SUBJECT: Compassionate Grant – Homeowners of East 18th Street who have experienced Flooding as a result of a Watermain Break on August 7, 2007 (Ward 7) (FCS08016)

RECOMMENDATION:

THAT Report FCS08016 “Compassionate Grant – Homeowners of East 18th Street who have experienced Flooding as a result of Watermain Break on August 7, 2007,” be received for information.

Joseph L. Rinaldo
General Manager
Finance and Corporate Services

BACKGROUND:

On January 16th, 2008, the Audit and Administration Committee referred to staff the resolution introduced by Councillor Whitehead on behalf of Councillor Duvall regarding the payment of a compassionate grant in an amount not to exceed $750.00 to the homeowners of East 18th Street who have experienced flooding as a result of a watermain break on August 7, 2007.
ANALYSIS/RATIONALE:

Payment of a compassionate grant for residents who have experienced flooding, due to numerous watermain breaks, would be similar to the current policy that Council approved in July 2006 for the Residential Municipal Disaster Relief Assistance Program – Basement Flooding. This policy provides for a compassionate grant not to exceed $750.00 for relief for basement flooding resulting from a severe rainstorm event once Council has declared a “Disaster”.

In 2003, Council provided a grant of $10,000.00 to the Locke Street neighbourhood after a severe watermain break flooded numerous homes in the area. Public Works staff also assisted residents in the clean-up process.

Previously, through the former Regional Municipality of Hamilton-Wentworth, who had responsibility for water and wastewater, assistance in the form of a grant, was provided to residents who experienced flooding resulting from watermain breaks including the residents of East 18th Street. As well, the Region also provided assistance to residents to thaw out their water service when the City experienced a severe cold weather event in the early nineties.

It should be noted that, in most cases, watermain breaks do not cause residential basement flooding. In this particular case, these residents have experienced flooding due to watermain breaks, on numerous occasions in the past.

ALTERNATIVES FOR CONSIDERATION:

The alternative would be to deny this compassionate grant request or pay the claims.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

The financial impact of making these payments to the residents of East 18th Street is $5,250.00.

The payment of a compassionate grant would not affect the claims policy and process for claims made against the City alleging negligence as the proposed program is considered a grant and the determination of fault would not be a requirement. There would be no impact on the current Council policy of paying claims only when the City is deemed negligent.

Should Council choose to provide assistance to residents who have incurred a loss where there is no legal liability on behalf of the City, staff recommends that these payments be made in the form of a compassionate grant rather than a claim payment.
which might set precedents and have significant financial implications on the City. In addition, making a claim payment where there is no legal liability would hinder the City’s ability to secure insurance.

Staff recommends that should a compassionate grant be paid it be clearly identified as a compassionate grant and not an admission of liability on the part of the City.

POLICIES AFFECTING PROPOSAL:

Payment of a compassionate grant for residents who have experienced flooding, due to numerous watermain breaks, would be similar to the current policy that Council approved in July 2006 (refer to Report FCS06007) for the Residential Municipal Disaster Relief Assistance Program – Basement Flooding.

RELEVANT CONSULTATION:

Legal Services Division
Risk Management Services

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.

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