SUBJECT: Proposed Residential Water Rebate Program for Soot Fall-Out Affected Residents – FCS07029 - (Ward 4) Audit and Administration Committee Outstanding Business Item K

RECOMMENDATION:

a) That report FCS07029 “Proposed Residential Water Rebate Program for Soot Fall-Out Affected Residents” be received for information; and

b) That Outstanding Item K referred from the City Council Meeting of September 13, 2006, be removed from the Outstanding Business List.

Joseph L. Rinaldo, General Manager
Finance & Corporate Services

EXECUTIVE SUMMARY:

In September 2006, staff were requested to report back to Council regarding the potential for a water rebate for residents affected by soot fall-out incidents that occurred during 2006. A sample of residential homes' water usage within the affected area (refer to Attachment “A” of FCS07029) was analyzed versus a control group of comparable residential dwellings (refer to Background Section below) which showed that water usage in the affected area, on average, was consistent over the period June to September 2006 versus the control group. Staff similarly analyzed consumption of these two groups for the two previous years in an effort to determine if, historically, these groups' consumption patterns were relatively comparable. As a result of the analysis, there was no indication that the affected area experienced higher levels of consumption relative to the control group. Therefore, staff is not recommending that the City provide financial assistance to affected property owners at this time.
BACKGROUND:

City Council at its’ meeting held on September 13, 2006, approved the following motion:

“That staff be directed to report back to the Corporate Administration Committee on a possible water rebate program for those residents affected by the soot fall out in Ward 4 in July/August, 2006.”

During the summer and fall of 2006, there were a number of incidents of emissions of black sooty deposits affecting residents of lower east-end Hamilton principally an area within Ward 4 boundaries.

The Ontario Ministry of the Environment (MOE) undertook sampling following each of the reported fall-out incidents to conduct analysis to determine the source of the emissions. The MOE’s findings were published (Summer 2006 Black Fallout Incidents in the City of Hamilton – Report of Findings, November 29, 2006) which indicated that the fall-outs were likely caused by stack releases from industries located in the north end of Hamilton. The MOE went on to report it was not able to link a specific industrial site to the specific fall-out incidents. The MOE within its’ report reasserted that its’ role as the air quality regulator for all facilities continues and that it will increase its’ sampling program in Hamilton to include new specialized equipment to measure carbon specifically.

ANALYSIS/RATIONALE:

Residents in the affected area reported that the soot fallout incidents in 2006 were extraordinary and have created additional cleaning measures for area residents beyond normal levels. City staff attempted to measure increases in water usage utilized for increased cleaning for residents in the soot fall-out areas during the summer of 2006. A sample of residential homes’ water usage within the affected area was analyzed versus a control group of comparable residential dwellings which showed that water usage in the affected area was consistent versus the control group. These findings indicate that increased water usage to deal with the soot fall-out incidents was not significant.

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<tr>
<th>AVERAGE RESIDENTIAL WATER USAGE (cubic metres)</th>
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<td>Control Group</td>
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To provide some indication of the cost of water and wastewater services in Hamilton, the unrestricted and continuous use of a hand held sprinkler for one hour results in approximately 900 litres of water consumed which, in turn, amounts to approximately $1.55 in water and wastewater charges.
As the soot fall-out incidents are not related to City infrastructure or any of its’ operations, seeking to provide a water rebate program to affected residents may create a precedent.

**ALTERNATIVES FOR CONSIDERATION:**

Staff is not recommending that the City provide financial relief for third parties’ actions.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

Financial – N/A

Staffing – N/A

Legal - As the soot fall-out incidents are not related to City infrastructure or any of its’ operations, seeking to provide a water rebate program to affected residents may create a precedent whereby the City accepts responsibility for third parties’ actions.

**POLICIES AFFECTING PROPOSAL:**

N/A

**RELEVANT CONSULTATION:**

City Risk Management

**CITY STRATEGIC COMMITMENT:**

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Evaluate the implications of your recommendations by indicating and completing the sections below. Consider both short-term and long-term implications.

Community Well-Being is enhanced.  ☑ Yes  ☐ No

Environmental Well-Being is enhanced.  ☑ Yes  ☐ No

Economic Well-Being is enhanced.  ☑ Yes  ☐ No

Does the option you are recommending create value across all three bottom lines?  ☑ Yes  ☐ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?  ☑ Yes  ☐ No