranty protection plan coverage shall not contain exclusion clauses relating to pre-existing conditions or the age of the property;
- Term One Monthly subscription premium of \$6.50 or \$73.00 annually

Indemnification

As set out within the contract, SLWC shall indemnify the Town from all claims arising from the failure by SLWC or any of its subcontractors to carry out or properly perform any obligation under the contract with the Town and for any misuse of the Town's logo.

5. FINANCIAL IMPLICATIONS

There is no cost to the Town for this program. The will receive a commission of 5% of all subscription revenue that will be deposited into the water and wastewater reserves.

6. COMMUNICATIONS

SLWC will be responsible for the development and administration associated with marketing the program. The Town can also provide information relating to the Warranty Plans on its website, which can be linked to a web page of SLWC which will provide program details. The Town will retain the right of final approval of all marketing material, including SLWC's web page, relating to services offered directly to Town customers.

SLWC shall be entitled to use the Town's logo in exchange for commission based revenue. All vetting and final approval of materials containing the Town's logo as well as the template contract between SLWC and the Residential Property Owners will rest with the Town.

SLWC shall bear all costs associated with marketing.

7. CONCLUSION

Prepared by

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Respectfully submitted

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Respectfully submitted,

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First Capital of Upper Canada - 1792