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Council-In-Committee Meeting – November 15, 2023

Subject: Drain Maintenance Payment Plan – 827 Windham Rd 5
Report Number: CS-23-163
Division: Corporate Services
Department: Financial Management & Planning
Ward: All Wards
Purpose: For Decision

Recommendation(s):

THAT Lehi Drain Maintenance charge associated with 827 Windham Road 5 (property roll 491-006-53010) be permitted to be paid over 24 months in accordance with the provisions established through Policy PW-02: Municipal Drain Maintenance Cost Recovery;

AND FURTHER THAT staff be directed to review the current drain maintenance policy with the goal of aligning with the drain construction policy for payment options.

Executive Summary:

In accordance with current practices, drain maintenance is billed to applicable land owners as part of the final property tax notice which is payable over two installments (typically end of August and October). The property owners of 827 Windham Road 5 were charged a drain maintenance assessment for the Lehi Drain as part of their final tax notice for 2023 in the amount of \$8,640.19 for work that occurred during 2022.

The property owners have subsequently requested that they be granted the ability to pay their drain maintenance charge over a period of 24 months (interest free) in accordance with Policy PW-02: Municipal Drain Maintenance Cost Recovery. As per this policy, Norfolk County provides the option for a land owner to pay drain maintenance over 12 months but may provide a payment plan that varies from the policy subject to Council approval.

As such, the purpose of this report is to seek Council approval to provide a modified payment plan of 24 months instead of 12 months. Through this report as well, staff are seeking Council feedback to determine the desirability to review the current drain maintenance cost recovery policy with the goal of aligning with the recently updated drain construction cost recovery policy.

Discussion:

In 2022, staff were required to replace an entrance culvert on the Lehi Municipal Drain at 827 Windham Road 5 as a result of a failure of existing drainage infrastructure. Staff contracted the maintenance to be completed once the issue was identified which resulted in a drain maintenance expenditure of \$8,640.19.

The cost of this replacement was applied as a special charge to the property tax account associated with the property and was payable over the two final levy installments for 2023 (due August 31, 2023 and October 31, 2023) as per standard process. This drain maintenance cost recovery methodology is applicable to all drain maintenance works completed and has been consistently applied across the County.

Staff have been in further communications with the property owners regarding the cost of the work and payment options. Staff have confirmed the following:

- The Drainage Superintendent is responsible for maintenance on the Lehi Drain;
- The costs are actual costs incurred by Norfolk County in completing the work; and
- The cost of the entrance culvert is 100% responsibility of property owners of 827 Windham Road 5.

Norfolk County Policy PW-02 Municipal Drain Maintenance Cost Recovery Policy provides an option for drain maintenance costs to be collected over 12 monthly payments without interest (see Attachment 1). The policy also provides that any variance to the policy which a landowner may request will be subject to Council's approval.

The property owners have requested a variation from Policy PW-02 via an email to the Office of the Mayor which is included as Attachment 2 to this report. Through the email, the owners have requested a 24-month, interest free, payment plan for their drain maintenance charge. Staff have reviewed this request and do not have any prior records of an owner requesting a variance from the payment option identified in Policy PW-02. Staff recognize that this drain maintenance charge is considerable in comparison to other billed drain maintenance charges that the County has traditionally recovered through final tax bills and are therefore supportive of the request. Council may approve the recommendation as presented or any alternative variation that is desired which may include different financing terms for length and interest applicability.

Further to this, with the rise in construction costs as a result of recent inflationary pressures, staff are anticipating that higher drain maintenance costs will be occurred by the County going forward which may result in further financial strain on property owners if the current cost recovery process is maintained. The recently updated County Policy CS-22 Municipal Drain Construction Cost Recovery Policy, which is specific to Drain Construction, provides property owners with the ability to distribute larger drain assessments over longer payment terms. Through this report, staff are also

recommending that Council endorse a review of PW-02 with the goal of also offering similar payment options for Drain Construction for Drain Maintenance.

Financial Services Comments:

Should the recommendations of this report be adopted, staff will initiate monthly invoicing for the recovery of the drain maintenance over a 24-month period starting December 1, 2023.

Further to this, a review of the existing drain maintenance cost recovery policy is also being recommended. Based on existing work plans, it is anticipated that a report would be brought before Council for consideration of drain maintenance recovery methodologies during the first quarter of 2024.

Interdepartmental Implications:

- None.

Consultation(s):

- Drainage Superintendent

Strategic Plan Linkage:

This report aligns with the 2022-2026 Council Strategic Priority Building Norfolk - Develop the infrastructure and supports needed to ensure complete communities.

Explanation: Drain maintenance is critical for maintaining existing infrastructure.

Conclusion:

Through this report staff are recommending that the drain maintenance costs for 827 Windham Rd 5 be recovered over 24 months as requested by the property owners with the first invoice being produced for December 1, 2023. Staff are also recommending a review of PW-02 with the goal of updating to align payment options with the recently introduced CS-22.

Attachment(s):

- Attachment 1 – Policy PW-02: Municipal Drain Maintenance Cost Recovery
- Attachment 2 – Request for Payment Extension

Approval:

Approved By:
Al Meneses, CAO

Reviewed By:

Amy Fanning
Treasurer/Director, Financial Management & Planning

Bill Mayes
Drainage Superintendent

Prepared By:
Rob Fleming
Tax Collector/Manager, Revenue Services